EDUCATION CODE
TITLE 1. GENERAL PROVISIONS
CHAPTER 1. GENERAL PROVISIONS

Sec. 1.001. APPLICABILITY. (a) This code applies to all educational institutions supported in whole or in part by state tax funds unless specifically excluded by this code.

(b) Except as provided by Chapter 18, Chapter 19, Subchapter A of Chapter 29, Subchapter E of Chapter 30, or Chapter 30A, this code does not apply to students, facilities, or programs under the jurisdiction of the Department of Aging and Disability Services, the Department of State Health Services, the Health and Human Services Commission, the Texas Juvenile Justice Department, the Texas Department of Criminal Justice, a Job Corps program operated by or under contract with the United States Department of Labor, or any juvenile probation agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 2, eff. June 17, 2005.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 1, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 19, eff. September 1, 2015.

Sec. 1.002. EQUAL EDUCATIONAL SERVICES OR OPPORTUNITIES. (a) An educational institution undertaking to provide education, services, or activities to any individual within the jurisdiction or geographical boundaries of the educational institution shall provide equal opportunities to all individuals within its jurisdiction or geographical boundaries pursuant to this code.

(b) An educational institution may not deny services to any individual eligible to participate in a school district's special education program as provided by Section 29.003, but the educational institution shall provide individuals with disabilities special educational services as authorized by law or, where expressly authorized, assist in and contribute toward the provision of appropriate special educational services in cooperation with other educational institutions and other appropriate agencies, institutions, or departments.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 1.003. THE FLYING OF THE UNITED STATES AND TEXAS FLAGS. On all regular school days, every school and other educational institution to which this code applies shall fly the United States and Texas flags.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 1.004. DISPLAY OF NATIONAL MOTTO. A public elementary or secondary school or an institution of higher education as defined by Section 61.003 may display the United States national motto, "In God We Trust," in each classroom, auditorium, and cafeteria.

Added by Acts 2003, 78th Leg., ch. 412, Sec. 1, eff. June 20, 2003.

Sec. 1.005. EDUCATION RESEARCH CENTERS. (a) In this section:

(1) "Center" means a center for education research authorized by this section.

(1-a) "Cooperating agencies" means the Texas Education Agency, the Texas Higher Education Coordinating Board, and the Texas Workforce Commission.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

(b) The coordinating board shall establish not more than three centers for education research to conduct studies or evaluations using the data described by this section.

(c) A center must be established as part of a public junior college, public senior college or university, or public state college, as those terms are defined by Section 61.003, or a consortium of those institutions. The coordinating board shall solicit requests for proposals from appropriate institutions to establish centers under this section and shall select one or more institutions to establish each center based on criteria adopted by the coordinating board.

(d) A center must be operated under an agreement between the coordinating board and the governing board of each institution described by Subsection (c) operating or participating in the

operation of the center. The agreement must provide for the operation of the center, so long as the center meets contractual and legal requirements for operation, for a 10-year period.

(e) A center shall conduct education and workforce preparation studies or evaluations for the benefit of this state, including studies or evaluations relating to:

(1) the impact of local, regional, state, and federal policies and programs, including an education program, intervention, or service at any level of education from preschool through postsecondary education;

(2) the performance of educator preparation programs;

(3) public school finance; and

(4) the best practices of school districts with regard to classroom instruction, bilingual education programs, special language programs, and business practices.

(f) Any cooperating agency may request a center to conduct certain studies or evaluations considered of particular importance to the state, as determined by the cooperating agency, if the cooperating agency provides to the center sufficient funds to finance the study or evaluation.

(g) A center shall comply with rules adopted by the advisory board established under Section 1.006 to protect the confidentiality of information used or stored at the center in accordance with applicable state and federal law, including rules establishing procedures to ensure that confidential information is not duplicated or removed from a center in an unauthorized manner.

(g-1) In conducting studies or evaluations under this section, a center:

(1) may use student and educator data, including data that is confidential if permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), that the center has collected from a cooperating agency or any other agency, a public or private institution of higher education, a school district, a provider of services to a school district or public or private institution of higher education, or an entity explicitly named in an approved research project of the center;

(2) shall comply with state and federal law governing the confidentiality of student information and shall provide for the review of all study and evaluation results to ensure compliance with those laws and any rules adopted or regulatory guidance issued under

those laws;

(3) may provide researchers access to shared data only through secure methods and require each researcher to execute an agreement regarding compliance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) and rules adopted under that Act; and

(4) shall conduct regular security audits and report the audit results to the coordinating board and the advisory board established under Section 1.006.

(h) The cooperating agencies and the educational institution or institutions operating a center may accept gifts and grants to be used for the purposes of this section. The educational institution or institutions operating a center may impose reasonable charges, as appropriate, for the use of a center's research, resources, or facilities.

(i) This section does not authorize the disclosure of student information that may not be disclosed under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(j) The cooperating agencies shall execute agreements for the sharing of data for the purpose of facilitating the studies or evaluations at education research centers described by this section. In accordance with the agreements, each cooperating agency shall make available all appropriate data, including to the extent possible data collected by the cooperating agency for the preceding 20 years. A cooperating agency shall periodically update the data as additional data is collected, but not less than once each year.

(j-1) In accordance with an agreement under Subsection (j), the coordinating board shall maintain the data contributed by the cooperating agencies in a repository to be known as the P-20/Workforce Data Repository. The repository shall be operated by the coordinating board. As provided by the agreement, the coordinating board shall include other data in the repository, including data from college admission tests and the National Student Clearinghouse. The coordinating board shall conduct data matching using a protocol approved by the cooperating agencies.

(j-2) The coordinating board may enter into data agreements for data required for approved studies or evaluations with the state education agency of another state, giving priority to the agencies of those states that send the highest number of postsecondary education students to this state or that receive the highest number of

postsecondary education students from this state. An agreement under this subsection must be reviewed by the United States Department of Education and must require the agency of another state to comply with all data security measures required of a center. The coordinating board may also enter into data agreements with local agencies or organizations that provide education services to students in this state or that collect data that is relevant to current or former students of public schools in this state and is useful to the conduct of research that may benefit education in this state.

(k) In implementing this section, a cooperating agency may use funds appropriated to the cooperating agency and available for the purpose of establishing the centers. After a center is established, the center must be funded by gifts and grants accepted under this section or charges imposed under Subsection (h).

(l) Notwithstanding another provision of this section, a cooperating agency must establish procedures that protect confidential information provided to a center by a cooperating agency.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.01, eff. May 31, 2006.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 465 (H.B. 2103), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 465 (H.B. 2103), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 465 (H.B. 2103), Sec. 3, eff. June 14, 2013.

Sec. 1.006. EDUCATION RESEARCH CENTER ADVISORY BOARD. (a) The commissioner of higher education shall create, chair, and maintain an advisory board for the purpose of reviewing study or evaluation proposals and ensuring appropriate data use under Section 1.005, including compliance with applicable state and federal laws governing use of and access to the data.

(b) The advisory board is considered to be a governmental body for purposes of Chapters 551 and 552, Government Code.

(c) The membership of the advisory board must include:

(1) a representative of the Texas Higher Education

Coordinating Board, designated by the commissioner of higher education;

(2) a representative of the Texas Education Agency, designated by the commissioner of education;

(3) a representative of the Texas Workforce Commission, designated by the commission;

(4) the director of each education research center or the director's designee; and

(5) a representative of preschool, elementary, or secondary education.

(d) Each study or evaluation conducted at a center under Section 1.005 must be approved in advance by majority vote of the advisory board. A center may submit to the advisory board a proposal developed by any qualified researcher, including a researcher from another educational institution, a graduate student, a P-16 Council representative, or another researcher proposing research to benefit education in this state. In determining whether to approve a proposed study or evaluation, the advisory board must:

(1) consider the potential of the proposed research to benefit education in this state;

(2) require each center director or designee to review and approve the proposed research design and methods to be used in the proposed study or evaluation; and

(3) consider the extent to which the data required to complete the proposed study or evaluation is not readily available from other data sources.

(e) The advisory board shall meet at least quarterly. To the extent and in the manner authorized by Chapter 551, Government Code, any meeting of the advisory board may be conducted by electronic means, including a meeting by telephone conference call, by video conference call, through the Internet, or by any combination of those means.

(f) The advisory board may create committees and subcommittees that the advisory board determines are convenient or necessary.

Added by Acts 2013, 83rd Leg., R.S., Ch. 465 (H.B. 2103), Sec. 4, eff. June 14, 2013.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 306 (S.B. 685), Sec. 1, eff. September 1, 2015.

TITLE 2. PUBLIC EDUCATION
SUBTITLE A. GENERAL PROVISIONS
CHAPTER 4. PUBLIC EDUCATION MISSION, OBJECTIVES, AND GOALS

Sec. 4.001. PUBLIC EDUCATION MISSION AND OBJECTIVES. (a) The mission of the public education system of this state is to ensure that all Texas children have access to a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation. That mission is grounded on the conviction that a general diffusion of knowledge is essential for the welfare of this state and for the preservation of the liberties and rights of citizens. It is further grounded on the conviction that a successful public education system is directly related to a strong, dedicated, and supportive family and that parental involvement in the school is essential for the maximum educational achievement of a child.

(b) The objectives of public education are:

OBJECTIVE 1: Parents will be full partners with educators in the education of their children.

OBJECTIVE 2: Students will be encouraged and challenged to meet their full educational potential.

OBJECTIVE 3: Through enhanced dropout prevention efforts, all students will remain in school until they obtain a high school diploma.

OBJECTIVE 4: A well-balanced and appropriate curriculum will be provided to all students.

OBJECTIVE 5: Educators will prepare students to be thoughtful, active citizens who have an appreciation for the basic values of our state and national heritage and who can understand and productively function in a free enterprise society.

OBJECTIVE 6: Qualified and highly effective personnel will be recruited, developed, and retained.

OBJECTIVE 7: The state's students will demonstrate exemplary performance in comparison to national and international standards.

OBJECTIVE 8: School campuses will maintain a safe and disciplined environment conducive to student learning.

OBJECTIVE 9: Educators will keep abreast of the development of creative and innovative techniques in instruction and administration using those techniques as appropriate to improve student learning.

OBJECTIVE 10: Technology will be implemented and used to increase the effectiveness of student learning, instructional management, staff development, and administration.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 82, Sec. 1, eff. Sept. 1, 2003.

Sec. 4.002. PUBLIC EDUCATION ACADEMIC GOALS. To serve as a foundation for a well-balanced and appropriate education:

GOAL 1: The students in the public education system will demonstrate exemplary performance in the reading and writing of the English language.

GOAL 2: The students in the public education system will demonstrate exemplary performance in the understanding of mathematics.

GOAL 3: The students in the public education system will demonstrate exemplary performance in the understanding of science.

GOAL 4: The students in the public education system will demonstrate exemplary performance in the understanding of social studies.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

CHAPTER 5. DEFINITIONS

Sec. 5.001. DEFINITIONS. In this title:

(1) "Agency" means the Texas Education Agency.

(2) "Classroom teacher" means an educator who is employed by a school district and who, not less than an average of four hours each day, teaches in an academic instructional setting or a career and technology instructional setting. The term does not include a teacher's aide or a full-time administrator.

(3) "Commissioner" means the commissioner of education.

(4) "Educationally disadvantaged" means eligible to participate in the national free or reduced-price lunch program established under 42 U.S.C. Section 1751 et seq.

(5) "Educator" means a person who is required to hold a certificate issued under Subchapter B, Chapter 21.

(6) "Open-enrollment charter school" means a school that has been granted a charter under Subchapter D, Chapter 12.

(6-a) "Private school" means a school that:

(A) offers a course of instruction for students in one or more grades from prekindergarten through grade 12; and

(B) is not operated by a governmental entity.

(7) "Regional education service centers" means a system of regional and educational services established in Chapter 8.

(8) "Residential facility" means:

(A) a facility operated by a state agency or political subdivision, including a child placement agency, that provides 24-hour custody or care of a person 22 years of age or younger, if the person resides in the facility for detention, treatment, foster care, or any noneducational purpose; and

(B) any person or entity that contracts with or is funded, licensed, certified, or regulated by a state agency or political subdivision to provide custody or care for a person under Paragraph (A).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.03, eff. Sept. 1, 1999.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 1, eff. June 15, 2007.

Sec. 5.002. REFERENCES TO TEXTBOOK. In this title, a reference to a textbook means instructional material, as defined by Section 31.002.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 1, eff. July 19, 2011.

SUBTITLE B. STATE AND REGIONAL ORGANIZATION AND GOVERNANCE
CHAPTER 7. STATE ORGANIZATION
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7.001. DEFINITION. In this chapter, "board" means the State Board of Education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.002. TEXAS EDUCATION AGENCY: COMPOSITION AND PURPOSE. (a) The commissioner of education and the agency staff comprise the Texas Education Agency.

(b) The agency shall carry out the educational functions specifically delegated under Section 7.021, 7.055, or another provision of this code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.003. LIMITATION ON AUTHORITY. An educational function not specifically delegated to the agency or the board under this code is reserved to and shall be performed by school districts or open-enrollment charter schools.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.004. SUNSET PROVISION. The Texas Education Agency is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the agency is abolished September 1, 2025.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 1227 (H.B. 1116), Sec. 1.05(a), eff. September 1, 2005.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 8.01, eff. May 31, 2006.

Acts 2009, 81st Leg., 1st C.S., Ch. 2 (S.B. 2), Sec. 2.01, eff. July 10, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. 1675), Sec. 1.01(a), eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 938 (H.B. 3123), Sec. 3.01, eff. June 18, 2015.

Sec. 7.005. COOPERATION BETWEEN STATE AGENCIES OF EDUCATION. The State Board of Education and the Texas Higher Education Coordinating Board, in conjunction with other appropriate agencies, shall ensure that long-range plans and educational programs

established by each board provide a comprehensive education for the students of this state under the jurisdiction of that board, extending from early childhood education through postgraduate study. In assuring that programs are coordinated, the boards shall use the P-16 Council established under Section 61.076.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 820, Sec. 36, eff. Sept. 1, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.001, eff. September 1, 2007.

Sec. 7.006. COORDINATION OF RECORDS. The commissioner of education and the commissioner of higher education shall ensure that records relating to student performance held by the Texas Education Agency and the Texas Higher Education Coordinating Board are coordinated and maintained in standardized, compatible formats that permit:

(1) the exchange of information between the agencies; and

(2) the matching of individual student records so that a student's academic performance may be assessed throughout the student's educational career.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 1, eff. Sept. 1, 2001.

Sec. 7.008. PUBLIC ACCESS TO PEIMS DATA. (a) The commissioner with the assistance of an advisory panel described by Subsection (b) shall develop a request for proposal for a qualified third-party contractor to develop and implement procedures to make available, through the agency Internet website, all financial and academic performance data submitted through the Public Education Information Management System (PEIMS) for school districts and campuses.

(b) The commissioner shall appoint an advisory panel to assist the commissioner in developing requirements for a system that is easily accessible by the general public and contains information of primary relevance to the public. The advisory panel shall consist of:

(1) educators;

(2) interested stakeholders;
(3) business leaders; and
(4) other interested members of the public.
(c) The procedures developed under this section must provide:
(1) a summarized format easily understood by the public for reporting financial and academic performance information on the agency Internet website; and
(2) the ability for those who access the Internet website to view and download state, district, and campus level information.
(d) This section does not authorize the disclosure of student information that may not be disclosed under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). The commissioner shall adopt rules to protect the confidentiality of student information.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.02, eff. May 31, 2006.

Sec. 7.009. BEST PRACTICES; CLEARINGHOUSE. (a) In coordination with the Legislative Budget Board, the agency shall establish an online clearinghouse of information relating to best practices of campuses, school districts, and open-enrollment charter schools. The agency shall determine the appropriate topic categories for which a campus, district, or charter school may submit best practices. To the extent practicable, the agency shall ensure that information provided through the online clearinghouse is specific, actionable information relating to the best practices of high-performing and highly efficient campuses, districts, and open-enrollment charter schools and of academically acceptable campuses, districts, and open-enrollment charter schools that have demonstrated significant improvement in student achievement rather than general guidelines relating to campus, district, and open-enrollment charter school operation. The information must be accessible by campuses, school districts, open-enrollment charter schools, and interested members of the public.
(b) The agency shall solicit and collect from the Legislative Budget Board, centers for education research established under Section 1.005, and school districts, campuses, and open-enrollment charter schools examples of best practices as determined by the

agency under Subsection (a).

(c) The agency shall contract for the services of one or more third-party contractors to develop, implement, and maintain a system of collecting and evaluating the best practices of campuses, school districts, and open-enrollment charter schools as provided by this section. In addition to any other considerations required by law, the agency must consider an applicant's demonstrated competence and qualifications in analyzing campus, school district, and open-enrollment charter school practices in awarding a contract under this subsection.

(d) The commissioner may purchase from available funds curriculum and other instructional tools identified under this section to provide for use by school districts and open-enrollment charter schools.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.02, eff. May 31, 2006.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 1, eff. June 19, 2009.

Sec. 7.010. ELECTRONIC STUDENT RECORDS SYSTEM. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) Each school district, open-enrollment charter school, and institution of higher education shall participate in an electronic student records system that satisfies standards approved by the commissioner of education and the commissioner of higher education.

(c) The electronic student records system must permit an authorized state or district official or an authorized representative of an institution of higher education to electronically transfer to and from an educational institution in which the student is enrolled and retrieve student transcripts, including information concerning a student's:

(1) course or grade completion;

(2) teachers of record;

(3) assessment instrument results;

(4) receipt of special education services, including placement in a special education program and the individualized education program developed; and

(5) personal graduation plan as described by Section 28.0212 or 28.02121, as applicable.

(d) The commissioner of education or the commissioner of higher education may solicit and accept grant funds to maintain the electronic student records system and to make the system available to school districts, open-enrollment charter schools, and institutions of higher education.

(e) A private or independent institution of higher education, as defined by Section 61.003, may participate in the electronic student records system under this section. If a private or independent institution of higher education elects to participate, the institution must provide the funding to participate in the system.

(f) Any person involved in the transfer and retrieval of student information under this section is subject to any state or federal law governing the release of or providing access to any confidential information to the same extent as the educational institution from which the data is collected. A person may not release or distribute the data to any other person in a form that contains confidential information.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.01, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 1(a), eff. June 10, 2013.

SUBCHAPTER B. TEXAS EDUCATION AGENCY

Sec. 7.021. TEXAS EDUCATION AGENCY POWERS AND DUTIES. (a) The agency shall perform the educational functions provided by Subsection (b).

(b)(1) The agency shall administer and monitor compliance with education programs required by federal or state law, including federal funding and state funding for those programs.

(2) The agency shall conduct research, analysis, and reporting to improve teaching and learning.

(3) The agency shall conduct hearings involving state school law at the direction and under the supervision of the commissioner.

(4) The agency shall establish and implement pilot programs established by this title.

(5) The agency shall carry out the duties relating to the investment capital fund under Section 7.024.

(6) The agency shall develop and implement a teacher recruitment program as provided by Section 21.004.

(7) The agency shall carry out duties under the Texas Advanced Placement Incentive Program under Subchapter C, Chapter 28.

(8) The agency shall carry out powers and duties relating to community education as required under Subchapter H, Chapter 29.

(9) The agency shall develop a program of instruction in driver education and traffic safety as provided by Section 29.902.

(10) The agency shall carry out duties assigned under Section 30.002 concerning children with visual impairments.

(11) The agency shall carry out powers and duties related to regional day school programs for the deaf as provided under Subchapter D, Chapter 30.

(12) The agency shall establish and maintain an electronic information transfer system as required under Section 32.032, maintain and expand telecommunications capabilities of school districts and regional education service centers as required under Section 32.033, and establish technology demonstration programs as required under Section 32.035.

(13) The agency shall review school district budgets, audit reports, and other fiscal reports as required under Sections 44.008 and 44.010 and prescribe forms for financial reports made by or for school districts to the commissioner or the agency as required under Section 44.009.

(14) The agency shall cooperate with the Texas Higher Education Coordinating Board in connection with the Texas partnership and scholarship program under Subchapter Q, Chapter 61.

(c) The agency may enter into an agreement with a federal agency concerning a project related to education, including the provision of school lunches and the construction of school buildings. Not later than the 30th day before the date the agency enters into an agreement under this subsection concerning a new project or reauthorizing a project, the agency must provide written notice,

including a description of the project, to:

(1) the governor;

(2) the Legislative Budget Board; and

(3) the presiding officers of the standing committees of the senate and of the house of representatives with primary jurisdiction over the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 165, Sec. 6.01, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.002(2), eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.01, eff. September 1, 2013.

Sec. 7.022. INTERNAL AUDIT. The auditor appointed by the commissioner under Section 7.055 shall coordinate the agency's efforts to evaluate and improve its internal operations.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1122, Sec. 1, eff. Sept. 1, 1997.

Sec. 7.023. AGENCY EMPLOYMENT POLICY. A decision of the agency relating to employment shall be made without regard to a person's race, color, disability, sex, religion, age, or national origin.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.024. INVESTMENT CAPITAL FUND. (a) The investment capital fund consists of money appropriated for purposes of the fund. The agency shall administer the fund. The purposes of this fund are to assist eligible public schools to implement practices and procedures consistent with deregulation and school restructuring in order to improve student achievement and to help schools identify and train parents and community leaders who will hold the school and the school district accountable for achieving high academic standards.

(b) The commissioner may make grants from the fund to eligible schools.

(c) A school is eligible to apply for a grant if the school has demonstrated a commitment to campus deregulation and to restructuring educational practices and conditions at the school by entering into a partnership with:

(1) school staff;

(2) parents of students at the school;

(3) community and business leaders;

(4) school district officers;

(5) a nonprofit, community-based organization that has a demonstrated capacity to train, develop, and organize parents and community leaders into a large, nonpartisan constituency that will hold the school and the school district accountable for achieving high academic standards; and

(6) the agency.

(d) A grant from the fund shall be made directly to the school and may be used for the training and development of school staff, parents, and community leaders in order that they understand and implement the academic standards and practices necessary for high academic achievement, appropriate strategies to deregulate and restructure the school in order to improve student achievement, and effective strategies to organize parents and community leaders into a large, nonpartisan constituency that will hold the school and the school district accountable for achieving high academic standards. The grant may be used to implement strategies developed by the partners that are designed to enrich or extend student learning experiences outside of the regular school day.

(e) The commissioner may make a grant of up to $50,000 each academic year to an eligible school. Campus administration personnel of a school that receives a grant under this section are accountable to the commissioner of education and must demonstrate:

(1) the responsible use of the grant to achieve campus deregulation and restructuring to improve academic performance;

(2) a comprehensive plan to engage in ongoing development and training of teachers, parents, and community leaders to:

(A) understand academic standards;

(B) develop effective strategies to improve academic performance; and

(C) organize a large constituency of parents and

community leaders to hold the school and school district accountable to achieve high academic standards;

(3) ongoing progress in achieving higher academic performance; and

(4) ongoing progress in identifying, training, and organizing parents and community leaders who are holding the school and the school district accountable for achieving high academic standards.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 937, Sec. 1, eff. Sept. 1, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 2, eff. September 1, 2009.

Sec. 7.025. YMCA ACCOUNT. The YMCA account is a separate account in the general revenue fund. The account is composed of money deposited to the credit of the account under Section 502.299, Transportation Code, as added by Chapter 433, Acts of the 76th Legislature, Regular Session, 1999. The Texas Education Agency administers the account and may spend money credited to the account only to make grants to benefit the youth and government programs sponsored by the Young Men's Christian Associations located in Texas.

Added by Acts 2001, 77th Leg., ch. 869, Sec. 2(b), eff. June 14, 2001.

Sec. 7.026. DONATIONS FOR USE RELATED TO CARDIOPULMONARY RESUSCITATION (CPR) INSTRUCTION. (a) The agency may accept donations, including donations of equipment, for use in providing cardiopulmonary resuscitation (CPR) instruction to students. The agency:

(1) shall distribute the donations to school districts for the purpose of providing CPR instruction to students under Sections 28.0023 and 29.903; and

(2) may use a portion of the donations to the extent necessary to pay administrative expenses related to the donations.

(b) The commissioner may adopt rules as necessary to implement this section.

Added by Acts 2001, 77th Leg., ch. 814, Sec. 1, eff. June 14, 2001.
Renumbered from Education Code Sec. 7.025 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(11), eff. Sept. 1, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 2, eff. June 15, 2007.

Sec. 7.027. TEXAS MUSIC FOUNDATION ACCOUNT. (a) The Texas Music Foundation account is established as a separate account in the general revenue fund. The account is composed of money deposited to the credit of the account under Section 504.639, Transportation Code. Money in the account may be used only for the purposes of this section.

(b) The Music, Film, Television, and Multimedia Office in the governor's office shall administer the account. The agency may spend money credited to the account only to make grants to benefit music-related educational and community programs sponsored by nonprofit organizations based in this state. An administration fee of $5 per license plate shall be retained by the Music, Film, Television, and Multimedia Office for performance of administrative duties.

Added by Acts 2003, 78th Leg., ch. 1320, Sec. 8, eff. Sept. 1, 2003.

Sec. 7.028. LIMITATION ON COMPLIANCE MONITORING. (a) Except as provided by Section 29.001(5), 29.010(a), or 39.057, the agency may monitor compliance with requirements applicable to a process or program provided by a school district, campus, program, or school granted charters under Chapter 12, including the process described by Subchapter F, Chapter 11, or a program described by Subchapter B, C, D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section 38.003, and the use of funds provided for such a program under Subchapter C, Chapter 42, only as necessary to ensure:

(1) compliance with federal law and regulations;

(2) financial accountability, including compliance with grant requirements; and

(3) data integrity for purposes of:

(A) the Public Education Information Management System (PEIMS); and

(B) accountability under Chapter 39.

(b) The board of trustees of a school district or the governing body of an open-enrollment charter school has primary responsibility for ensuring that the district or school complies with all applicable requirements of state educational programs.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 4, eff. Sept. 1, 2003. Renumbered from Education Code, Section 7.027 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(9), eff. September 1, 2005. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 2, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 1, eff. June 19, 2015.

Sec. 7.029. MEMORANDUM OF UNDERSTANDING REGARDING EXCHANGE OF INFORMATION FOR STUDENTS IN FOSTER CARE. (a) The agency and the Department of Family and Protective Services shall enter into a memorandum of understanding regarding the exchange of information as appropriate to facilitate the department's evaluation of educational outcomes of students in foster care. The memorandum of understanding must require:

(1) the department to provide the agency each year with demographic information regarding individual students who during the preceding school year were in the conservatorship of the department following an adversarial hearing under Section 262.201, Family Code; and

(2) the agency, in a manner consistent with federal law, to provide the department with aggregate information regarding educational outcomes of students for whom the agency received demographic information under Subdivision (1).

(b) For purposes of Subsection (a)(2), information regarding educational outcomes includes information relating to student academic achievement, graduation rates, school attendance, disciplinary actions, and receipt of special education services.

(b-1) To facilitate implementation of Subsection (a)(2), the agency shall, in the manner established by commissioner rule, collect data through the Public Education Information Management System (PEIMS) as to the foster care status of students.

(c) The department may authorize the agency to provide education research centers established under Section 1.005 with demographic information regarding individual students received by the agency in accordance with Subsection (a)(1), as appropriate to allow the centers to perform additional analysis regarding educational outcomes of students in foster care. Any use of information regarding individual students provided to a center under this subsection must be approved by the department.

(d) Nothing in this section may be construed to:

(1) require the agency or the department to collect or maintain additional information regarding students in foster care; or

(2) allow the release of information regarding an individual student in a manner not permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or another state or federal law.

Added by Acts 2009, 81st Leg., R.S., Ch. 1372 (S.B. 939), Sec. 1, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 758 (S.B. 833), Sec. 1, eff. June 14, 2013.

Sec. 7.031. GRANTS. (a) The agency may seek, accept, and distribute grants awarded by the federal government or any other public or private entity for the benefit of public education, subject to the limitations or conditions imposed by the terms of the grants or by other law.

(b) Unless otherwise prohibited by federal law, the commissioner may determine, solely for purposes of the program's eligibility to receive federal grant funds, for the purpose of technology services and support, that a Head Start program operated in this state by a school district or a community-based organization serves the function of an elementary school by providing elementary education at one or more program facilities.

(c) A determination by the commissioner under Subsection (b):

(1) does not entitle a Head Start program to receive state funds for which the program would not otherwise be eligible;

(2) may not reduce the amount of federal grant funds available for school districts and open-enrollment charter schools;

and

(3) may not be appealed.

Added by Acts 2009, 81st Leg., R.S., Ch. 603 (H.B. 635), Sec. 1, eff. June 19, 2009.

Sec. 7.037. REPORTING SCHEDULE. (a) To the extent possible, the Texas Education Agency shall develop and maintain a comprehensive schedule that addresses each reporting requirement generally applicable to a school district, including requirements imposed by a state agency or entity other than the Texas Education Agency, and that specifies the date by which a school district must comply with each requirement.

(b) A state agency that requires a school district to periodically report information to that agency shall provide the Texas Education Agency with information regarding the reporting requirement as necessary to enable the Texas Education Agency to develop and maintain the schedule required by Subsection (a).

(c) The Texas Education Agency shall determine the appropriate format of the schedule required by Subsection (a) and the manner in which the schedule is made readily accessible to school districts.

Added by Acts 2009, 81st Leg., R.S., Ch. 1156 (H.B. 3041), Sec. 1, eff. September 1, 2009.

Sec. 7.040. POSTSECONDARY EDUCATION AND CAREER OPPORTUNITIES. (a) The agency shall prepare information comparing institutions of higher education in this state and post the information on the agency's Internet website. Information prepared under this section shall be given to a public school student who requests the information. The information shall:

(1) identify postsecondary education and career opportunities, including information that states the benefits of four-year and two-year higher education programs, postsecondary technical education, skilled workforce careers, and career education programs;

(2) compare each institution of higher education with other institutions regarding:

(A) the relative cost of tuition;

(B) the retention rate of students;
(C) the graduation rate of students;
(D) the average student debt;
(E) the loan repayment rate of students; and
(F) the employment rate of students;

(3) identify the state's future workforce needs, as projected by the Texas Workforce Commission; and

(4) include annual wage information for the top 10 highest demand jobs in this state, as identified by the Texas Workforce Commission.

(b) The agency shall collaborate with the Texas Higher Education Coordinating Board and the Texas Workforce Commission to obtain the information required under Subsection (a). The agency shall incorporate the use of existing materials and develop new materials to be provided to counselors, students, and parents regarding institutions of higher education.

(c) Each institution of higher education shall include on its Internet website, in a prominent location that is not more than three hyperlinks from the website's home page, a link to the information posted on the agency's Internet website under Subsection (a).

Added by Acts 2013, 83rd Leg., R.S., Ch. 299 (H.B. 1296), Sec. 1, eff. June 14, 2013.

SUBCHAPTER C. COMMISSIONER OF EDUCATION

Sec. 7.051. SELECTION OF THE COMMISSIONER. The governor, with the advice and consent of the senate, shall appoint the commissioner of education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.052. TERM OF OFFICE. The commissioner serves a term of office of four years commensurate with the term of the governor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.053. REMOVAL FROM OFFICE. The governor, with the advice and consent of the senate, may remove the commissioner from office as

provided by Section 9, Article XV, Texas Constitution.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.054. QUALIFICATION. The commissioner must be a citizen of the United States.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.055. COMMISSIONER OF EDUCATION POWERS AND DUTIES. (a) The commissioner has the powers and duties provided by Subsection (b).

(b)(1) The commissioner shall serve as the educational leader of the state.

(2) The commissioner shall serve as executive officer of the agency and as executive secretary of the board.

(3) The commissioner shall carry out the duties imposed on the commissioner by the board or the legislature.

(4) The commissioner shall prescribe a uniform system of forms, reports, and records necessary to fulfill the reporting and recordkeeping requirements of this title.

(5) The commissioner may delegate ministerial and executive functions to agency staff and may employ division heads and any other employees and clerks to perform the duties of the agency.

(6) The commissioner shall adopt an annual budget for operating the Foundation School Program as prescribed by Subsection (c).

(7) The commissioner may issue vouchers for the expenditures of the agency and shall examine and must approve any account to be paid out of the school funds before the comptroller may issue a warrant.

(8) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(7), eff. June 17, 2011.

(9) The commissioner shall have a manual published at least once every two years that contains Title 1 and this title, any other provisions of this code relating specifically to public primary or secondary education, and an appendix of all other state laws relating to public primary or secondary education and shall provide for the distribution of the manual as determined by the board.

(10) The commissioner may visit different areas of this state, address teachers' associations and educational gatherings, instruct teachers, and promote all aspects of education and may be reimbursed for necessary travel expenses incurred under this subdivision to the extent authorized by the General Appropriations Act.

(11) The commissioner may appoint advisory committees, in accordance with Chapter 2110, Government Code, as necessary to advise the commissioner in carrying out the duties and mission of the agency.

(12) The commissioner shall appoint an agency auditor.

(13) The commissioner may provide for reductions in the number of agency employees.

(14) The commissioner shall carry out duties relating to the investment capital fund under Section 7.024.

(15) The commissioner shall review and act, if necessary, on applications for waivers under Section 7.056.

(16) The commissioner shall carry out duties relating to regional education service centers as specified under Chapter 8.

(17) The commissioner shall distribute funds to open-enrollment charter schools as required under Subchapter D, Chapter 12.

(18) The commissioner shall adopt a recommended appraisal process and criteria on which to appraise the performance of teachers, a recommended appraisal process and criteria on which to appraise the performance of administrators, and a job description and evaluation form for use in evaluating school counselors, as provided by Subchapter H, Chapter 21.

(19) The commissioner shall coordinate and implement teacher recruitment programs under Section 21.004.

(20) The commissioner shall perform duties in connection with the certification and assignment of hearing examiners as provided by Subchapter F, Chapter 21.

(21) The commissioner shall carry out duties under the Texas Advanced Placement Incentive Program under Subchapter C, Chapter 28.

(22) The commissioner may adopt rules for optional extended year programs under Section 29.082.

(23) The commissioner shall monitor and evaluate prekindergarten programs and other child-care programs as required

under Section 29.154.

(24) The commissioner, with the approval of the board, shall develop and implement a plan for the coordination of services to children with disabilities as required under Section 30.001.

(25) The commissioner shall develop a system to distribute to school districts or regional education service centers a special supplemental allowance for students with visual impairments as required under Section 30.002.

(26) The commissioner, with the assistance of the comptroller, shall determine amounts to be distributed to the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf as provided by Section 30.003 and to the Texas Juvenile Justice Department as provided by Section 30.102.

(27) The commissioner shall establish a procedure for resolution of disputes between a school district and the Texas School for the Blind and Visually Impaired under Section 30.021.

(28) The commissioner shall perform duties relating to the funding, adoption, and purchase of instructional materials under Chapter 31.

(29) The commissioner may enter into contracts concerning technology in the public school system as authorized under Chapter 32.

(30) The commissioner shall adopt a recommended contract form for the use, acquisition, or lease with option to purchase of school buses under Section 34.009.

(31) The commissioner shall ensure that the cost of using school buses for a purpose other than the transportation of students to or from school is properly identified in the Public Education Information Management System (PEIMS) under Section 34.010.

(32) The commissioner shall perform duties in connection with the public school accountability system as prescribed by Chapter 39.

(33) Repealed by Acts 1999, 76th Leg., ch. 397, Sec. 8, eff. Sept. 1, 1999.

(34) The commissioner shall perform duties in connection with the equalized wealth level under Chapter 41.

(35) The commissioner shall perform duties in connection with the Foundation School Program as prescribed by Chapter 42.

(36) The commissioner shall establish advisory guidelines relating to the fiscal management of a school district and report

annually to the board on the status of school district fiscal management as required under Section 44.001.

(37) The commissioner shall review school district audit reports as required under Section 44.008.

(38) The commissioner shall perform duties in connection with the guaranteed bond program as prescribed by Subchapter C, Chapter 45.

(39) The commissioner shall cooperate with the Texas Higher Education Coordinating Board in connection with the Texas partnership and scholarship program under Subchapter Q, Chapter 61.

(40) The commissioner shall suspend the certificate of an educator or permit of a teacher who violates Chapter 617, Government Code.

(41) The commissioner shall adopt rules relating to extracurricular activities under Section 33.081 and approve or disapprove University Interscholastic League rules and procedures under Section 33.083.

(c) The budget the commissioner adopts under Subsection (b) for operating the Foundation School Program must be in accordance with legislative appropriations and provide funds for the administration and operation of the agency and any other necessary expense. The budget must designate any expense of operating the agency or operating a program for which the board has responsibility that is paid from the Foundation School Program. The budget must designate program expenses that may be paid out of the foundation school fund, other state funds, fees, federal funds, or funds earned under interagency contract. Before adopting the budget, the commissioner must submit the budget to the board for review and, after receiving any comments of the board, present the operating budget to the governor and the Legislative Budget Board. The commissioner shall provide appropriate information on proposed budget expenditures to the comptroller to assure that all payments are paid from the appropriate funds in a timely and efficient manner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 6.01, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1423, Sec. 5.01, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 397, Sec. 8, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.001(a), eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.002(3), eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(7), eff. June 17, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 2, eff. July 19, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 20, eff. September 1, 2015.

Sec. 7.056. WAIVERS AND EXEMPTIONS. (a) Except as provided by Subsection (e), a school campus or district may apply to the commissioner for a waiver of a requirement, restriction, or prohibition imposed by this code or rule of the board or commissioner.

(b) A school campus or district seeking a waiver must submit a written application to the commissioner not later than the 31st day before the campus or district intends to take action requiring a waiver. The application must include:

(1) a written plan approved by the board of trustees of the district that states the achievement objectives of the campus or district and the inhibition imposed on those objectives by the requirement, restriction, or prohibition; and

(2) written comments from the campus- or district-level committee established under Section 11.251.

(c) If the commissioner objects to an application for a waiver, the commissioner must notify the school campus or district in writing that the application is denied not later than the 30th day after the date on which the application is received. If the commissioner does not notify the school campus or district of an objection within that time, the application is considered granted.

(d) A waiver granted under this section is effective for the period stated in the application, which may not exceed three years. A school campus or district for which a requirement, restriction, or prohibition is waived under this section for a period of three years may receive an exemption from that requirement, restriction, or prohibition at the end of that period if the campus or district has fulfilled the achievement objectives stated in the application. The

exemption remains in effect until the commissioner determines that achievement levels of the campus or district have declined.

(e) Except as provided by Subsection (f), a school campus or district may not receive an exemption or waiver under this section from:

(1) a prohibition on conduct that constitutes a criminal offense;

(2) a requirement imposed by federal law or rule, including a requirement for special education or bilingual education programs; or

(3) a requirement, restriction, or prohibition relating to:

(A) essential knowledge or skills under Section 28.002 or high school graduation requirements under Section 28.025;

(B) public school accountability as provided by Subchapters B, C, D, E, and J, Chapter 39;

(C) extracurricular activities under Section 33.081 or participation in a University Interscholastic League area, regional, or state competition under Section 33.0812;

(D) health and safety under Chapter 38;

(E) purchasing under Subchapter B, Chapter 44;

(F) elementary school class size limits, except as provided by Section 25.112;

(G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;

(H) at-risk programs under Subchapter C, Chapter 29;

(I) prekindergarten programs under Subchapter E, Chapter 29;

(J) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22;

(K) special education programs under Subchapter A, Chapter 29;

(L) bilingual education programs under Subchapter B, Chapter 29; or

(M) the requirements for the first day of instruction under Section 25.0811.

(f) A school district or campus that is required to develop and implement a student achievement improvement plan under Section 39.102 or 39.103 may receive an exemption or waiver under this section from any law or rule other than:

(1) a prohibition on conduct that constitutes a criminal

offense;

(2) a requirement imposed by federal law or rule;

(3) a requirement, restriction, or prohibition imposed by state law or rule relating to:

(A) public school accountability as provided by Subchapters B, C, D, E, and J, Chapter 39; or

(B) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22; or

(4) selection of instructional materials under Chapter 31.

(g) In a manner consistent with waiver authority granted to the commissioner by the United States Department of Education, the commissioner may grant a waiver of a state law or rule required by federal law, including Subchapter A, B, or C, Chapter 29. Before exercising any waiver authority under this subsection, the commissioner shall notify the Legislative Budget Board and the office of budget and planning in the governor's office.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 342, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 812 (S.B. 658), Sec. 2, eff. June 17, 2005.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 9.01, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 3, eff. June 19, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 3, eff. July 19, 2011.

Sec. 7.0561. TEXAS HIGH PERFORMANCE SCHOOLS CONSORTIUM. (a) In this section, "consortium" means the Texas High Performance Schools Consortium established under this section.

(b) The Texas High Performance Schools Consortium is established to inform the governor, legislature, State Board of Education, and commissioner concerning methods for transforming public schools in this state by improving student learning through the development of innovative, next-generation learning standards and assessment and accountability systems, including standards and

systems relating to career and college readiness.

(c) From among school districts and eligible open-enrollment charter schools that apply using the form and in the time and manner established by commissioner rule, the commissioner may select not more than 30 participants for the consortium. The districts selected by the commissioner must represent a range of district types, sizes, and diverse student populations, as determined by the commissioner in accordance with commissioner rule. To be eligible to participate in the consortium, an open-enrollment charter school must have been awarded a distinction designation under Subchapter G, Chapter 39, during the preceding school year.

(d) The number of students enrolled in consortium participants may not be greater than a number equal to 10 percent of the total number of students enrolled in public schools in this state according to the most recent agency data.

(e) The application process under Subsection (c) must require school districts and open-enrollment charter schools applying to participate in the consortium to submit a detailed plan designed to both support improved instruction of and learning by students and provide evidence of the accurate assessment of the quality of learning on campuses. The plan submitted by a school district may designate the entire district or one or more district campuses as proposed consortium participants. The plan submitted by a district or open-enrollment charter school must include:

(1) a clear description of each assessed curricular goal included in the learning standards adopted in accordance with Subsection (f)(2);

(2) a plan for acquiring resources to support teachers in improving student learning;

(3) a description of any waiver of an applicable prohibition, requirement, or restriction the district or charter school would want to apply for; and

(4) any other provisions required by the commissioner.

(f) In consultation with interested school districts, open-enrollment charter schools, and other appropriate interested persons, the commissioner shall adopt rules applicable to the consortium, according to the following principles for a next generation of higher performing public schools:

(1) engagement of students in digital learning, including engagement through the use of electronic textbooks and instructional

materials adopted under Subchapters B and B-1, Chapter 31, and courses offered through the state virtual school network under Subchapter 30A;

(2) emphasis on learning standards that focus on high-priority standards identified in coordination with districts and charter schools participating in the consortium;

(3) use of multiple assessments of learning capable of being used to inform students, parents, districts, and charter schools on an ongoing basis concerning the extent to which learning is occurring and the actions consortium participants are taking to improve learning; and

(4) reliance on local control that enables communities and parents to be involved in the important decisions regarding the education of their children.

(g) The commissioner shall convene consortium leaders periodically to discuss methods to transform learning opportunities for all students, build cross-district and cross-school support systems and training, and share best practices tools and processes.

(h) The commissioner or a school district or open-enrollment charter school participating in the consortium may, for purposes of this section, accept gifts, grants, or donations from any source, including a private entity or governmental entity.

(i) To cover the costs of administering the consortium, the commissioner may charge a fee to a school district or open-enrollment charter school participating in the consortium.

(j) The school districts and open-enrollment charter schools participating in the consortium shall submit reports concerning the performance and progress of the consortium to the governor, the legislature, the State Board of Education, and the commissioner not later than December 1 of each even-numbered year.

Added by Acts 2011, 82nd Leg., R.S., Ch. 666 (S.B. 1557), Sec. 1, eff. June 17, 2011.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 1, eff. June 19, 2015.

Sec. 7.057. APPEALS. (a) Except as provided by Subsection (e), a person may appeal in writing to the commissioner if the person

is aggrieved by:

(1) the school laws of this state; or

(2) actions or decisions of any school district board of trustees that violate:

(A) the school laws of this state; or

(B) a provision of a written employment contract between the school district and a school district employee, if a violation causes or would cause monetary harm to the employee.

(a-1) A person is not required to appeal to the commissioner before pursuing a remedy under a law outside of Title 1 or this title to which Title 1 or this title makes reference or with which Title 1 or this title requires compliance.

(b) Except as provided by Subsection (c), the commissioner after due notice to the parties interested shall, not later than the 180th day after the date an appeal under Subsection (a) is filed, hold a hearing and issue a decision without cost to the parties involved. In conducting a hearing under this subsection, the commissioner has the same authority relating to discovery and conduct of a hearing as a hearing examiner has under Subchapter F, Chapter 21. This section does not deprive any party of any legal remedy.

(c) In an appeal against a school district, the commissioner shall, not later than the 240th day after the date the appeal is filed, issue a decision based on a review of the record developed at the district level under a substantial evidence standard of review. The parties to the appeal may agree in writing to extend, by not more than 60 days, the date by which the commissioner must issue a decision under this subsection. A school district's disclosure of the record to the commissioner under this subsection is not an offense under Section 551.146, Government Code.

(d) A person aggrieved by an action of the agency or decision of the commissioner may appeal to a district court in Travis County. An appeal must be made by serving the commissioner with citation issued and served in the manner provided by law for civil suits. The petition must state the action or decision from which the appeal is taken. At trial, the court shall determine all issues of law and fact, except as provided by Section 33.081(g).

(e) This section does not apply to:

(1) a case to which Subchapter G, Chapter 21, applies; or

(2) a student disciplinary action under Chapter 37.

(f) In this section:

(1) "Record" includes, at a minimum, an audible electronic recording or written transcript of all oral testimony or argument.

(2) "School laws of this state" means Title 1 and this title and rules adopted under those titles.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 895, Sec. 1, eff. June 14, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1111 (H.B. 829), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 371 (H.B. 2952), Sec. 1, eff. June 14, 2013.

Sec. 7.058. RESEARCH ON MATHEMATICS SKILLS ACQUISITION AND PROGRAM EFFECTIVENESS. From funds appropriated for the purpose, the commissioner shall award to one or more institutions that have demonstrated an ability to conduct science-based research on effective instructional strategies that improve student performance in mathematics a grant to be used to:

(1) develop and identify research on mathematics skills acquisition and student learning in mathematics;

(2) monitor the effectiveness of professional development institutes under Section 21.455 based on performance in mathematics by the students of teachers who have attended an institute;

(3) examine the effect of professional development institutes on the classroom performance of teachers who have attended an institute;

(4) identify common practices used at high-performing school campuses that lead to improved student performance in mathematics; and

(5) develop research on cognitive development in children concerning mathematics skills development.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 3, eff. Sept. 1, 2001.

Sec. 7.059. MATHEMATICS HOMEWORK AND GRADING SERVICE. (a) From funds appropriated for the purpose, the commissioner shall help make available services that assist teachers in providing and grading mathematics homework assignments. The services may also assist

teachers in providing and grading student examinations.

(b) In helping make the services described by Subsection (a) available, the commissioner shall consider all methods available through advanced technology, especially methods using the Internet, to distribute mathematics homework assignments and to provide immediate assessment of a student's work on the assignment.

(c) Each homework assignment offered through the service:

(1) must be created with consideration for the underlying mathematical skills required to be taught at the grade level for which the assignment is designed;

(2) may be based on a step-by-step procedure for solving mathematical problems provided by the assignment that may be adapted to individual student and instructor needs;

(3) may be accompanied by a solution to each mathematical problem assigned;

(4) may be accompanied by other pedagogically valuable material appropriate for a particular student; and

(5) to the extent possible, should correlate to an instructional program or programs being used in classrooms in this state.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 3, eff. Sept. 1, 2001.

Sec. 7.060. REDUCING PAPERWORK. (a) At least once each even-numbered year, the commissioner shall review and, to the greatest extent practicable, reduce written reports and other paperwork required of a school district by the agency.

(a-1) The review conducted under Subsection (a) must include a comparison of the reports and paperwork required by state law and the reports and paperwork required by federal law. The commissioner shall eliminate any reports or paperwork required by state law that duplicate the content of reports or paperwork also required by federal law.

(b) The commissioner shall adopt a policy that limits written reports and other paperwork that a principal or classroom teacher may be required by the agency to complete.

(c) Notwithstanding any other law, a school district shall submit only in electronic format all reports required to be submitted to the agency under this code. The agency shall prescribe the

electronic format to be used by a school district submitting a report to the agency.

Added by Acts 2005, 79th Leg., Ch. 723 (S.B. 493), Sec. 1, eff. June 17, 2005.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 668 (S.B. 1618), Sec. 1, eff. September 1, 2011.
Acts 2015, 84th Leg., R.S., Ch. 1042 (H.B. 1706), Sec. 1, eff. June 19, 2015.

Sec. 7.062. SCIENCE LABORATORY GRANT PROGRAM. (a) In this section, "wealth per student" means a school district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, Section 42.2521, divided by the district's average daily attendance as determined under Section 42.005.

(b) The commissioner shall establish a program to provide competitive grants to school districts for the purpose of constructing or renovating high school science laboratories.

(c) Except as otherwise provided by this subsection, if the commissioner certifies that the amount appropriated for a state fiscal year for purposes of Subchapters A and B, Chapter 46, exceeds the amount to which school districts are entitled under those subchapters for that year, the commissioner shall use the excess funds, in an amount not to exceed $20 million in any state fiscal year, for the purpose of making grants under this section. The use of excess funds under this subsection has priority over any provision of Chapter 42 that permits or directs the use of excess foundation school program funds, including Sections 42.2517, 42.2521, 42.2522, and 42.2531. The commissioner is required to use excess funds as provided by this subsection only if the commissioner is not required to reduce the total amount of state funds allocated to school districts under Section 42.253(h).

(d) The commissioner shall adopt rules necessary to implement the program, including rules addressing eligibility, application procedures, and accountability for use of grant funds.

(e) The rules must:

(1) limit the amount of assistance provided through a grant to not more than:

(A) for a construction project, $200 per square foot of the science laboratory to be constructed; or

(B) for a renovation project, $100 per square foot of the science laboratory to be renovated;

(2) require a school district to demonstrate, as a condition of eligibility for a grant, that the existing district science laboratories are insufficient in number to comply with the curriculum requirements imposed for the distinguished level of achievement under the foundation high school program under Section 28.025; and

(3) provide for ranking school districts that apply for grants on the basis of wealth per student and giving priority in the award of grants to districts with low wealth per student.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 3, eff. June 15, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 2(a), eff. June 10, 2013.

Sec. 7.063. PERSON FIRST RESPECTFUL LANGUAGE PROMOTION. The commissioner shall ensure that the agency uses the terms and phrases listed as preferred under the person first respectful language initiative in Chapter 392, Government Code, when proposing, adopting, or amending the agency's rules, reference materials, publications, and electronic media.

Added by Acts 2011, 82nd Leg., R.S., Ch. 272 (H.B. 1481), Sec. 4, eff. September 1, 2011.

Sec. 7.064. CAREER AND TECHNOLOGY CONSORTIUM. (a) The commissioner shall investigate available options for the state to join a consortium of states for the purpose of developing sequences of academically rigorous career and technology courses in career areas that are high-demand, high-wage career areas in this state.

(b) The curricula for the courses must include the appropriate essential knowledge and skills adopted under Subchapter A, Chapter 28.

(c) If the commissioner determines that joining a consortium of

states for this purpose would be beneficial for the educational and career success of students in the state, the commissioner may join the consortium on behalf of the state.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 3, eff. June 10, 2013.

Sec. 7.065. TEACHING AND LEARNING CONDITIONS SURVEY. (a) The commissioner shall develop an online survey to be administered statewide at least biennially to superintendents, principals, supervisors, classroom teachers, counselors, and other appropriate full-time professional employees who are required to hold a certificate issued under Subchapter B, Chapter 21.

(b) In developing the survey under this section, the commissioner shall ensure that the survey is designed to elicit information relating to the following issues:

(1) teaching and learning conditions as predictors of student achievement and growth;

(2) the relationship between teaching and learning conditions and teacher retention;

(3) the influence of school leadership on teaching and learning conditions, including:

(A) meaningful involvement of teachers in determining professional development needs;

(B) meaningful involvement of teachers in campus decisions and initiatives;

(C) support for teachers in student disciplinary matters; and

(D) limiting required meetings for and noninstructional duties of teachers;

(4) the relationship between teaching and learning conditions and student attendance and graduation;

(5) the appropriate time during the day for collaborative instructional planning;

(6) facilities resources needs; and

(7) other supports needed for educators to be successful in the classroom.

(c) The commissioner shall contract with a third-party entity with appropriate research and evaluation expertise to administer the

survey required by this section. The third-party survey administrator shall collect responses and protect the identity of the respondents. The third-party survey administrator shall provide the survey responses to the commissioner or a person designated by the commissioner not later than the 60th day after the date the survey is administered.

(d) After the administration of each survey, the commissioner shall:

(1) make the survey results available to the public; and

(2) provide the survey results to school districts and campuses.

(e) Each school district and campus shall use the survey results:

(1) to review and revise, as appropriate, district-level or campus-level improvement plans in the manner provided under Subchapter F, Chapter 11; and

(2) for other purposes, as appropriate to enhance the district and campus learning environment.

(f) The commissioner shall use the survey results to develop, review, and revise:

(1) agency professional development offerings;

(2) agency initiatives aimed at teacher retention; and

(3) standards for principals and superintendents.

(g) The commissioner shall carry out duties under this section, including contracting for the administration of the survey, using only available funds and resources from public and private sources.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 2, eff. September 1, 2013.
Redesignated from Education Code, Section 7.064 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(7), eff. September 1, 2015.

SUBCHAPTER D. STATE BOARD OF EDUCATION

Sec. 7.101. COMPOSITION. (a) The State Board of Education is composed of 15 members elected from districts.

(b) Members of the board are elected at biennial general elections held in compliance with the Election Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 72 (H.B. 600), Sec. 3(a), eff. August 29, 2011.

Sec. 7.102. STATE BOARD OF EDUCATION POWERS AND DUTIES. (a) The board may perform only those duties relating to school districts or regional education service centers assigned to the board by the constitution of this state or by this subchapter or another provision of this code.

(b) The board has the powers and duties provided by Subsection (c), which shall be carried out with the advice and assistance of the commissioner.

(c)(1) The board shall develop and update a long-range plan for public education.

(2) The board may enter into contracts relating to or accept grants for the improvement of educational programs specifically authorized by statute.

(3) The board may accept a gift, donation, or other contribution on behalf of the public school system or agency and, unless otherwise specified by the donor, may use the contribution in the manner the board determines.

(4) The board shall establish curriculum and graduation requirements.

(5) The board shall establish a standard of performance considered satisfactory on student assessment instruments.

(6) The board may create special-purpose school districts under Chapter 11.

(7) The board shall provide for a training course for school district trustees under Section 11.159.

(8) The board shall adopt a procedure to be used for placing on probation or revoking a home-rule school district charter as required by Subchapter B, Chapter 12, and may place on probation or revoke a home-rule school district charter as provided by that subchapter.

(9) The board may grant an open-enrollment charter or approve a charter revision as provided by Subchapter D, Chapter 12.

(10) The board shall adopt rules establishing criteria for certifying hearing examiners as provided by Section 21.252.

(11) The board shall adopt rules to carry out the

curriculum required or authorized under Section 28.002.

(12) The board shall establish guidelines for credit by examination under Section 28.023.

(13) The board shall adopt transcript forms and standards for differentiating high school programs for purposes of reporting academic achievement under Section 28.025.

(14) The board shall adopt guidelines for determining financial need for purposes of the Texas Advanced Placement Incentive Program under Subchapter C, Chapter 28, and may approve payments as provided by that subchapter.

(15) The board shall adopt criteria for identifying gifted and talented students and shall develop and update a state plan for the education of gifted and talented students as required under Subchapter D, Chapter 29.

(16) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 73, Sec. 2.06(a)(1), eff. September 1, 2013.

(17) The board shall adopt rules relating to community education development projects as required under Section 29.257.

(18) The board may approve the plan to be developed and implemented by the commissioner for the coordination of services to children with disabilities as required under Section 30.001.

(19) The board shall establish a date by which each school district and state institution shall provide to the commissioner the necessary information to determine the district's share of the cost of the education of a student enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf as required under Section 30.003 and may adopt other rules concerning funding of the education of students enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf as authorized under Section 30.003.

(20) The board shall adopt rules prescribing the form and content of information school districts are required to provide concerning programs offered by state institutions as required under Section 30.004.

(21) The board shall adopt rules concerning admission of students to the Texas School for the Deaf as required under Section 30.057.

(22) The board shall carry out powers and duties related to regional day school programs for the deaf as provided under Subchapter D, Chapter 30.

(23) The board shall adopt and purchase or license instructional materials as provided by Chapter 31 and adopt rules required by that chapter.

(24) The board shall develop and update a long-range plan concerning technology in the public school system as required under Section 32.001 and shall adopt rules and policies concerning technology in public schools as provided by Chapter 32.

(25) The board shall conduct feasibility studies related to the telecommunications capabilities of school districts and regional education service centers as provided by Section 32.033.

(26) The board shall appoint a board of directors of the center for educational technology under Section 32.034.

(27) Repealed by Acts 2001, 77th Leg., ch. 1420, Sec. 4.001(b), eff. Sept. 1, 2001.

(28) The board shall approve a program for testing students for dyslexia and related disorders as provided by Section 38.003.

(29) The board shall perform duties in connection with the public school accountability system as prescribed by Chapter 39.

(30) The board shall perform duties in connection with the Foundation School Program as prescribed by Chapter 42.

(31) The board may invest the permanent school fund within the limits of the authority granted by Section 5, Article VII, Texas Constitution, and Chapter 43.

(32) The board shall adopt rules concerning school district budgets and audits of school district fiscal accounts as required under Subchapter A, Chapter 44.

(33) The board shall adopt an annual report on the status of the guaranteed bond program and may adopt rules as necessary for the administration of the program as provided under Subchapter C, Chapter 45.

(34) The board shall prescribe uniform bid blanks for school districts to use in selecting a depository bank as required under Section 45.206.

(d) The board may adopt rules relating to school districts or regional education service centers only as required to carry out the specific duties assigned to the board by the constitution or under Subsection (c).

(e) An action of the board to adopt a rule under this section is effective only if the board includes in the rule's preamble a statement of the specific authority under Subsection (c) to adopt the

rule.

(f) Except as otherwise provided by this subsection, a rule adopted by the board under this section does not take effect until the beginning of the school year that begins at least 90 days after the date on which the rule was adopted. The rule takes effect earlier if the rule's preamble specifies an earlier effective date and the reason for that earlier date and:

(1) the earlier effective date is a requirement of:

(A) a federal law; or

(B) a state law that specifically refers to this section and expressly requires the adoption of an earlier effective date; or

(2) on the affirmative vote of two-thirds of the members of the board, the board makes a finding that an earlier effective date is necessary.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 6.01, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 268, Sec. 2, eff. May 26, 1997; Acts 1999, 76th Leg., ch. 1482, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.001(b), eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 4, eff. July 19, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.06(a)(1), eff. September 1, 2013.

Sec. 7.103. ELIGIBILITY FOR MEMBERSHIP. (a) A person is not eligible for election to or service on the board if the person holds an office with this state or any political subdivision of this state.

(b) A person may not be elected from or serve in a district who is not a bona fide resident of the district with one year's continuous residence before election. A person is not eligible for election to or service on the board unless the person is a qualified voter of the district in which the person resides and is at least 26 years of age.

(c) A person who is required to register as a lobbyist under Chapter 305, Government Code, by virtue of the person's activities for compensation in or on behalf of a profession, business, or

association related to the operation of the board, may not serve as a member of the board or act as the general counsel to the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.104. TERMS. (a) At each general election immediately following a decennial reapportionment of districts, one member shall be elected to the board from each district. Except as provided by Subsection (b), members of the board serve staggered terms of four years with the terms of eight members expiring on January 1 of one odd-numbered year and the terms of seven members expiring on January 1 of the next odd-numbered year.

(b) Seven members of the board elected at each general election following a decennial reapportionment of districts shall serve two-year terms and eight members shall serve four-year terms. Members shall draw lots to determine who serves which terms.

(c) If a position on the board becomes vacant, the governor shall fill the vacancy as soon as possible by appointing a qualified person from the affected district with the advice and consent of the senate.

(d) A vacancy that occurs at a time when it is impossible to place the name of a candidate for the unexpired term on the general election ballot is filled by appointment, as prescribed by Subsection (c).

(e) An appointment to a vacancy on the board shall be made without regard to the race, creed, sex, religion, or national origin of the appointed member.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.105. COMPENSATION AND REIMBURSEMENT. (a) A member of the board is not entitled to receive compensation.

(b) A member of the board is entitled to reimbursement of the member's expenses as provided by law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.106. MEETINGS. (a) The board shall hold four meetings

a year in Austin, Texas, on dates determined by the chair and may hold other meetings as may be called by the chair.

(b) In a manner that complies with Section 551.128, Government Code, the agency shall broadcast over the Internet live video and audio of each open meeting held by the board. Subsequently, the agency shall make available through the agency's Internet website archived video and audio for each meeting for which live video and audio was provided under this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 169 (H.B. 772), Sec. 1, eff. September 1, 2009.

Sec. 7.107. OFFICERS. (a) The governor, with the advice and consent of the senate, shall appoint the chair from among the membership of the board. The chair serves a term of two years.

(b) At the board's first regular meeting after the election and qualification of new members, the board shall organize, adopt rules of procedure, and elect by separate votes a vice chair and a secretary.

(c) A person who serves two consecutive terms as chair is ineligible to again serve as chair until four years have elapsed since the expiration of the second term.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.108. PROHIBITION ON POLITICAL CONTRIBUTION OR ACTIVITY. (a) A person interested in selling bonds of any type or a person engaged in manufacturing, shipping, selling, or advertising instructional materials commits an offense if the person makes or authorizes a political contribution to or takes part in, directly or indirectly, the campaign of any person seeking election to or serving on the board.

(b) An offense under Subsection (a) is a Class B misdemeanor.

(c) In this section:

(1) "Instructional material" has the meaning assigned by Section 31.002.

(2) "Political contribution" has the meaning assigned by

Section 251.001, Election Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 5, eff. July 19, 2011.

Sec. 7.109. DESIGNATION AS STATE BOARD FOR CAREER AND TECHNOLOGY EDUCATION. (a) The board is also the State Board for Career and Technology Education.

(b) The commissioner is the executive officer through whom the State Board for Career and Technology Education shall carry out its policies and enforce its rules.

(c) The State Board for Career and Technology Education may contract with the Texas Higher Education Coordinating Board or any other state agency to assume the leadership role and administrative responsibility of the State Board for Career and Technology Education for state level administration of technical-vocational education programs in public community colleges, public technical institutes, and other eligible public postsecondary institutions in this state.

(d) The State Board for Career and Technology Education may allocate funds appropriated to the board by the legislature or federal funds received by the board under the Carl D. Perkins Vocational Education Act (20 U.S.C. Section 2301 et seq.) or other federal law to an institution or program approved by the State Board of Education, the Texas Higher Education Coordinating Board, or another state agency specified by law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.110. PUBLIC TESTIMONY. The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 7.111. HIGH SCHOOL EQUIVALENCY EXAMINATIONS. (a) The

board shall provide for the administration of high school equivalency examinations.

(a-1) A person who does not have a high school diploma may take the examination in accordance with rules adopted by the board if the person is:

(1) over 17 years of age;

(2) 16 years of age or older and:

(A) is enrolled in a Job Corps training program under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.), and its subsequent amendments;

(B) a public agency providing supervision of the person or having custody of the person under a court order recommends that the person take the examination; or

(C) is enrolled in the Texas Military Department's Seaborne ChalleNGe Corps; or

(3) required to take the examination under a court order issued under Section 65.103(a)(3), Family Code.

(b) The board by rule shall establish and require payment of a fee as a condition to the issuance of a high school equivalency certificate and a copy of the scores of the examinations. The fee must be reasonable and designed to cover the administrative costs of issuing the certificate and a copy of the scores. The board may not require a waiting period between the date a person withdraws from school and the date the person takes the examination unless the period relates to the time between administrations of the examination.

(c) The board by rule shall develop and deliver high school equivalency examinations and provide for the administration of the examinations online. The rules must provide a procedure for verifying the identity of the person taking the examination.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 76, Sec. 8, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1282, Sec. 1, eff. June 18, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.002, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1514, Sec. 17, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 818 (S.B. 776), Sec. 1, eff. June 17, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1078 (S.B. 1094), Sec. 1, eff.

June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 339 (H.B. 2058), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1217 (S.B. 1536), Sec. 2.01, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 6(a), eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 6(b), eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.001(a), eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.001(b), eff. September 1, 2015.

Sec. 7.112. REPRESENTATION OF PUBLISHER OF INSTRUCTIONAL MATERIALS BY FORMER MEMBER OF BOARD. (a) A former member of the State Board of Education who is employed by or otherwise receives compensation from a publisher of instructional materials may not, before the second anniversary of the date on which the person last served as a member of the State Board of Education:

(1) confer with a member of the board of trustees of a school district concerning instructional materials published by that publisher; or

(2) appear at a meeting of the board of trustees on behalf of the publisher.

(b) A person who violates Subsection (a) commits an offense. An offense under this section is a Class A misdemeanor.

(c) In this section:

(1) "Compensation" means money, a service, or another thing of value or financial benefit received in return for or in connection with a service provided.

(2) "Instructional material" and "publisher" have the meanings assigned by Section 31.002.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 6, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 7, eff. July

19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 8, eff. July 19, 2011.

Sec. 7.113. EMPLOYERS FOR EDUCATION EXCELLENCE AWARD. (a) The board shall create the Employers for Education Excellence Award to honor employers that implement a policy to encourage and support employees who actively participate in activities of schools.

(b) An employer that meets the criteria described by this section may apply for consideration to receive the award.

(c) The board shall establish the following levels of recognition for employers:

(1) bronze for an employer that implements a policy to encourage and support employees who attend parent-teacher conferences;

(2) silver for an employer that:

(A) meets the requirements of bronze; and

(B) implements a policy to encourage and support employees who volunteer in school activities; and

(3) gold for an employer that:

(A) meets the requirements of silver; and

(B) implements a policy to encourage and support employees who participate in student mentoring programs in schools.

(d) The board shall establish criteria to certify businesses to receive the Employers for Education Excellence Award at the appropriate level of recognition. The commissioner shall review the applications submitted by employers under Subsection (b) and make recommendations to the board regarding businesses that should be recognized and the level at which a business should be recognized. The board may approve or modify the commissioner's recommendation.

(e) The board shall honor the recipient of an Employers for Education Excellence Award by presenting the recipient with a suitable certificate that includes the business's level of recognition and other appropriate information.

Added by Acts 2007, 80th Leg., R.S., Ch. 557 (S.B. 1433), Sec. 1, eff. June 16, 2007.

CHAPTER 8. REGIONAL EDUCATION SERVICE CENTERS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8.001. ESTABLISHMENT. (a) The commissioner shall provide for the establishment and operation of not more than 20 regional education service centers.

(b) Regional education service centers shall be located throughout the state so that each school district has the opportunity to be served by and to participate, on a voluntary basis, in a center that meets the accountability standards established by the commissioner.

(c) The commissioner may decide any matter concerning the operation or administration of the regional education service centers, including:

(1) the number and location of centers;

(2) the regional boundaries of centers; and

(3) the allocation among centers of state and federal funds administered by the agency.

(d) This chapter does not:

(1) limit a school district's freedom to purchase services from any regional education service center; or

(2) require a school district to purchase services from a regional education service center.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.002. PURPOSE. Regional education service centers shall:

(1) assist school districts in improving student performance in each region of the system;

(2) enable school districts to operate more efficiently and economically; and

(3) implement initiatives assigned by the legislature or the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.003. GOVERNANCE. (a) Each regional education service center is governed by a board of directors composed of seven members.

(b) The commissioner shall adopt rules to provide for the local selection, appointment, and continuity of membership of regional education service center boards of directors.

(c) A vacancy on a regional education service center board of directors shall be filled by appointment by the remaining members of the board for the unexpired term.

(d) A member of the board is not entitled to compensation from the regional education service center but is entitled to reimbursement with center funds for necessary expenses incurred in performing duties as a board member.

(e) Each regional education service center board of directors shall develop policies to ensure the sound management and operation of the center consistent with Section 8.002. Subject to approval of the board of directors, regional education service centers shall offer programs and activities to school districts and campuses under Sections 8.051, 8.052, and 8.053.

(f) Each regional education service center board of directors shall adopt an annual budget for the following year after conducting a public hearing on the center's performance during the preceding year on standards established by the commissioner under Section 8.101.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.004. EXECUTIVE DIRECTOR. The regional education service center board of directors shall employ an executive director. The selection and dismissal of the executive director is subject to the approval of the commissioner. The executive director is the chief executive officer of the regional education service center and may employ personnel as necessary to carry out the functions of the center.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.005. EXEMPTION FROM TAXATION. A regional education service center and its employees are subject to or exempt from taxation in the same manner as a school district and school district

employees.

Added by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.006. IMMUNITY FROM LIABILITY. An employee or volunteer of a regional education service center is immune from liability to the same extent as an employee or volunteer of a school district.

Added by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.007. TRANSFERABILITY OF LEAVE. (a) A regional education service center shall accept personal leave accrued by a center employee as sick leave under state law by an employee who was formerly employed by the state.

(b) A school district or the state shall accept the sick leave accrued by an employee who was formerly employed by a regional education service center not to exceed five days per year for each year of employment.

Added by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.008. APPLICABILITY OF CERTAIN LAWS RELATING TO POLITICAL ACTIVITIES. A regional education service center and each center employee is subject to Chapter 556, Government Code, and for purposes of that chapter:

(1) the center is considered to be a state agency; and

(2) each center employee is considered to be a state employee.

Added by Acts 2003, 78th Leg., ch. 350, Sec. 1, eff. Sept. 1, 2003.

Sec. 8.009. APPLICABILITY OF CERTAIN LAWS RELATING TO CONFLICT OF INTEREST. (a) A member of the board of directors and the executive director of a regional education service center are each considered to be a local public official for purposes of Chapter 171, Local Government Code. For purposes of that chapter a member of the board of directors and the executive director of a regional education

service center are each considered to have a substantial interest in a business entity if a person related to the member or the executive director in the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a substantial interest in the business entity under Section 171.002, Local Government Code.

(b) A regional education service center is considered to be a political subdivision for purposes of Section 131.903, Local Government Code.

(c) To the extent consistent with this section, if a law described by this section applies to a school district or the board of trustees of a school district, the law applies to a regional education service center and the board of directors and executive director of a regional education service center.

Added by Acts 2003, 78th Leg., ch. 350, Sec. 1, eff. Sept. 1, 2003.

Sec. 8.010. SUNSET PROVISION. Regional education service centers are subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the centers are abolished and this chapter expires September 1, 2019.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1232 (S.B. 652), Sec. 2.01, eff. June 17, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. 1675), Sec. 3.01, eff. June 14, 2013.

Sec. 8.011. NEPOTISM PROHIBITION. For purposes of all employees of each regional education service center, the executive director and each member of the board of directors are public officials subject to Chapter 573, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 7, eff. September 1, 2007.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8.051. CORE SERVICES AND SERVICES TO IMPROVE PERFORMANCE.

(a) Each regional education service center shall use funds distributed to the center under Section 8.121 to develop, maintain, and deliver services identified under this section to improve student and school district performance.

(b) Each regional education service center shall annually develop and submit to the commissioner for approval a plan for improvement. Each plan must include the purposes and description of the services the center will provide to:

(1) campuses assigned an unacceptable performance rating under Section 39.054;

(2) the lowest-performing campuses in the region; and

(3) other campuses.

(c) Each regional education service center shall provide services that enable school districts to operate more efficiently and economically.

(d) Each regional education service center shall maintain core services for purchase by school districts and campuses. The core services are:

(1) training and assistance in:

(A) teaching each subject area assessed under Section 39.023; and

(B) providing instruction in personal financial literacy as required under Section 28.0021;

(2) training and assistance in providing each program that qualifies for a funding allotment under Section 42.151, 42.152, 42.153, or 42.156;

(3) assistance specifically designed for a school district or campus assigned an unacceptable performance rating under Section 39.054;

(4) training and assistance to teachers, administrators, members of district boards of trustees, and members of site-based decision-making committees;

(5) assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

(6) assistance in complying with state laws and rules.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997;

Acts 1999, 76th Leg., ch. 1202, Sec. 1, eff. June 18, 1999.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.02, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 4, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 3, eff. September 1, 2009.

Sec. 8.052. STATE INITIATIVES. As directed by the commissioner, each regional education service center shall, as necessary, use funds distributed under Section 8.123 to implement initiatives identified by the legislature.

Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.053. ADDITIONAL SERVICES. In addition to the services provided under Section 8.051 and the initiatives implemented under Section 8.052, a regional education service center may:

(1) offer any service requested and purchased by any school district or campus in the state; and

(2) contract with a public or private entity for services under this subchapter, including the provision of continuing education courses and programs for educators.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.052 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997; Acts 1999, 76th Leg., ch. 598, Sec. 1, eff. Sept. 1, 1999.

Sec. 8.0531. INSTRUCTIONAL MATERIALS DEVELOPED BY A COLLABORATION OF REGIONAL EDUCATION SERVICE CENTERS. Notwithstanding any other provision of this subchapter or Section 8.001(c), instructional lessons developed as part of a curriculum management system by a regional education service center, acting alone or in collaboration with one or more other regional education service centers, shall be subject to the same review and adoption process as outlined in Section 31.022.

Added by Acts 2013, 83rd Leg., R.S., Ch. 617 (S.B. 1406), Sec. 1, eff. June 14, 2013.

Sec. 8.054. PROHIBITION ON REGULATORY FUNCTION. A regional education service center may not perform a regulatory function regarding a school district. This section does not prohibit a regional education service center from offering training or other assistance to a school district in complying with a state or federal law, rule, or regulation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.055. REGIONAL EDUCATION SERVICE CENTER PROPERTY. (a) Each regional education service center may purchase or lease property or acquire property through lease-purchase and may incur debts for that purpose. Any transaction under this subsection is subject to the approval of the board of directors.

(b) Any transaction under this subsection involving real property is subject to the approval of the board of directors and the commissioner.

(c) Each regional education service center may dispose of property in the manner and on the terms that the board of directors determines.

Added by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.056. LIMITATION ON COMPENSATION FOR CERTAIN SERVICES. A regional education service center that acts as a fiscal agent or broker in connection with an agreement between two school districts under Subchapter E, Chapter 41, may not, unless authorized in writing by the district receiving transferred funds in accordance with the agreement:

(1) be compensated by the districts in an amount that exceeds the administrative cost of providing the service; or

(2) otherwise retain for use by the center any amount other than the compensation permitted under Subdivision (1) from the funds transferred between the districts in accordance with the agreement.

Added by Acts 2003, 78th Leg., ch. 350, Sec. 2, eff. Sept. 1, 2003.

Sec. 8.057. ASSISTANCE WITH CRIMINAL HISTORY RECORD INFORMATION. The agency may require a regional education service center to assist in collecting information needed for a criminal history record information review under Subchapter C, Chapter 22.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 1, eff. June 15, 2007.

Sec. 8.058. CHILD DEVELOPMENT ASSOCIATE TRAINING. A regional education service center may offer to teachers employed by school districts the training required to be awarded a Child Development Associate (CDA) credential.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 1, eff. May 28, 2015.

SUBCHAPTER C. EVALUATION AND ACCOUNTABILITY

Sec. 8.101. PERFORMANCE STANDARDS AND INDICATORS. The commissioner shall establish performance standards and indicators for regional education service centers that measure the achievement of the objectives in Section 8.002. Performance standards and indicators must include the following:

(1) student performance in districts served;

(2) district effectiveness and efficiency in districts served resulting from technical assistance and program support;

(3) direct services provided or regionally shared services arranged by the service center which produce more economical and efficient school operations;

(4) direct services provided or regionally shared services arranged by the service center which provide for assistance in core services; and

(5) grants received for implementation of state initiatives and the results achieved by the service center under the terms of the grant contract.

Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.102. DATA REPORTING. Each regional education service center shall report audited or budgeted financial information and any other information requested by the commissioner for use in assessing the performance of the center. The commissioner shall develop a uniform system for regional education service centers to report audited financial data, to report information on the indicators adopted under Section 8.101, and to provide information on client satisfaction with services provided under Subchapter B.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.101 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.103. ANNUAL EVALUATION. The commissioner shall conduct an annual evaluation of each executive director and regional education service center. Each evaluation must include:

(1) an audit of the center's finances;

(2) a review of the center's performance on the indicators adopted under Section 8.101;

(3) a review of client satisfaction with services provided under Subchapter B; and

(4) a review of any other factor the commissioner determines to be appropriate.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.102 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.104. SANCTIONS. The commissioner shall develop a system of corrective actions to require of a regional education service center that the commissioner determines to be deficient in an accountability measure under Section 8.103. The actions must include, in increasing order of severity:

(1) conducting an on-site investigation of the center;

(2) requiring the center to send notice of each deficiency to each school district and campus in the center's region or served by the center the previous year;

(3) requiring the center to prepare for the commissioner's approval a plan to address each area of deficiency;

(4) appointing a master to oversee the operations of the center;

(5) replacing the executive director or board of directors; and

(6) in the case of deficient performance in two consecutive years, closing the center.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.103 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

SUBCHAPTER D. FUNDING

Sec. 8.121. FUNDING FOR CORE SERVICES AND SERVICES TO IMPROVE PERFORMANCE. (a) Regional education service centers receive state financial support for services provided under Section 8.051 from money appropriated for the Foundation School Program. The commissioner shall distribute money to each regional education service center for basic costs of providing those services according to an annual allotment set by the commissioner based on:

(1) the minimum amount of money necessary for the operation of a center;

(2) an additional amount of money that reflects the size and number of campuses served by the center under Section 8.051; and

(3) an additional amount of money that reflects the impact of the geographic size of a center's service area on the cost of providing services under Section 8.051.

(b) Repealed by Acts 1999, 76th Leg., ch. 396, Sec. 3.01(a), eff. Sept. 1, 1999.

(c) Each regional education service center shall use money distributed to it under this section for the provision of core services required under Section 8.051 or for payment of necessary administrative and operational expenses of the center related to the provision of those services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 3.01(a), eff. Sept. 1, 1999.

Sec. 8.122. INCENTIVE FUNDING FOR DISTRICT EFFICIENCIES. (a) The legislature may appropriate money from the foundation school fund to establish an incentive fund to encourage efficiency in the provision of services by the system of regional education service centers.

(b) The commissioner may submit to each regular session of the legislature an incentive funding report and plan that:

(1) demonstrates that regional education service centers are providing the services required or permitted by law;

(2) defines efficiencies of scale in measurable terms;

(3) proposes the size of and payment schedule for the incentive fund; and

(4) establishes a method for documenting and computing efficiencies.

(c) The commissioner shall determine the method by which money appropriated under this section is distributed to regional education service centers.

(d) The board of trustees of a school district may delegate purchasing or other administrative functions to a regional education service center to the extent necessary to achieve efficiencies under this section.

Amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.123. FUNDING FOR STATE INITIATIVES. (a) The legislature may appropriate money from the foundation school fund or other sources to implement initiatives identified by the legislature.

(b) The commissioner may adopt rules governing:

(1) the strategies, programs, projects, and regions eligible for funding under this section; and

(2) the amount of funds that may be distributed to a regional education service center for a specific initiative.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Sec. 8.122 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.124. INNOVATIVE AND EMERGENCY GRANTS. (a) The legislature may appropriate money from the foundation school fund or

other sources for grants to regional education service centers. Money appropriated under this section shall be distributed to regional education service centers as:

(1) competitive grants for developing and implementing innovative regional strategies or programs; or

(2) emergency grants for providing adequate services under Section 8.051 to small and isolated school districts or, in extreme circumstances, other school districts.

(b) The commissioner may adopt rules governing:

(1) the strategies, programs, and regions eligible for funding under this section; and

(2) the amount of money that may be distributed to a regional education service center for a specific purpose.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.123 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

Sec. 8.125. CONTRACTS FOR GRANTS. Each regional education service center board of directors, under rules adopted by the commissioner, may enter into a contract for a grant from a public or private organization and may spend grant funds in accordance with the terms of the contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 8.124 and amended by Acts 1997, 75th Leg., ch. 268, Sec. 1, eff. May 26, 1997.

SUBTITLE C. LOCAL ORGANIZATION AND GOVERNANCE

CHAPTER 11. SCHOOL DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 11.001. ACCREDITATION. Each school district must be accredited by the agency as provided by Subchapter C, Chapter 39.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 5, eff. June 19, 2009.

Sec. 11.002. RESPONSIBILITY OF SCHOOL DISTRICTS FOR PUBLIC EDUCATION. The school districts and charter schools created in accordance with the laws of this state have the primary responsibility for implementing the state's system of public education and ensuring student performance in accordance with this code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.003. ADMINISTRATIVE EFFICIENCY. (b) Each regional education service center shall:

(1) notify each school district served by the center regarding the opportunities available through the center for cooperative shared services arrangements within the center's service area; and

(2) evaluate the need for cooperative shared services arrangements within the center's service area and consider expanding center-sponsored cooperative shared services arrangements.

(c) Each regional education service center shall assist a school district board of trustees in entering into an agreement with another district or political subdivision, a regional education service center, or an institution of higher education as defined by Section 61.003, for a cooperative shared services arrangement regarding administrative services, including transportation, food service, purchasing, and payroll functions.

(d) The commissioner may require a district to enter into a cooperative shared services arrangement for administrative services if the commissioner determines:

(1) that the district has failed to satisfy a financial accountability standard as determined by commissioner rule under Subchapter D, Chapter 39; and

(2) that entering into a cooperative shared services arrangement would:

(A) enable the district to enhance its performance on the financial accountability standard identified under Subdivision (1); and

(B) promote the efficient operation of the district.

(e) The commissioner may require an open-enrollment charter school to enter into a cooperative shared services arrangement for

administrative services if the commissioner determines, after an audit conducted under Section 12.1163, that such a cooperative shared services arrangement would promote the efficient operation of the school.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.03, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 6, eff. June 19, 2009.

SUBCHAPTER B. INDEPENDENT SCHOOL DISTRICTS

Sec. 11.011. ORGANIZATION. The board of trustees of an independent school district, the superintendent of the district, the campus administrators, and the district- and campus-level committees established under Section 11.251 shall contribute to the operation of the district in the manner provided by this code and by the board of trustees of the district in a manner not inconsistent with this code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. BOARD OF TRUSTEES OF INDEPENDENT SCHOOL DISTRICT--GENERAL PROVISIONS

Sec. 11.051. GOVERNANCE OF INDEPENDENT SCHOOL DISTRICT; NUMBER OF TRUSTEES. (a) An independent school district is governed by a board of trustees who, as a body corporate, shall:

(1) oversee the management of the district; and

(2) ensure that the superintendent implements and monitors plans, procedures, programs, and systems to achieve appropriate, clearly defined, and desired results in the major areas of district operations.

(a-1) Unless authorized by the board, a member of the board may not, individually, act on behalf of the board. The board of trustees may act only by majority vote of the members present at a meeting held in compliance with Chapter 551, Government Code, at which a quorum of the board is present and voting. The board shall provide the superintendent an opportunity to present at a meeting an oral or written recommendation to the board on any item that is voted on by the board at the meeting.

(b) The board consists of the number of members that the district had on September 1, 1995.

(c) A board of trustees that has three or five members may by resolution increase the membership to seven. A board of trustees that votes to increase its membership must consider whether the district would benefit from also adopting a single-member election system under Section 11.052. A resolution increasing the number of trustees takes effect with the second regular election of trustees that occurs after the adoption of the resolution. The resolution must provide for a transition in the number of trustees so that when the transition is complete, trustees are elected as provided by Section 11.059.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 1, eff. September 1, 2007.

Sec. 11.0511. STUDENT TRUSTEE FOR CERTAIN DISTRICTS. (a) This section applies only to a school district described by Section 11.065(a) in which a school in the district is operating under a campus turnaround plan.

(b) Notwithstanding Section 11.051(b), the board of trustees of a school district may adopt a resolution establishing as a nonvoting member a student trustee position as provided by this section.

(c) For a student trustee position under this section, the board shall adopt a policy that establishes:

(1) the term of the student trustee position;

(2) the procedures for selecting a student trustee, including the method for filling a vacancy; and

(3) the procedures for removal of a student trustee.

(d) A student is eligible to serve as a student trustee if the student is enrolled in the student's junior or senior year of high school and is considered in good standing academically and under the district code of conduct.

(e) The board shall adopt a policy regarding student trustee:

(1) participation, other than voting, in board deliberations, subject to Subsection (f); and

(2) access to information, documents, and records,

consistent with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(f) A student trustee may not participate in a closed session of a board meeting in which any issue related to a personnel matter is considered.

(g) A student trustee is not entitled to receive compensation or reimbursement of the student trustee's expenses for services on the board.

(h) A school district may grant to a student who fulfills the requirements of service of a student trustee not more than one academic course credit in a subject area determined appropriate by the district.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 2, eff. June 19, 2015.

Sec. 11.052. SINGLE-MEMBER TRUSTEE DISTRICTS. (a) Except as provided by Subsection (b), the board of trustees of an independent school district, on its own motion, may order that trustees of the district are to be elected from single-member trustee districts or that not fewer than 70 percent of the members of the board of trustees are to be elected from single-member trustee districts with the remaining trustees to be elected from the district at large.

(b) If a majority of the area of an independent school district is located in a county with a population of less than 10,000, the board of trustees of the district, on its own motion, may order that trustees of the district are to be elected from single-member trustee districts or that not fewer than 50 percent of the members of the board of trustees are to be elected from single-member trustee districts with the remaining trustees to be elected from the district at large.

(c) Before adopting an order under Subsection (a) or (b), the board must:

(1) hold a public hearing at which registered voters of the district are given an opportunity to comment on whether or not they favor the election of trustees in the manner proposed by the board; and

(2) publish notice of the hearing in a newspaper that has general circulation in the district, not later than the seventh day

before the date of the hearing.

(d) An order of the board adopted under Subsection (a) or (b) must be entered not later than the 120th day before the date of the first election at which all or some of the trustees are elected from single-member trustee districts authorized by the order.

(e) If at least 15 percent or 15,000 of the registered voters of the school district, whichever is less, sign and present to the board of trustees a petition requesting submission to the voters of the proposition that trustees of the district be elected in a specific manner, which must be generally described on the petition and which must be a manner of election that the board could have ordered on its own motion under Subsection (a) or (b), the board shall order that the appropriate proposition be placed on the ballot at the first regular election of trustees held after the 120th day after the date the petition is submitted to the board. The proposition must specify the number of trustees to be elected from single-member districts. Beginning with the first regular election of trustees held after an election at which a majority of the registered voters voting approve the proposition, trustees of the district shall be elected in the manner prescribed by the approved proposition.

(f) If single-member trustee districts are adopted or approved as provided by this section, the board shall divide the school district into the appropriate number of trustee districts, based on the number of members of the board that are to be elected from single-member trustee districts, and shall number each trustee district. The trustee districts must be compact and contiguous and must be as nearly as practicable of equal population. In a district with 150,000 or more students in average daily attendance, the boundary of a trustee district may not cross a county election precinct boundary except at a point at which the boundary of the school district crosses the county election precinct boundary. Trustee districts must be drawn not later than the 90th day before the date of the first election of trustees from those districts.

(g) Residents of each trustee district are entitled to elect one trustee to the board. A trustee elected to represent a trustee district at the first election of trustees must be a resident of the district the trustee represents not later than: (1) the 90th day after the date election returns are canvassed; or (2) the 60th day after the date of a final judgment in an election contest filed

concerning that trustee district. After the first election of trustees from single-member trustee districts, a candidate for trustee representing a single-member trustee district must be a resident of the district the candidate seeks to represent. A person appointed to fill a vacancy in a trustee district must be a resident of that trustee district. A trustee vacates the office if the trustee fails to move into the trustee district the trustee represents within the time provided by this subsection or ceases to reside in the district the trustee represents. A candidate for trustee representing the district at large must be a resident of the district.

(h) At the first election at which some or all of the trustees are elected in a manner authorized by this section and after each redistricting, all positions on the board shall be filled. The trustees then elected shall draw lots for staggered terms as provided by Section 11.059.

(i) Not later than the 90th day before the date of the first regular school board election at which trustees may officially recognize and act on the last preceding federal census, the board shall redivide the district into the appropriate number of trustee districts if the census data indicates that the population of the most populous district exceeds the population of the least populous district by more than 10 percent. Redivision of the district shall be in the manner provided for division of the district under Subsection (f).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 982, Sec. 1, eff. Sept. 1, 2001.

Sec. 11.053. OPTION TO CONTINUE IN OFFICE FOLLOWING ADOPTION OF SINGLE-MEMBER PLAN OR REDISTRICTING. (a) The board of trustees of an independent school district that adopts a redistricting plan under Section 11.052 may provide for the trustees in office when the plan is adopted or the school district is redistricted to serve for the remainder of their terms in accordance with this section.

(b) The trustee district and any at-large positions provided by the district's plan shall be filled as the staggered terms of trustees then in office expire. Not later than the 90th day before the date of the first election from trustee districts and after each

redistricting, the board shall determine the order in which the positions will be filled.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 982, Sec. 2, eff. Sept. 1, 2001.

Sec. 11.054. ELECTING TRUSTEES BY CUMULATIVE VOTING. (a) The board of trustees of an independent school district that elects its trustees at large or at large by position may order that elections for trustees be held using the cumulative voting procedure described by this section.

(b) At an election at which more than one trustee position is to be filled, all of the positions that are to be filled at the election shall be voted on as one race by all the voters of the school district. Each voter is entitled to cast a number of votes equal to the number of positions to be filled at the election.

(c) A voter may cast one or more of the specified number of votes for any one or more candidates in any combination. Only whole votes may be cast and counted.

(d) If a voter casts more than the number of votes to which the voter is entitled in the election, none of the voter's votes may be counted in that election. If a voter casts fewer votes than entitled, all of the voter's votes are counted in that election.

(e) The candidates who are elected are those, in the number to be elected, receiving the highest numbers of votes.

(f) If the board of trustees adopts an order requiring the use of cumulative voting, only the trustee positions that were scheduled to be elected at the election are filled through the use of cumulative voting.

(g) An independent school district that adopts an order requiring the use of cumulative voting may not elect its members by position as provided by Section 11.058.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.055. APPLICATION TO GET ON BALLOT. (a) An application of a candidate for a place on the ballot must be filed not later than 5 p.m. of the 78th day before the date of the election. An application may not be filed earlier than the 30th day before the

date of the filing deadline.

(b) In a district in which the positions on the board of trustees are not authorized to be designated by number, an applicant is not required to state which other candidate, if any, the applicant is opposing.

(c) Repealed by Acts 2015, 84th Leg., R.S., Ch. 84 , Sec. 31, eff. September 1, 2015.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 925, Sec. 9, eff. Nov. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1109 (H.B. 2339), Sec. 30, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 42, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 84 (S.B. 1703), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 84 (S.B. 1703), Sec. 31, eff. September 1, 2015.

Sec. 11.056. WRITE-IN VOTING. (a) In an election for trustees of an independent school district, a write-in vote may not be counted for a person unless that person has filed a declaration of write-in candidacy with the secretary of the board of trustees in the manner provided for write-in candidates in the general election for state and county officers.

(b) A declaration of write-in candidacy must be filed not later than the deadline prescribed by Section 146.054, Election Code, for a write-in candidate in a city election.

(c) With the appropriate modifications and to the extent practicable, Subchapter B, Chapter 146, Election Code, applies to write-in voting in an election for trustees of an independent school district.

(d) The secretary of state shall adopt the rules necessary to implement this section.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1318, Sec. 51(2), eff. September 1, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1349, Sec. 74, eff. Sept. 1,

1997.
Amended by:
Acts 2005, 79th Leg., Ch. 1109 (H.B. 2339), Sec. 31, eff. September 1, 2005.
Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 43, eff. September 1, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 51(2), eff. September 1, 2011.

Sec. 11.057. DETERMINATION OF RESULTS; OPTIONAL MAJORITY VOTE REQUIREMENT. (a) Except as provided by Subsection (c), in an independent school district in which the positions of trustees are designated by number as provided by Section 11.058 or in which the trustees are elected from single-member trustee districts as provided by Section 11.052, the candidate receiving the highest number of votes for each respective position voted on is elected.

(b) In a district in which the positions of trustees are not designated by number or in which the trustees are not elected from single-member trustee districts, the candidates receiving the highest number of votes shall fill the positions the terms of which are normally expiring.

(c) The board of trustees of an independent school district in which the positions of trustees are designated by number or in which the trustees are elected from single-member trustee districts as provided by Section 11.052 may provide by resolution, not later than the 180th day before the date of an election, that a candidate must receive a majority of the votes cast for a position or in a trustee district, as applicable, to be elected. A resolution adopted under this subsection is effective until rescinded by a subsequent resolution adopted not later than the 180th day before the date of the first election to which the rescission applies.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 522, Sec. 1, eff. Sept. 1, 1999.

Sec. 11.058. ELECTION BY POSITION. (a) The designation of the positions of trustees by number is or may be required only as specified by this section.

(b) The positions on the board of trustees shall be designated by number in any independent school district in which the procedure of designating and electing the trustees by number has been authorized and instituted whether under general or special law and whether by resolution of the trustees or by operation of law.

(c) The positions on the board of trustees shall be designated by number in any independent school district in which the board of trustees by resolution orders that all candidates for trustee be voted on and elected separately for positions on the board of trustees and that all candidates be designated on the official ballot according to the number of the positions for which they seek election.

(d) The resolution of the board of trustees must be made not later than the 60th day before the date of any trustee election for this section to apply.

(e) The board shall also, not later than the 60th day before the date of the election, number the positions on the board in the order in which the terms of office of the trustees expire.

(f) Once the board of trustees of an independent school district has ordered the election of trustees by numbered positions under this section, neither the board of trustees nor their successors may rescind the action.

(g) Ballots for an election to which this section applies must clearly show the position for which each person is a candidate. The board of trustees shall arrange by lot the names of the candidates for each position.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.0581. JOINT ELECTIONS REQUIRED. (a) An election for trustees of an independent school district shall be held on the same date as:

(1) the election for the members of the governing body of a municipality located in the school district;

(2) the general election for state and county officers;

(3) the election for the members of the governing body of a hospital district, if the school district:

(A) is wholly or partly located in a county with a population of less than 40,000 that is adjacent to a county with a

population of more than three million; and

(B) held its election for trustees jointly with the election for the members of the governing body of the hospital district before May 2007; or

(4) the election for the members of the governing board of a public junior college district in which the school district is wholly or partly located.

(b) Elections held on the same date as provided by Subsection (a) shall be held as a joint election under Chapter 271, Election Code.

(c) The voters of a joint election under this section shall be served by common polling places consistent with Section 271.003(b), Election Code.

(d) The board of trustees of an independent school district changing an election date to comply with this section shall adjust the terms of office of its members to conform to the new election date.

(e) The joint election agreement allocating expenses as provided by Section 271.004, Election Code, must provide that a school district is responsible only for the proportion of election expenses that corresponds to the proportion that the number of registered voters in the school district bears to the total number of registered voters in all political subdivisions participating in the joint election. This subsection applies only to a school district:

(1) that has territory located in at least four counties, each of which has a population of less than 46,100; and

(2) no part of which is located in a municipality.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 11.01, eff. May 31, 2006.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1010 (H.B. 945), Sec. 2, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 40 (S.B. 729), Sec. 1, eff. May 10, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 8, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 326 (H.B. 1871), Sec. 1, eff. June 14, 2013.

Sec. 11.059. TERMS. (a) A trustee of an independent school district serves a term of three or four years.

(b) Elections for trustees with three-year terms shall be held annually. The terms of one-third of the trustees, or as near to one-third as possible, expire each year.

(c) Elections for trustees with four-year terms shall be held biennially. The terms of one-half of the trustees, or as near to one-half as possible, expire every two years.

(d) A board policy must state the schedule on which specific terms expire.

(e) Not later than December 31, 2011, the board of trustees may adopt a resolution changing the length of the terms of its trustees. The resolution must provide for staggered terms of either three or four years and specify the manner in which the transition from the length of the former term to the modified term is made. The transition must begin with the first regular election for trustees that occurs after January 1, 2012, and a trustee who serves on that date shall serve the remainder of that term. This subsection expires January 1, 2017.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 17 (S.B. 670), Sec. 1, eff. April 25, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 44, eff. September 1, 2011.

Sec. 11.060. VACANCIES. (a) If a vacancy occurs on the board of trustees of an independent school district, the remaining trustees may fill the vacancy by appointment until the next trustee election.

(b) If the board is appointed by the governing body of a municipality, a trustee appointed by the governing body to fill a vacancy shall serve for the unexpired term.

(c) Instead of filling a vacancy by appointment under Subsection (a) or (b), the board or municipal governing body may order a special election to fill the vacancy. A special election is conducted in the same manner as the district's general election except as provided by the Election Code.

(d) If more than one year remains in the term of the position

vacated, the vacancy shall be filled under this section not later than the 180th day after the date the vacancy occurs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.061. QUALIFICATION AND ORGANIZATION OF TRUSTEES; COMPENSATION. (a) The trustees first elected or appointed after the creation or incorporation of an independent school district shall file their official oaths with the county judge of the county in which the district or a major portion of the district is situated. After all subsequent elections, the newly elected trustees shall file their official oaths with the president of the board of trustees.

(b) A person may not be elected trustee of an independent school district unless the person is a qualified voter.

(c) Except as provided by Section 11.062, at the first meeting after each election and qualification of trustees, the members shall organize by selecting:

(1) a president, who must be a member of the board;

(2) a secretary, who may or may not be a member of the board; and

(3) other officers and committees the board considers necessary.

(d) The trustees serve without compensation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.062. ELECTION OF OFFICERS IN CERTAIN SCHOOL DISTRICTS. An independent school district in which, before September 1, 1995, part of the trustees were elected from single-member trustee districts and one or more board officers were elected at large shall continue electing trustees and officers in that manner until a different method of selection is adopted by resolution of the board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.0621. MEETINGS. The minutes, certified agenda, or recording, as applicable, of a regular or special meeting of the

board of trustees must reflect each member's attendance at or absence from the meeting. The minutes or tape recording of an open meeting must be accessible to the public in accordance with Section 551.022, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 2, eff. September 1, 2007.

Sec. 11.063. ELIGIBILITY FOR EMPLOYMENT. A trustee of an independent school district may not accept employment with that school district until the first anniversary of the date the trustee's membership on the board ends.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.064. FILING OF FINANCIAL STATEMENT BY TRUSTEE. (a) The board of trustees of an independent school district by resolution adopted by majority vote may require each member of the board to file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with:

(1) the board of trustees; and

(2) the Texas Ethics Commission.

(a-1) Not later than the 15th day after the date a board of trustees adopts a resolution under Subsection (a), the board shall deliver a certified copy of the resolution to the Texas Ethics Commission.

(a-2) A resolution adopted under Subsection (a) applies beginning on January 1 of the second year following the year in which the resolution is adopted. A member of a board of trustees that has adopted a resolution under Subsection (a) is not required to include, in a financial disclosure statement under this section, financial activity occurring before January 1 of the year following the year in which the resolution is adopted.

(a-3) The commissioner by order shall require the members of the board of trustees of an independent school district to file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, in the same manner as the members of a board of trustees that have adopted a resolution under Subsection (a) if the commissioner determines that:

(1) a board member has failed to comply with filing and recusal requirements applicable to the member under Chapter 171, Local Government Code;

(2) the district financial accounting practices are not adequate to safeguard state and district funds; or

(3) the district has not met a standard set by the commissioner in the financial accountability rating system.

(a-4) The commissioner may require filing financial statements under Subsection (a-3) covering not more than three fiscal years and beginning on January 1 of the second year following the date of the commissioner's order. A member of a board of trustees subject to an order issued under Subsection (a-3) is not required to include, in a financial disclosure statement subject to this section, financial activity occurring before January 1 of the year following the year in which the order is issued. The commissioner may renew the requirement if the commissioner determines that a condition described by Subsection (c) continues to exist.

(b) Subchapter B, Chapter 572, Government Code:

(1) applies to a trustee subject to this section as if the trustee were a state officer; and

(2) governs the contents, timeliness of filing, and public inspection of a statement filed under this section.

(c) A trustee serving in a school district that has adopted a resolution under Subsection (a) or that is subject to an order issued under Subsection (a-3) commits an offense if the trustee fails to file the statement required by the resolution or order. An offense under this section is a Class B misdemeanor.

(d) This section does not apply to the board of trustees of an independent school district to which Section 11.0641 applies. This subsection expires January 1, 2019.

Added by Acts 2003, 78th Leg., ch. 249, Sec. 6.04, eff. Sept. 1, 2003. Amended by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 30.01, eff. Jan. 11, 2004.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 853 (H.B. 343), Sec. 1, eff. January 1, 2014.

For expiration of this section, see Subsection (f).

Sec. 11.0641. FILING OF FINANCIAL STATEMENT BY TRUSTEE REQUIRED FOR CERTAIN SCHOOL DISTRICTS. (a) This section applies only to the board of trustees of an independent school district that is located in a county that is located on the international border and in which a municipality with a population of 600,000 or more is located.

(b) Each member of the board of trustees of an independent school district shall file a financial statement with:

(1) the board of trustees; and

(2) the commissioners court of the county in which the school district's central administrative office is located.

(c) The provisions of Subchapter B, Chapter 572, Government Code, governing the contents, timeliness of filing, and public inspection of a statement apply to a statement filed under this section as if the trustee were a state officer and the commissioners court of the county were the Texas Ethics Commission.

(d) A trustee commits an offense if the trustee fails to file the statement required by this section. An offense under this section is a Class B misdemeanor.

(e) The commissioners court of the county shall determine from any available evidence whether a statement required to be filed under this section is late. On making a determination that the statement is late, the commissioners court shall immediately mail a notice of the determination to the individual responsible for filing the statement. If a statement is determined to be late, the individual responsible for filing the statement is liable to the county for a civil penalty of $500. If a statement is more than 30 days late, the commissioners court shall issue a warning of liability by registered mail to the individual responsible for the filing. If the penalty is not paid before the 10th day after the date on which the warning is received, the individual is liable for a civil penalty in an amount determined by the commissioners court, but not to exceed $10,000.

(f) A trustee is not required to file a statement under this section for financial activity occurring on or after January 1, 2018. This section expires January 1, 2019.

Added by Acts 2013, 83rd Leg., R.S., Ch. 853 (H.B. 343), Sec. 2, eff. January 1, 2014.

Sec. 11.065. APPLICABILITY TO CERTAIN DISTRICTS. (a) Sections

11.052(g) and (h) and Sections 11.059(a) and (b) do not apply to the board of trustees of a school district if:

(1) the district's central administrative office is located in a county with a population of more than two million; and

(2) the district's student enrollment is more than 125,000 and less than 200,000.

(b) Section 11.053 of this code and Section 141.001, Election Code, apply to the board of trustees of a school district described by Subsection (a).

(c) A trustee of a school district described by Subsection (a) may not serve a term that exceeds four years.

(d) Notwithstanding Chapter 171, Acts of the 50th Legislature, Regular Session, 1947 (Article 2783d, Vernon's Texas Civil Statutes), to the extent consistent with this section, the board of trustees of a school district described by Subsection (a) may adopt rules necessary to govern the term, election, and residency requirements of members of the board that may be adopted under general law by any other school district.

Added by Acts 2003, 78th Leg., ch. 344, Sec. 1, eff. June 18, 2003. Renumbered from Education Code, Section 11.064 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(10), eff. September 1, 2005.

SUBCHAPTER D. POWERS AND DUTIES OF BOARD OF TRUSTEES OF INDEPENDENT SCHOOL DISTRICT

Sec. 11.151. IN GENERAL. (a) The trustees of an independent school district constitute a body corporate and in the name of the district may acquire and hold real and personal property, sue and be sued, and receive bequests and donations or other moneys or funds coming legally into their hands.

(b) The trustees as a body corporate have the exclusive power and duty to govern and oversee the management of the public schools of the district. All powers and duties not specifically delegated by statute to the agency or to the State Board of Education are reserved for the trustees, and the agency may not substitute its judgment for the lawful exercise of those powers and duties by the trustees.

(c) All rights and titles to the school property of the district, whether real or personal, shall be vested in the trustees and their successors in office. The trustees may, in any appropriate

manner, dispose of property that is no longer necessary for the operation of the school district.

(d) The trustees may adopt rules and bylaws necessary to carry out the powers and duties provided by Subsection (b).

(e) A school district may request the assistance of the attorney general on any legal matter. The district must pay any costs associated with the assistance.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 5, eff. Sept. 1, 2003.

Sec. 11.1511. SPECIFIC POWERS AND DUTIES OF BOARD. (a) In addition to powers and duties under Section 11.151 or other law, the board of trustees of an independent school district has the powers and duties provided by Subsection (b).

(b) The board shall:

(1) seek to establish working relationships with other public entities to make effective use of community resources and to serve the needs of public school students in the community;

(2) adopt a vision statement and comprehensive goals for the district and the superintendent and monitor progress toward those goals;

(3) establish performance goals for the district concerning:

(A) the academic and fiscal performance indicators under Subchapters C, D, and J, Chapter 39; and

(B) any performance indicators adopted by the district;

(4) ensure that the superintendent:

(A) is accountable for achieving performance results;

(B) recognizes performance accomplishments; and

(C) takes action as necessary to meet performance goals;

(5) adopt a policy to establish a district- and campus-level planning and decision-making process as required under Section 11.251;

(6) publish an annual educational performance report as required under Section 39.306;

(7) adopt an annual budget for the district as required under Section 44.004;

(8) adopt a tax rate each fiscal year as required under Section 26.05, Tax Code;

(9) monitor district finances to ensure that the superintendent is properly maintaining the district's financial procedures and records;

(10) ensure that district fiscal accounts are audited annually as required under Section 44.008;

(11) publish an end-of-year financial report for distribution to the community;

(12) conduct elections as required by law;

(13) by rule, adopt a process through which district personnel, students or the parents or guardians of students, and members of the public may obtain a hearing from the district administrators and the board regarding a complaint;

(14) make decisions relating to terminating the employment of district employees employed under a contract to which Chapter 21 applies, including terminating or not renewing an employment contract to which that chapter applies; and

(15) carry out other powers and duties as provided by this code or other law.

(c) The board may:

(1) issue bonds and levy, pledge, assess, and collect an annual ad valorem tax to pay the principal and interest on the bonds as authorized under Sections 45.001 and 45.003;

(2) levy, assess, and collect an annual ad valorem tax for maintenance and operation of the district as authorized under Sections 45.002 and 45.003;

(3) employ a person to assess or collect the district's taxes as authorized under Section 45.231; and

(4) enter into contracts as authorized under this code or other law and delegate contractual authority to the superintendent as appropriate.

Added by Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 3, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 7, eff. June 19, 2009.

Sec. 11.1512. COLLABORATION BETWEEN BOARD AND SUPERINTENDENT. (a) In relation to the superintendent of the school district, the board of trustees of the district has the powers and duties specified by Sections 11.1511(b) and (c). The superintendent shall, on a day-to-day basis, ensure the implementation of the policies created by the board.

(b) The board of trustees and the superintendent shall work together to:

(1) advocate for the high achievement of all district students;

(2) create and support connections with community organizations to provide community-wide support for the high achievement of all district students;

(3) provide educational leadership for the district, including leadership in developing the district vision statement and long-range educational plan;

(4) establish district-wide policies and annual goals that are tied directly to the district's vision statement and long-range educational plan;

(5) support the professional development of principals, teachers, and other staff; and

(6) periodically evaluate board and superintendent leadership, governance, and teamwork.

(c) A member of the board of trustees of the district, when acting in the member's official capacity, has an inherent right of access to information, documents, and records maintained by the district, and the district shall provide the information, documents, and records to the member without requiring the member to submit a public information request under Chapter 552, Government Code. The district shall provide the information, documents, and records to the member without regard to whether the requested items are the subject of or relate to an item listed on an agenda for an upcoming meeting. The district may withhold or redact information, a document, or a record requested by a member of the board to the extent that the item is excepted from disclosure or is confidential under Chapter 552, Government Code, or other law. This subsection does not require the district to provide information, documents, and records that are not subject to disclosure under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(d) A school district shall post, in a place convenient to the

public, the cost of responding to one or more requests submitted by a member of the board of trustees of the district under Subsection (c) if the requests are for 200 or more pages of material in a 90-day period.

(e) The district shall report annually to the Texas Education Agency not later than September 1 of each year:

(1) the number of requests submitted by a member of the board of trustees of the district under Subsection (c) during the preceding school year; and

(2) the total cost to the district for that school year of responding to requests under Subsection (c).

(f) In this section, "official capacity" means all duties of office and includes administrative decisions or actions.

Added by Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 3, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1130 (H.B. 628), Sec. 1, eff. September 1, 2013.

Sec. 11.1513. EMPLOYMENT POLICY. (a) The board of trustees of each independent school district shall adopt a policy providing for the employment and duties of district personnel. The employment policy must provide that:

(1) the board employs and evaluates the superintendent;

(2) the superintendent has sole authority to make recommendations to the board regarding the selection of all personnel other than the superintendent, except that the board may delegate final authority for those decisions to the superintendent; and

(3) each principal must approve each teacher or staff appointment to the principal's campus as provided by Section 11.202.

(b) The board of trustees may accept or reject the superintendent's recommendation regarding the selection of district personnel and shall include the board's acceptance or rejection in the minutes of the board's meeting, as required under Section 551.021, Government Code, in the certified agenda or tape recording required under Section 551.103, Government Code, or in the recording required under Section 551.125 or 551.127, Government Code, as applicable. If the board rejects the superintendent's

recommendation, the superintendent shall make alternative recommendations until the board accepts a recommendation.

(c) The employment policy may:

(1) specify the terms of employment with the district;

(2) delegate to the superintendent the authority to determine the terms of employment with the district; or

(3) include a provision for providing each current district employee with an opportunity to participate in a process for transferring to another school in or position with the district.

(d) The employment policy must provide that not later than the 10th school day before the date on which a district fills a vacant position for which a certificate or license is required as provided by Section 21.003, other than a position that affects the safety and security of students as determined by the board of trustees, the district must provide to each current district employee:

(1) notice of the position by posting the position on:

(A) a bulletin board at:

(i) a place convenient to the public in the district's central administrative office; and

(ii) the central administrative office of each campus in the district during any time the office is open; or

(B) the district's Internet website, if the district has a website; and

(2) a reasonable opportunity to apply for the position.

(e) If, during the school year, the district must fill a vacant position held by a teacher, as defined by Section 21.201, in less than 10 school days, the district:

(1) must provide notice of the position in the manner described by Subsection (d)(1) as soon as possible after the vacancy occurs;

(2) is not required to provide the notice for 10 school days before filling the position; and

(3) is not required to comply with Subsection (d)(2).

(f) If, under the employment policy, the board of trustees delegates to the superintendent the final authority to select district personnel:

(1) the superintendent is a public official for purposes of Chapter 573, Government Code, only with respect to a decision made under that delegation of authority; and

(2) each member of the board of trustees remains subject to

Chapter 573, Government Code, with respect to all district employees.

(g) Subsection (f) does not apply to a school district that is located:

(1) wholly in a county with a population of less than 35,000; or

(2) in more than one county, if the county in which the largest portion of the district territory is located has a population of less than 35,000.

(h) For purposes of Subsection (f), a person hired by a school district before September 1, 2007, is considered to have been in continuous employment as provided by Section 573.062(a), Government Code, and is not prohibited from continuing employment with the district subject to the restrictions of Section 573.062(b), Government Code.

(i) The employment policy must provide each school district employee with the right to present grievances to the district board of trustees.

(j) The employment policy may not restrict the ability of a school district employee to communicate directly with a member of the board of trustees regarding a matter relating to the operation of the district, except that the policy may prohibit ex parte communication relating to:

(1) a hearing under Subchapter E or F, Chapter 21; and

(2) another appeal or hearing in which ex parte communication would be inappropriate pending a final decision by a school district board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 705 (S.B. 387), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 10 (S.B. 135), Sec. 1, eff. April 23, 2007.

Redesignated from Education Code, Section 11.163 and amended by Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 4, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(4), eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1347 (S.B. 300), Sec. 1, eff.

June 19, 2009.

Sec. 11.1514. SOCIAL SECURITY NUMBERS. The board of trustees of an independent school district shall adopt a policy prohibiting the use of the social security number of an employee of the district as an employee identifier other than for tax purposes.

Added by Acts 2013, 83rd Leg., R.S., Ch. 183 (H.B. 2961), Sec. 3, eff. September 1, 2013.

Sec. 11.152. TAXES; BONDS. The trustees of an independent school district may levy and collect taxes and issue bonds in compliance with Chapter 45. If a specific rate of tax is not adopted at an election authorizing a tax, the trustees shall determine the rate of tax to be levied within the limit voted and specified by law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.153. SALE OF MINERALS. (a) Minerals in land belonging to an independent school district may be sold to any person under this section.

(b) The sale must be authorized by a resolution adopted by majority vote of the board of trustees of the school district.

(c) After adoption of a resolution under Subsection (b), the president of the board of trustees may execute an oil or gas lease or sell, exchange, and convey the minerals. The mineral deed or lease must recite the approval of the resolution of the board authorizing the sale.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.154. SALE OF PROPERTY OTHER THAN MINERALS. (a) The board of trustees of an independent school district may, by resolution, authorize the sale of any property, other than minerals, held in trust for public school purposes.

(b) The president of the board of trustees shall execute a deed to the purchaser of the property reciting the resolution of the board

of trustees authorizing the sale.

(c) A school district may employ, retain, contract with, or compensate a licensed real estate broker or salesperson for assistance in the acquisition or sale of real property.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.1541. DONATION OF SURPLUS PROPERTY. (a) The board of trustees of an independent school district may, by resolution, authorize the donation of real property and improvements formerly used as a school campus to a municipality, county, state agency, or nonprofit organization if:

(1) before adopting the resolution, the board holds a public hearing concerning the donation and, in addition to any other notice required, gives notice of the hearing by publishing the subject matter, location, date, and time of the hearing in a newspaper having general circulation in the territory of the district;

(2) the board determines that:

(A) the improvements have historical significance;

(B) the transfer will further the preservation of the improvements; and

(C) at the time of the transfer, the district does not need the real property or improvements for educational purposes; and

(3) the entity to whom the transfer is made has shown, to the satisfaction of the board, that the entity intends to continue to use the real property and improvements for public purposes.

(b) The president of the board of trustees shall execute a deed transferring ownership of the real property and improvements to the municipality, county, state agency, or nonprofit organization. The deed must:

(1) recite the resolution of the board authorizing the donation; and

(2) provide that ownership of the real property and improvements revert to the district if the municipality, county, state agency, or nonprofit organization:

(A) discontinues use of the real property and improvements for public purposes; or

(B) executes a document that purports to convey the

property.

(c) In this section, "nonprofit organization" means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

Added by Acts 2001, 77th Leg., ch. 161, Sec. 1, eff. Jan. 1, 2002. Amended by Acts 2003, 78th Leg., ch. 1189, Sec. 1, eff. Sept. 1, 2003.

Sec. 11.1542. OPEN-ENROLLMENT CHARTER SCHOOL OFFER FOR DISTRICT FACILITY. (a) The board of trustees of an independent school district that intends to sell, lease, or allow use for a purpose other than a district purpose of an unused or underused district facility must give each open-enrollment charter school located wholly or partly within the boundaries of the district the opportunity to make an offer to purchase, lease, or use the facility, as applicable, in response to any terms established by the board of trustees, before offering the facility for sale or lease or to any other specific entity.

(b) This section does not require the board of trustees of a school district to accept an offer made by an open-enrollment charter school.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 1, eff. September 1, 2013.

Sec. 11.1543. CHARTER SCHOOL PAYMENT FOR FACILITIES USE OR FOR SERVICES. (a) An independent school district may not require a campus or campus program that has been granted a charter under Subchapter C, Chapter 12, and that is the result of the conversion of the status of an existing school district campus to pay rent for or to purchase a facility in order to use the facility.

(b) An independent school district may not require a campus or campus program described by Subsection (a) or an open-enrollment charter school to pay for any service provided by the district under a contract between the district and the campus, campus program, or open-enrollment charter school an amount that is greater than the amount of the actual costs to the district of providing the service.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 1, eff. September 1, 2013.

Sec. 11.155. EMINENT DOMAIN. (a) An independent school district may, by the exercise of the right of eminent domain, acquire the fee simple title to real property on which to construct school buildings or for any other public use necessary for the district.

(b) In a condemnation by a school district, the trial and all other proceedings, including the assessing of damages, shall be in compliance with the statutes that apply to condemnation by a railroad.

(c) When final judgment is issued in a condemnation, the plaintiff shall be awarded the fee simple title to the property condemned.

(d) If the school district desires to take possession of the property to be condemned pending suit, it may do so at any time after the award of the commissioners and on the conditions in Subdivisions (1)-(4).

(1) The district is not required to give any bond, but it must pay to the defendant the amount of damages awarded or adjudged against it by the commissioners or deposit that amount in court subject to the order of the defendant, and the district shall pay the costs awarded against it.

(2) If on an appeal from the award of the commissioners the judgment exceeds the amount of the award, the district, if it has previously taken possession of the property, shall pay the judgment and costs awarded against it, not later than the 60th day after the date of the final judgment in the case. If the school district fails to pay the judgment and costs, the court shall on application of the defendant determine the damages, if any, the defendant has suffered by reason of the temporary possession by the plaintiff, order those damages paid out of the award deposited in court, and order a writ of possession for the property in favor of the defendant.

(3) If the final judgment on an appeal is less than the amount of the award of the commissioners, the court shall order the excess to be returned to the district.

(4) If the cause is appealed from the decision of the county court, the appeal is governed by the law governing appeals in other cases, except that the judgment of the county court is not

suspended by the appeal.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 81 (S.B. 18), Sec. 1, eff. September 1, 2011.

Sec. 11.156. DONATIONS TO THE PUBLIC SCHOOLS. (a) A conveyance, devise, or bequest of property for the benefit of the public schools made by anyone for any county, municipality, or district, if not otherwise directed by the donor, vests the property in the county school trustees, the board of trustees of the municipality or district, or their successors in office as trustees for those to be benefited by the donation.

(b) The funds or other property donated or the income from the property may be spent by the trustees:

(1) for any purpose designated by the donor that is in keeping with the lawful purposes of the schools for the benefit of which the donation was made; or

(2) for any legal purpose if a specific purpose is not designated by the donor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.157. CONTRACTS FOR EDUCATIONAL SERVICES. The board of trustees of an independent school district may contract with a public or private entity for that entity to provide educational services for the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.158. AUTHORITY TO CHARGE FEES. (a) The board of trustees of an independent school district may require payment of:

(1) a fee for materials used in any program in which the resultant product in excess of minimum requirements becomes, at the student's option, the personal property of the student, if the fee does not exceed the cost of materials;

(2) membership dues in student organizations or clubs and

admission fees or charges for attending extracurricular activities, if membership or attendance is voluntary;

(3) a security deposit for the return of materials, supplies, or equipment;

(4) a fee for personal physical education and athletic equipment and apparel, although any student may provide the student's own equipment or apparel if it meets reasonable requirements and standards relating to health and safety established by the board;

(5) a fee for items of personal use or products that a student may purchase at the student's option, such as student publications, class rings, annuals, and graduation announcements;

(6) a fee specifically permitted by any other statute;

(7) a fee for an authorized voluntary student health and accident benefit plan;

(8) a reasonable fee, not to exceed the actual annual maintenance cost, for the use of musical instruments and uniforms owned or rented by the district;

(9) a fee for items of personal apparel that become the property of the student and that are used in extracurricular activities;

(10) a parking fee or a fee for an identification card;

(11) a fee for a driver training course, not to exceed the actual district cost per student in the program for the current school year;

(12) a fee for a course offered for credit that requires the use of facilities not available on the school premises or the employment of an educator who is not part of the school's regular staff, if participation in the course is at the student's option;

(13) a fee for a course offered during summer school, except that the board may charge a fee for a course required for graduation only if the course is also offered without a fee during the regular school year;

(14) a reasonable fee for transportation of a student who lives within two miles of the school the student attends to and from that school, except that the board may not charge a fee for transportation for which the school district receives funds under Section 42.155(d);

(15) a reasonable fee, not to exceed $50, for costs associated with an educational program offered outside of regular school hours through which a student who was absent from class

receives instruction voluntarily for the purpose of making up the missed instruction and meeting the level of attendance required under Section 25.092; or

(16) if the district does not receive any funds under Section 42.155 and does not participate in a county transportation system for which an allotment is provided under Section 42.155(i), a reasonable fee for the transportation of a student to and from the school the student attends.

(b) The board may not charge fees for:

(1) instructional materials, workbooks, laboratory supplies, or other supplies necessary for participation in any instructional course except as authorized under this code;

(2) field trips required as a part of a basic education program or course;

(3) any specific form of dress necessary for any required educational program or diplomas;

(4) the payment of instructional costs for necessary school personnel employed in any course or educational program required for graduation;

(5) library materials required to be used for any educational course or program, other than fines for lost, damaged, or overdue materials;

(6) admission to any activity the student is required to attend as a prerequisite to graduation;

(7) admission to or examination in any required educational course or program; or

(8) lockers.

(c) Students may be required to furnish personal or consumable items, including pencils, paper, pens, erasers, notebooks, and school uniforms, except that students who are educationally disadvantaged may be required to furnish school uniforms only as provided by Section 11.162.

(d) The board may not charge a fee under Subsection (a)(12) for a course to which Section 28.003 applies.

(e) This section does not prohibit the operation of a school store in which students may purchase school supplies and materials.

(f) A school district shall adopt reasonable procedures for waiving a deposit or fee if a student or the student's parent or guardian is unable to pay it. This policy shall be posted in a central location in each school facility, in the school policy

manual, and in the student handbook.

(g) This section does not prohibit a board of trustees from charging reasonable fees for goods and services provided in connection with any postsecondary instructional program, including career and technology, adult, veterans', or continuing education, community service, evening school, and high school equivalency programs.

(h) For a fee charged under Subsection (a)(15), the school district must provide a written form to be signed by the student's legal guardian stating that this fee would not create a financial hardship or discourage the student from attending the program. The school district may only assess the fee if the student returns the signed form.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1029, Sec. 3, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 698, Sec. 1, eff. June 18, 1999. Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.01, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 9, eff. July 19, 2011.

Sec. 11.159. MEMBER TRAINING AND ORIENTATION. (a) The State Board of Education shall provide a training course for independent school district trustees to be offered by the regional education service centers. Registration for a course must be open to any interested person, including current and prospective board members, and the state board may prescribe a registration fee designed to offset the costs of providing that course.

(b) A trustee must complete any training required by the State Board of Education. The minutes of the last regular meeting of the board of trustees held during a calendar year must reflect whether each trustee has met or is delinquent in meeting the training required to be completed as of the date of the meeting.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 5, eff. September 1, 2007.

Sec. 11.160. CHANGE OF SCHOOL DISTRICT NAME. (a) The board of trustees of an independent school district by resolution may change the name of the school district.

(b) The board shall give notice of the change in name of the district by sending to the commissioner a copy of the resolution, attested by the president and secretary of the board. The district, under its changed name, is considered a continuation of the district, as formerly named, for all purposes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.161. FRIVOLOUS SUIT. In a civil suit brought under state law, against an independent school district or an officer of an independent school district acting under color of office, the court may award costs and reasonable attorney's fees if:

(1) the court finds that the suit is frivolous, unreasonable, and without foundation; and

(2) the suit is dismissed or judgment is for the defendant.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.162. SCHOOL UNIFORMS. (a) The board of trustees of an independent school district may adopt rules that require students at a school in the district to wear school uniforms if the board determines that the requirement would improve the learning environment at the school.

(b) The rules the board of trustees adopts must designate a source of funding that shall be used in providing uniforms for students at the school who are educationally disadvantaged.

(c) A parent or guardian of a student assigned to attend a school at which students are required to wear school uniforms may choose for the student to be exempted from the requirement or to transfer to a school at which students are not required to wear uniforms and at which space is available if the parent or guardian provides a written statement that, as determined by the board of trustees, states a bona fide religious or philosophical objection to the requirement.

(d) Students at a school at which uniforms are required shall wear the uniforms beginning on the 90th day after the date on which the board of trustees adopts the rules that require the uniforms.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.164. RESTRICTING WRITTEN INFORMATION. (a) The board of trustees of each school district shall limit redundant requests for information and the number and length of written reports that a classroom teacher is required to prepare. A classroom teacher may not be required to prepare any written information other than:

(1) any report concerning the health, safety, or welfare of a student;

(2) a report of a student's grade on an assignment or examination;

(3) a report of a student's academic progress in a class or course;

(4) a report of a student's grades at the end of each grade reporting period;

(5) a report on instructional materials;

(6) a unit or weekly lesson plan that outlines, in a brief and general manner, the information to be presented during each period at the secondary level or in each subject or topic at the elementary level;

(7) an attendance report;

(8) any report required for accreditation review;

(9) any information required by a school district that relates to a complaint, grievance, or actual or potential litigation and that requires the classroom teacher's involvement; or

(10) any information specifically required by law, rule, or regulation.

(b) The board of trustees shall review paperwork requirements imposed on classroom teachers and shall transfer to existing noninstructional staff a reporting task that can reasonably be accomplished by that staff.

(c) This section does not preclude a school district from collecting essential information, in addition to information specified under Subsection (a), from a classroom teacher on agreement between the classroom teacher and the district.

Added by Acts 1997, 75th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 6, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 10, eff. July 19, 2011.

Sec. 11.165. ACCESS TO SCHOOL CAMPUSES. The board of trustees of an independent school district may adopt rules to keep school campuses, including school libraries, open for recreational activities, latchkey programs, and tutoring after school hours.

Added by Acts 1999, 76th Leg., ch. 1170, Sec. 1, eff. June 18, 1999.

Sec. 11.166. OPERATION ON CAMPUS OF INSTITUTION OF HIGHER EDUCATION. (a) The board of trustees of a school district may operate a school or program or hold a class on the campus of an institution of higher education in this state if the board obtains written consent from the president or other chief executive officer of the institution.

(b) The president or other chief executive officer of an institution of higher education may provide written consent to a board of trustees of a school district under Subsection (a) regardless of whether the institution is located within the boundaries of the district.

Added by Acts 2001, 77th Leg., ch. 734, Sec. 1, eff. June 13, 2001.

Sec. 11.167. OPERATION OUTSIDE DISTRICT BOUNDARIES. The board of trustees of a school district may operate a school or program, including an extracurricular program, or hold a class outside the boundaries of the district.

Added by Acts 2001, 77th Leg., ch. 734, Sec. 1, eff. June 13, 2001.

Sec. 11.168. USE OF DISTRICT RESOURCES PROHIBITED FOR CERTAIN PURPOSES; EXCEPTION. (a) Except as provided by Subsection (b) or Section 45.109(a-1), (a-2), or (a-3), the board of trustees of a

school district may not enter into an agreement authorizing the use of school district employees, property, or resources for the provision of materials or labor for the design, construction, or renovation of improvements to real property not owned or leased by the district.

(b) This section does not prohibit the board of trustees of a school district from entering into an agreement for the design, construction, or renovation of improvements to real property not owned or leased by the district if the improvements benefit real property owned or leased by the district. Benefits to real property owned or leased by the district include the design, construction, or renovation of highways, roads, streets, sidewalks, crosswalks, utilities, and drainage improvements that serve or benefit the real property owned or leased by the district.

Added by Acts 2005, 79th Leg., Ch. 979 (H.B. 1826), Sec. 1, eff. June 18, 2005.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 4, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.01, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 196 (S.B. 810), Sec. 1, eff. May 28, 2015.

Sec. 11.169. ELECTIONEERING PROHIBITED. Notwithstanding any other law, the board of trustees of an independent school district may not use state or local funds or other resources of the district to electioneer for or against any candidate, measure, or political party.

Added by Acts 2005, 79th Leg., Ch. 1109 (H.B. 2339), Sec. 32, eff. September 1, 2005.
Renumbered from Education Code, Section 11.168 by Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 17.001(11), eff. September 1, 2007.

Sec. 11.170. INTERNAL AUDITOR. If a school district employs an internal auditor:

(1) the board of trustees shall select the internal auditor; and

(2) the internal auditor shall report directly to the board.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.04, eff. May 31, 2006.

Sec. 11.171. SCHOOL DISTRICT GRIEVANCE POLICY. (a) A school district grievance policy must permit a school district employee to report a grievance against a supervisor that alleges the supervisor's violation of the law in the workplace or the supervisor's unlawful harassment of the employee to a supervisor other than the supervisor against whom the employee intends to report the grievance.

(b) A school district grievance policy must permit an employee who reports a grievance to make an audio recording of any meeting or proceeding at which the substance of a grievance that complies with the policy is investigated or discussed. The implementation of this subsection may not result in a delay of any timeline provided by the grievance policy and does not require the district to provide equipment for the employee to make the recording.

(c) A school district grievance policy must permit an attorney or other person representing a district employee concerning a grievance reported under Subsection (a) to represent the employee through a telephone conference call, provided that the district has the equipment necessary for that type of call, at any formal grievance proceeding, hearing, or conference at which the district employee is entitled to representation according to the school district grievance policy.

Added by Acts 2007, 80th Leg., R.S., Ch. 176 (H.B. 1622), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 191 (H.B. 2512), Sec. 1, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1297 (H.B. 2607), Sec. 1, eff. June 14, 2013.

Sec. 11.178. PROHIBITION AGAINST USE OF SCHOOL DISTRICT

RESOURCES FOR HOTEL. (a) In this section, "hotel" means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a motel.

(b) The board of trustees of an independent school district may not impose taxes, issue bonds, use or authorize the use of school district employees, use or authorize the use of school district property, money, or other resources, or acquire property for the design, construction, renovation, or operation of a hotel.

(c) The board of trustees of an independent school district may not enter into a lease, contract, or other agreement that:

(1) obligates the board to engage in an activity prohibited by Subsection (b); or

(2) obligates the use of district employees or resources in a manner prohibited by Subsection (b).

Added by Acts 2011, 82nd Leg., R.S., Ch. 623 (S.B. 764), Sec. 1, eff. June 17, 2011.

SUBCHAPTER E. SUPERINTENDENTS AND PRINCIPALS

Sec. 11.201. SUPERINTENDENTS. (a) The superintendent is the educational leader and the chief executive officer of the school district.

(b) The board of trustees of an independent school district may employ by contract a superintendent for a term not to exceed five years.

(c) For purposes of this subsection, "severance payment" means any amount paid by the board of trustees of an independent school district to or in behalf of a superintendent on early termination of the superintendent's contract that exceeds the amount earned by the superintendent under the contract as of the date of termination, including any amount that exceeds the amount of earned standard salary and benefits that is paid as a condition of early termination of the contract. The board of trustees that makes a severance payment to a superintendent shall report the terms of the severance payment to the commissioner. The commissioner shall reduce the district's Foundation School Program funds by any amount that the amount of the severance payment to the superintendent exceeds an amount equal to one year's salary and benefits under the superintendent's terminated contract. The commissioner may adopt

rules as necessary to administer this subsection.

(d) The duties of the superintendent include:

(1) assuming administrative responsibility and leadership for the planning, organization, operation, supervision, and evaluation of the education programs, services, and facilities of the district and for the annual performance appraisal of the district's staff;

(2) except as provided by Section 11.202, assuming administrative authority and responsibility for the assignment, supervision, and evaluation of all personnel of the district other than the superintendent;

(3) overseeing compliance with the standards for school facilities established by the commissioner under Section 46.008;

(4) initiating the termination or suspension of an employee or the nonrenewal of an employee's term contract;

(5) managing the day-to-day operations of the district as its administrative manager, including implementing and monitoring plans, procedures, programs, and systems to achieve clearly defined and desired results in major areas of district operations;

(6) preparing and submitting to the board of trustees a proposed budget as provided by Section 44.002 and rules adopted under that section, and administering the budget;

(7) preparing recommendations for policies to be adopted by the board of trustees and overseeing the implementation of adopted policies;

(8) developing or causing to be developed appropriate administrative regulations to implement policies established by the board of trustees;

(9) providing leadership for the attainment and, if necessary, improvement of student performance in the district based on the indicators adopted under Sections 39.053 and 39.301 and other indicators adopted by the commissioner or the district's board of trustees;

(10) organizing the district's central administration;

(11) consulting with the district-level committee as required under Section 11.252(f);

(12) ensuring:

(A) adoption of a student code of conduct as required under Section 37.001 and enforcement of that code of conduct; and

(B) adoption and enforcement of other student

disciplinary rules and procedures as necessary;

(13) submitting reports as required by state or federal law, rule, or regulation, and ensuring that a copy of any report required by federal law, rule, or regulation is also delivered to the agency;

(14) providing joint leadership with the board of trustees to ensure that the responsibilities of the board and superintendent team are carried out; and

(15) performing any other duties assigned by action of the board of trustees.

(e) The superintendent of a school district may not receive any financial benefit for personal services performed by the superintendent for any business entity that conducts or solicits business with the district. Any financial benefit received by the superintendent for performing personal services for any other entity, including a school district, open-enrollment charter school, regional education service center, or public or private institution of higher education, must be approved by the board of trustees on a case-by-case basis in an open meeting. For purposes of this subsection, the receipt of reimbursement for a reasonable expense is not considered a financial benefit.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 955, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 90 (H.B. 189), Sec. 1, eff. May 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1244 (H.B. 2563), Sec. 6, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 8, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1042 (H.B. 1706), Sec. 2, eff. June 19, 2015.

Sec. 11.202. PRINCIPALS. (a) The principal of a school is the instructional leader of the school and shall be provided with adequate training and personnel assistance to assume that role.

(b) Each principal shall:

(1) except as provided by Subsection (d), approve all

teacher and staff appointments for that principal's campus from a pool of applicants selected by the district or of applicants who meet the hiring requirements established by the district, based on criteria developed by the principal after informal consultation with the faculty;

(2) set specific education objectives for the principal's campus, through the planning process under Section 11.253;

(3) develop budgets for the principal's campus;

(4) assume the administrative responsibility and instructional leadership, under the supervision of the superintendent, for discipline at the campus;

(5) assign, evaluate, and promote personnel assigned to the campus;

(6) recommend to the superintendent the termination or suspension of an employee assigned to the campus or the nonrenewal of the term contract of an employee assigned to the campus; and

(7) perform other duties assigned by the superintendent pursuant to the policy of the board of trustees.

(c) The board of trustees of a school district shall adopt a policy for the selection of a campus principal that includes qualifications required for that position.

(d) The superintendent or the person designated by the superintendent has final placement authority for a teacher transferred because of enrollment shifts or program changes in the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER F. DISTRICT-LEVEL AND SITE-BASED DECISION-MAKING

Sec. 11.251. PLANNING AND DECISION-MAKING PROCESS. (a) The board of trustees of each independent school district shall ensure that a district improvement plan and improvement plans for each campus are developed, reviewed, and revised annually for the purpose of improving the performance of all students. The board shall annually approve district and campus performance objectives and shall ensure that the district and campus plans:

(1) are mutually supportive to accomplish the identified objectives; and

(2) at a minimum, support the state goals and objectives

under Chapter 4.

(b) The board shall adopt a policy to establish a district- and campus-level planning and decision-making process that will involve the professional staff of the district, parents, and community members in establishing and reviewing the district's and campuses' educational plans, goals, performance objectives, and major classroom instructional programs. The board shall establish a procedure under which meetings are held regularly by district- and campus-level planning and decision-making committees that include representative professional staff, including, if practicable, at least one representative with the primary responsibility for educating students with disabilities, parents of students enrolled in the district, business representatives, and community members. The committees shall include a business representative without regard to whether the representative resides in the district or whether the business the person represents is located in the district. The board, or the board's designee, shall periodically meet with the district-level committee to review the district-level committee's deliberations.

(c) For purposes of establishing the composition of committees under this section:

(1) a person who stands in parental relation to a student is considered a parent;

(2) a parent who is an employee of the school district is not considered a parent representative on the committee;

(3) a parent is not considered a representative of community members on the committee; and

(4) community members must reside in the district and must be at least 18 years of age.

(d) The board shall also ensure that an administrative procedure is provided to clearly define the respective roles and responsibilities of the superintendent, central office staff, principals, teachers, district-level committee members, and campus-level committee members in the areas of planning, budgeting, curriculum, staffing patterns, staff development, and school organization. The board shall ensure that the district-level planning and decision-making committee will be actively involved in establishing the administrative procedure that defines the respective roles and responsibilities pertaining to planning and decision-making at the district and campus levels.

(e) The board shall adopt a procedure, consistent with Section

21.407(a), for the professional staff in the district to nominate and elect the professional staff representatives who shall meet with the board or the board designee as required under this section. At least two-thirds of the elected professional staff representatives must be classroom teachers. The remaining staff representatives shall include both campus- and district-level professional staff members. If practicable, the committee membership shall include at least one professional staff representative with the primary responsibility for educating students with disabilities. Board policy must provide procedures for:

(1) the selection of parents to the district-level and campus-level committees; and

(2) the selection of community members and business representatives to serve on the district-level committee in a manner that provides for appropriate representation of the community's diversity.

(f) The district policy must provide that all pertinent federal planning requirements are addressed through the district- and campus-level planning process.

(g) This section does not:

(1) prohibit the board from conducting meetings with teachers or groups of teachers other than the meetings described by this section;

(2) prohibit the board from establishing policies providing avenues for input from others, including students or paraprofessional staff, in district- or campus-level planning and decision-making;

(3) limit or affect the power of the board to govern the public schools; or

(4) create a new cause of action or require collective bargaining.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 61, Sec. 1, eff. May 16, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 626 (S.B. 778), Sec. 1, eff. September 1, 2011.

Sec. 11.252. DISTRICT-LEVEL PLANNING AND DECISION-MAKING. (a) Each school district shall have a district improvement plan that is

developed, evaluated, and revised annually, in accordance with district policy, by the superintendent with the assistance of the district-level committee established under Section 11.251. The purpose of the district improvement plan is to guide district and campus staff in the improvement of student performance for all student groups in order to attain state standards in respect to the achievement indicators adopted under Sections 39.053(c)(1)-(4). The district improvement plan must include provisions for:

(1) a comprehensive needs assessment addressing district student performance on the achievement indicators, and other appropriate measures of performance, that are disaggregated by all student groups served by the district, including categories of ethnicity, socioeconomic status, sex, and populations served by special programs, including students in special education programs under Subchapter A, Chapter 29;

(2) measurable district performance objectives for all appropriate achievement indicators for all student populations, including students in special education programs under Subchapter A, Chapter 29, and other measures of student performance that may be identified through the comprehensive needs assessment;

(3) strategies for improvement of student performance that include:

(A) instructional methods for addressing the needs of student groups not achieving their full potential;

(B) methods for addressing the needs of students for special programs, including:

(i) suicide prevention programs, in accordance with Subchapter O-1, Chapter 161, Health and Safety Code, which includes a parental or guardian notification procedure;

(ii) conflict resolution programs;

(iii) violence prevention programs; and

(iv) dyslexia treatment programs;

(C) dropout reduction;

(D) integration of technology in instructional and administrative programs;

(E) discipline management;

(F) staff development for professional staff of the district;

(G) career education to assist students in developing the knowledge, skills, and competencies necessary for a broad range

of career opportunities; and

(H) accelerated education;

(4) strategies for providing to middle school, junior high school, and high school students, those students' teachers and school counselors, and those students' parents information about:

(A) higher education admissions and financial aid opportunities;

(B) the TEXAS grant program and the Teach for Texas grant program established under Chapter 56;

(C) the need for students to make informed curriculum choices to be prepared for success beyond high school; and

(D) sources of information on higher education admissions and financial aid;

(5) resources needed to implement identified strategies;

(6) staff responsible for ensuring the accomplishment of each strategy;

(7) timelines for ongoing monitoring of the implementation of each improvement strategy;

(8) formative evaluation criteria for determining periodically whether strategies are resulting in intended improvement of student performance; and

(9) the policy under Section 38.0041 addressing sexual abuse and other maltreatment of children.

(b) A district's plan for the improvement of student performance is not filed with the agency, but the district must make the plan available to the agency on request.

(c) In a district that has only one campus, the district- and campus-level committees may be one committee and the district and campus plans may be one plan.

(d) At least every two years, each district shall evaluate the effectiveness of the district's decision-making and planning policies, procedures, and staff development activities related to district- and campus-level decision-making and planning to ensure that they are effectively structured to positively impact student performance.

(d-1) Expired.

(e) The district-level committee established under Section 11.251 shall hold at least one public meeting per year. The required meeting shall be held after receipt of the annual district performance report from the agency for the purpose of discussing the

performance of the district and the district performance objectives. District policy and procedures must be established to ensure that systematic communications measures are in place to periodically obtain broad-based community, parent, and staff input and to provide information to those persons regarding the recommendations of the district-level committee. This section does not create a new cause of action or require collective bargaining.

(f) A superintendent shall regularly consult the district-level committee in the planning, operation, supervision, and evaluation of the district educational program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1202, Sec. 2, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 1590, Sec. 6, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1261, Sec. 7, eff. June 15, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 10, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1134 (H.B. 1386), Sec. 4, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1323 (S.B. 471), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 9, eff. June 19, 2015.

Sec. 11.253. CAMPUS PLANNING AND SITE-BASED DECISION-MAKING. (a) Each school district shall maintain current policies and procedures to ensure that effective planning and site-based decision-making occur at each campus to direct and support the improvement of student performance for all students.

(b) Each district's policy and procedures shall establish campus-level planning and decision-making committees as provided for through the procedures provided by Sections 11.251(b)-(e).

(c) Each school year, the principal of each school campus, with the assistance of the campus-level committee, shall develop, review, and revise the campus improvement plan for the purpose of improving student performance for all student populations, including students

in special education programs under Subchapter A, Chapter 29, with respect to the achievement indicators adopted under Sections 39.053(c)(1)-(4) and any other appropriate performance measures for special needs populations.

(d) Each campus improvement plan must:

(1) assess the academic achievement for each student in the school using the achievement indicator system as described by Section 39.053;

(2) set the campus performance objectives based on the achievement indicator system, including objectives for special needs populations, including students in special education programs under Subchapter A, Chapter 29;

(3) identify how the campus goals will be met for each student;

(4) determine the resources needed to implement the plan;

(5) identify staff needed to implement the plan;

(6) set timelines for reaching the goals;

(7) measure progress toward the performance objectives periodically to ensure that the plan is resulting in academic improvement;

(8) include goals and methods for violence prevention and intervention on campus;

(9) provide for a program to encourage parental involvement at the campus; and

(10) if the campus is an elementary, middle, or junior high school, set goals and objectives for the coordinated health program at the campus based on:

(A) student fitness assessment data, including any data from research-based assessments such as the school health index assessment and planning tool created by the federal Centers for Disease Control and Prevention;

(B) student academic performance data;

(C) student attendance rates;

(D) the percentage of students who are educationally disadvantaged;

(E) the use and success of any method to ensure that students participate in moderate to vigorous physical activity as required by Section 28.002(l); and

(F) any other indicator recommended by the local school health advisory council.

(e) In accordance with the administrative procedures established under Section 11.251(b), the campus-level committee shall be involved in decisions in the areas of planning, budgeting, curriculum, staffing patterns, staff development, and school organization. The campus-level committee must approve the portions of the campus plan addressing campus staff development needs.

(f) This section does not create a new cause of action or require collective bargaining.

(g) Each campus-level committee shall hold at least one public meeting per year. The required meeting shall be held after receipt of the annual campus rating from the agency to discuss the performance of the campus and the campus performance objectives. District policy and campus procedures must be established to ensure that systematic communications measures are in place to periodically obtain broad-based community, parent, and staff input, and to provide information to those persons regarding the recommendations of the campus-level committees.

(h) A principal shall regularly consult the campus-level committee in the planning, operation, supervision, and evaluation of the campus educational program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 510, Sec. 1, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1202, Sec. 3, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 1365, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.003, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 500 (S.B. 892), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 11, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 10, eff. June 19, 2015.

Sec. 11.254. STATE RESPONSIBILITIES FOR THE PLANNING AND DECISION-MAKING PROCESS. (a) The commissioner shall oversee the provision of training and technical support to all districts and campuses in respect to planning and site-based decision-making through one or more sources, including regional education service

centers, for school board trustees, superintendents, principals, teachers, parents, and other members of school committees.

(b) The agency shall conduct an annual statewide survey of the types of district- and campus-level decision-making and planning structures that exist, the extent of involvement of various stakeholders in district- and campus-level planning and decision-making, and the perceptions of those persons of the quality and effectiveness of decisions related to their impact on student performance.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.255. DROPOUT PREVENTION REVIEW. (a) Each district-level planning and decision-making committee and each campus-level planning and decision-making committee for a junior, middle, or high school campus shall analyze information related to dropout prevention, including:

(1) the results of the audit of dropout records required by Section 39.308;

(2) campus information related to graduation rates, dropout rates, high school equivalency certificate rates, and the percentage of students who remain in high school more than four years after entering grade level 9;

(3) the number of students who enter a high school equivalency certificate program and:

(A) do not complete the program;

(B) complete the program but do not take the high school equivalency examination; or

(C) complete the program and take the high school equivalency examination but do not obtain a high school equivalency certificate;

(4) for students enrolled in grade levels 9 and 10, information related to academic credit hours earned, retention rates, and placements in alternative education programs and expulsions under Chapter 37; and

(5) the results of an evaluation of each school-based dropout prevention program in the district.

(b) Each district-level planning and decision-making committee and each campus-level planning and decision-making committee shall

use the information reviewed under this section in developing district or campus improvement plans under this subchapter.

Added by Acts 2003, 78th Leg., ch. 1201, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 12, eff. June 19, 2009.

SUBCHAPTER G. LAW APPLICABLE TO CERTAIN SCHOOL DISTRICTS AND COUNTY SYSTEMS

Sec. 11.301. APPLICATION OF FORMER LAW. (a) A school district or county system operating under former Chapter 17, 18, 22, 25, 26, 27, or 28 on May 1, 1995, may continue to operate under the applicable chapter as that chapter existed on that date and under state law generally applicable to school districts that does not conflict with that chapter.

(b) A school district operating under former Chapter 22 may incorporate and become an independent school district in the manner provided by former Subchapter F, Chapter 19, as that subchapter existed on May 1, 1995.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 304, Sec. 2, eff. Sept. 1, 2003.

Sec. 11.302. PUBLIC INFORMATION. The governing body of a school district or county system to which Section 11.301 applies shall make available to the public for inspection and copying during regular operating hours a copy of the provisions under which the district or county system operates that are specific to that type of district or county system.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.303. MUNICIPAL SCHOOL DISTRICTS. (a) Except as otherwise provided by this section, a school district operating under former Chapter 24 may continue to operate under that chapter as it existed on May 1, 1995, and under state law generally applicable to school districts that does not conflict with that chapter.

(b) The governing body of the municipality may participate in annual hearings or work sessions held by the board of trustees of the municipal school district on the budget and ad valorem tax rate for the coming year.

(c) The board of trustees of a municipal school district and the governing body of the municipality shall jointly hold any hearing required by law as a condition for the adoption of an annual budget and imposition of an ad valorem tax.

(d) Neither an annual budget for a municipal school district nor an ad valorem tax to be imposed for the district may be adopted without the affirmative vote of:

(1) a majority of the members of the board of trustees of the municipal school district present and voting; and

(2) at least three-quarters of the total of the voting members of the board of trustees and the governing body of the municipality that are present and voting.

(e) If a quorum of the members of the governing body of the municipality is not present at a meeting required under Subsection (c), the board of trustees may adopt a budget or an ad valorem tax rate without regard to the requirements of Subsection (d).

(f) Notwithstanding former Section 24.06(c), as it existed on May 1, 1995, the governing body of the municipality shall adopt an ordinance providing for the levy and assessment of the tax approved pursuant to Subsection (d) or (e).

(g) After adopting an ordinance levying a tax for the municipal school district, the governing body of the municipality shall provide a certified copy of the ordinance to the district's board of trustees.

(h) This section may not be construed as authorizing the governing body of a municipality to levy a tax for the support of schools of a municipal school district without fully complying with all applicable provisions of the Tax Code.

Added by Acts 2003, 78th Leg., ch. 304, Sec. 1, eff. Sept. 1, 2003.

Sec. 11.304. WRITE-IN VOTING: COMMON SCHOOL DISTRICT BOARD ELECTION. The procedures for write-in voting prescribed for an election for trustees of an independent school district under Section 11.056 apply to an election for trustees of a common school district

operating under former Chapter 22 as that chapter existed on May 1, 1995.

Added by Acts 2007, 80th Leg., R.S., Ch. 283 (H.B. 606), Sec. 1, eff. June 15, 2007.

SUBCHAPTER H. SPECIAL-PURPOSE SCHOOL DISTRICTS

Sec. 11.351. AUTHORITY TO ESTABLISH SPECIAL-PURPOSE SCHOOL DISTRICT. (a) On the recommendation of the commissioner and after consulting with the school districts involved and obtaining the approval of a majority of those districts in each affected county in which a proposed school district is located, the State Board of Education may establish a special-purpose school district for the education of students in special situations whose educational needs are not adequately met by regular school districts. The board may impose duties or limitations on the school district as necessary for the special purpose of the district. The board shall exercise the powers as provided by this section relating to the districts established under this section.

(b) The State Board of Education shall grant to the districts the right to share in the available school fund apportionment and other privileges as are granted to independent and common school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.352. GOVERNANCE OF SPECIAL-PURPOSE DISTRICT. (a) The State Board of Education shall appoint for each district established under Section 11.351 a board of three, five, or seven trustees, as determined by the State Board of Education. A trustee is not required to be a resident of the district.

(b) For each military reservation school district, the State Board of Education may appoint a board of three or five trustees. Enlisted military personnel and military officers may be appointed to the school board. A majority of the trustees appointed for the district must be civilians and all may be civilians. The trustees shall be selected from a list of persons who are qualified to serve as members of a school district board of trustees under Section 11.061 and who live or are employed on the military reservation. The

list shall be furnished to the board by the commanding officer of the military reservation. The trustees appointed serve terms of two years.

(c) The State Board of Education may adopt rules for the governance of a special-purpose district. In the absence of a rule adopted under this subsection, the laws applicable to independent school districts apply to a special-purpose district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 982, Sec. 3, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 676 (S.B. 144), Sec. 1, eff. June 17, 2005.

Sec. 11.353. ADMISSION AND ATTENDANCE. A child is eligible to attend school in a military reservation school district if the child is eligible under Section 25.001 and is the child of an officer, soldier, or civilian employee residing or employed on the reservation. The board of trustees may transfer any child who cannot be provided for by the district of the child's residence to any school district maintaining adequate facilities and standards for elementary, junior, or senior high schools, as applicable.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.354. ABOLITION OF SPECIAL-PURPOSE DISTRICT. On the written request signed by a majority of the board of trustees of a military reservation school district, the State Board of Education may abolish the district. The State Board of Education shall give written notice to the board of trustees requesting abolition. The territory of the abolished district and property of the district shall be disposed of as provided by Section 13.205.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.355. ANNEXATION OF ADDITIONAL TERRITORY BY CERTAIN SPECIAL-PURPOSE DISTRICTS. (a) Any military reservation territory that is subject to the same post or base command as a military

reservation used to house dependents of military and civilian personnel and that wholly contains an independent school district, whether or not the reservations are contiguous, may be annexed to that reservation independent school district by the State Board of Education on petition of that post or base commander.

(b) If a military reservation territory has been annexed to an independent school district of the same post or base command under Subsection (a) and the territory is no longer used to house dependents of military and civilian personnel, the State Board of Education, on petition of the post or base command, or on petition of a majority of the trustees of the school district from which the territory was originally detached, may detach the territory from the military reservation constituting an independent school district and annex it to the school district from which it was originally detached.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 11.356. SUPPORT OF STUDENTS ENROLLED IN SPECIAL-PURPOSE SCHOOL DISTRICTS. The independent or common school district that is responsible for providing education services to a student who is enrolled in a special-purpose school district established under Section 11.351 shall share the cost of the student's education in the manner provided under Section 30.003 for students enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf unless the State Board of Education finds that the student's education in a particular special-purpose school or school district is not the responsibility of the independent or common school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

CHAPTER 12. CHARTERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 12.001. PURPOSES OF CHAPTER. (a) The purposes of this chapter are to:

(1) improve student learning;

(2) increase the choice of learning opportunities within the public school system;

(3) create professional opportunities that will attract new teachers to the public school system;

(4) establish a new form of accountability for public schools; and

(5) encourage different and innovative learning methods.

(b) This chapter shall be applied in a manner that ensures the fiscal and academic accountability of persons holding charters issued under this chapter. This chapter may not be applied in a manner that unduly regulates the instructional methods or pedagogical innovations of charter schools.

Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 1, eff. Sept. 1, 2001.

Sec. 12.0011. ALTERNATIVE METHOD OF OPERATION. As an alternative to operating in the manner generally provided by this title, an independent school district, a school campus, or an educational program may choose to operate under a charter in accordance with this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Sec. 12.001 by Acts 2001, 77th Leg., ch. 1504, Sec. 1, eff. Sept. 1, 2001.

Sec. 12.002. CLASSES OF CHARTER. The classes of charter under this chapter are:

(1) a home-rule school district charter as provided by Subchapter B;

(2) a campus or campus program charter as provided by Subchapter C; or

(3) an open-enrollment charter as provided by Subchapter D.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.003. AUTHORITY OF BOARD OF TRUSTEES TO GRANT OTHER CHARTERS. This chapter does not limit the authority of the board of trustees of a school district to grant a charter to a campus or program to operate in accordance with the other provisions of this

title and rules adopted under those provisions.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER B. HOME-RULE SCHOOL DISTRICT CHARTER

Sec. 12.011. AUTHORIZATION AND STATUS. (a) In accordance with this subchapter, a school district may adopt a home-rule school district charter under which the district will operate.

(b) The adoption of a home-rule school district charter by a school district does not affect:

(1) the district's boundaries; or

(2) taxes or bonds of the district authorized before the effective date of the charter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.012. APPLICABILITY OF LAWS AND RULES TO HOME-RULE SCHOOL DISTRICT. (a) A home-rule school district is subject to federal and state laws and rules governing school districts, except that a home-rule school district is subject to:

(1) this code only to the extent that the applicability to a home-rule school district of a provision of this code is specifically provided;

(2) a rule adopted under this code by the State Board of Education or the commissioner only if the code provision authorizing the rule specifically applies to a home-rule school district; and

(3) all requirements of federal law and applicable court orders relating to eligibility for and the provision of special education and bilingual programs.

(b) An employee of a home-rule school district who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system in the same manner and to the same extent as a qualified employee employed by an independent school district is covered.

(c) This section does not permit a home-rule school district to discriminate against a student who has been diagnosed as having a learning disability, including dyslexia or attention deficit/hyperactivity disorder. Discrimination prohibited by this subsection includes denial of placement in a gifted and talented

program if the student would otherwise be qualified for the program but for the student's learning disability. This section does not permit a home-rule school district to, on the basis of race, socioeconomic status, learning disability, or family support status, place a student in a program other than the highest-level program necessary to ensure the student's success.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.013. APPLICABILITY OF TITLE. (a) A home-rule school district has the powers and entitlements granted to school districts and school district boards of trustees under this title, including taxing authority.

(b) A home-rule school district is subject to:

(1) a provision of this title establishing a criminal offense;

(2) a provision of this title relating to limitations on liability; and

(3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) educator certification under Chapter 21 and educator rights under Sections 21.407, 21.408, and 22.001;

(C) criminal history records under Subchapter C, Chapter 22;

(D) student admissions under Section 25.001;

(E) school attendance under Sections 25.085, 25.086, and 25.087;

(F) inter-district or inter-county transfers of students under Subchapter B, Chapter 25;

(G) elementary class size limits under Section 25.112, in the case of any campus in the district that fails to satisfy any standard under Section 39.054(e);

(H) high school graduation under Section 28.025;

(I) special education programs under Subchapter A, Chapter 29;

(J) bilingual education under Subchapter B, Chapter 29;

(K) prekindergarten programs under Subchapter E, Chapter 29;

(L) safety provisions relating to the transportation of students under Sections 34.002, 34.003, 34.004, and 34.008;

(M) computation and distribution of state aid under Chapters 31, 42, and 43;

(N) extracurricular activities under Section 33.081;

(O) health and safety under Chapter 38;

(P) public school accountability under Subchapters B, C, D, E, and J, Chapter 39;

(Q) equalized wealth under Chapter 41;

(R) a bond or other obligation or tax rate under Chapters 42, 43, and 45; and

(S) purchasing under Chapter 44.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 342, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.03, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 13, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.001, eff. September 1, 2011.

Sec. 12.014. APPOINTMENT OF CHARTER COMMISSION. The board of trustees of a school district shall appoint a charter commission to frame a home-rule school district charter if:

(1) the board receives a petition requesting the appointment of a charter commission to frame a home-rule school district charter signed by at least five percent of the registered voters of the district; or

(2) at least two-thirds of the total membership of the board adopt a resolution ordering that a charter commission be appointed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.015. CHARTER COMMISSION. (a) Not later than the 30th day after the date of receipt of a petition or adoption of a resolution under Section 12.014, the board of trustees of the school district shall appoint 15 residents of the district to serve on the commission to frame a charter for the district.

(b) The membership of the charter commission must reflect the racial, ethnic, socioeconomic, and geographic diversity of the district. A majority of the members appointed to the commission must be parents of school-age children attending public school. At least 25 percent of the commission must be classroom teachers selected by the representatives of the professional staff pursuant to Section 11.251(e).

(c) The charter commission must complete a proposed charter not later than the first anniversary of the date of its appointment. After that date, the commission expires and the appointment under Section 12.014 is void.

(d) A charter commission appointed under this section is considered a governmental body for purposes of Chapters 551 and 552, Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.016. CONTENT. Each home-rule school district charter must:

(1) describe the educational program to be offered;

(2) provide that continuation of the home-rule school district charter is contingent on:

(A) acceptable student performance on assessment instruments adopted under Subchapter B, Chapter 39; and

(B) compliance with other applicable accountability provisions under Chapter 39;

(3) specify any basis, in addition to a basis specified by this subchapter, on which the charter may be placed on probation or revoked;

(4) describe the governing structure of the district and campuses;

(5) specify any procedure or requirement, in addition to those under Chapter 38, that the district will follow to ensure the health and safety of students and employees;

(6) describe the process by which the district will adopt an annual budget, including a description of the use of program-weight funds;

(7) describe the manner in which an annual audit of financial and programmatic operations of the district is to be conducted, including the manner in which the district will provide information necessary for the district to participate in the Public Education Information Management System (PEIMS) to the extent required by this subchapter; and

(8) include any other provision the charter commission considers necessary.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.017. DETERMINATION OF COMPLIANCE WITH VOTING RIGHTS ACT. (a) The charter commission shall submit the proposed charter to the secretary of state. The secretary of state shall determine whether a proposed charter contains a change in the governance of the school district.

(b) If the secretary of state determines that a proposed charter contains a change in the governance of the school district, the secretary of state shall, not later than the second working day after the date the secretary of state makes that determination, notify the board of trustees of the school district. The board shall submit the proposed change to the United States Department of Justice or the United States District Court for the District of Columbia for preclearance under the Voting Rights Act (42 U.S.C. Section 1973c et seq.).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.018. LEGAL REVIEW. The charter commission shall submit the proposed charter to the commissioner. As soon as practicable, but not later than the 30th day after the date the commissioner receives the proposed charter, the commissioner shall review the proposed charter to ensure that the proposed charter complies with any applicable laws and shall recommend to the charter commission any modifications necessary. If the commissioner does not act within the prescribed time, the proposed charter is approved.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.019. CHARTER ELECTION. (a) As soon as practicable after approval of a home-rule school district charter under Section 12.018, the board of trustees of the district shall order an election on the proposed charter.

(b) The proposed charter shall be submitted to the voters of the district at an election to be held on the first uniform election date that occurs at least 45 days after the date on which the board of trustees orders the election.

(c) At least three copies of the proposed charter must be available in the office of each school campus in the district and at the district's central administrative office between the date of the election order and election day. Notice of the election must include a statement of where and how copies may be obtained or viewed. A summary of the content of the proposed charter shall be attached to each copy. The summary also shall be made available to school district employees, parents, community members, and members of the media.

(d) The ballot shall be printed to permit voting for or against the proposition "Whether the (name of school district) School District shall be governed under the home-rule school district charter, which is proposed by a charter commission appointed by the board of trustees and under which only certain laws and rules apply to the district."

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.020. CHARTER AMENDMENT. (a) The governing body of a home-rule school district on its own motion may submit a proposed charter amendment that complies with this subchapter to the commissioner for legal review.

(b) The governing body shall submit a proposed charter amendment that complies with this subchapter to the commissioner for legal review if a petition submitted to the governing body proposing the charter amendment is signed by at least five percent of the registered voters of the district.

(c) As soon as practicable, but not later than the 30th day

after the date on which the requirements for an election under Subsection (a) or (b) are satisfied, the commissioner shall review the proposed amendment to ensure that the proposed amendment complies with any applicable laws and shall recommend any modifications necessary. If the commissioner does not act within the prescribed time, the proposed charter amendment is approved.

(d) As soon as practicable after commissioner review under Subsection (c), the governing body of the district shall order an election on the proposed amendment.

(e) An election under this section shall be held on the first uniform election date that occurs at least 45 days after the date the election is ordered.

(f) Notice of the election must include a substantial copy of the proposed charter amendment.

(g) A charter amendment may not contain more than one subject.

(h) The ballot shall be prepared so that a voter may approve or disapprove any one or more charter amendments without having to approve or disapprove all of the charter amendments.

(i) The governing body may not order an election on a proposed charter amendment earlier than the first anniversary of the date of any previous election to amend the charter.

(j) Section 12.017 applies to a proposed charter amendment, except that the governing body shall submit the proposed charter amendment to the secretary of state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.021. ADOPTION OF CHARTER OR CHARTER AMENDMENT. (a) Subject to Section 12.022, a proposed home-rule school district charter or a proposed charter amendment is adopted if approved by a majority of the qualified voters of the district voting at an election held for that purpose.

(b) A charter or charter amendment shall specify an effective date and takes effect according to its terms when the governing body of the school district enters an order declaring that the charter or charter amendment is adopted. The governing body shall enter an order not later than the 10th day after the date the canvass of the election returns is completed.

(c) As soon as practicable after a school district adopts a

home-rule school district charter or charter amendment, the board of trustees or governing body shall notify the commissioner of the outcome of the election.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.022. MINIMUM VOTER TURNOUT REQUIRED. (a) An election on the adoption of a proposed home-rule school district charter has no effect unless at least 25 percent of the registered voters of the district vote in the election in which the adoption of the charter is on the ballot.

(b) An election on the adoption of a proposed amendment to a home-rule school district charter has no effect unless at least 20 percent of the registered voters of the district vote in the election in which the adoption of the amendment is on the ballot.

(c) If the required number of voters prescribed by Subsection (a) or (b) do not vote in the election, the board of trustees shall order an election on the issue to be held on the first uniform election date:

(1) that occurs at least 45 days after the date the election is ordered; and

(2) on which one or more elections are to be held, the combination of which covers all of the territory of the school district.

(d) If the required number of voters prescribed by Subsection (a) or (b) do not vote at an election ordered as required by Subsection (c), the board of trustees may continue to order elections on the issue in accordance with Subsection (c) until the required minimum voter turnout is achieved.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.023. CERTIFICATION OF CHARTER OR CHARTER AMENDMENT. (a) As soon as practicable after a school district adopts a home-rule school district charter or charter amendment, the president of the board of trustees shall certify to the secretary of state a copy of the charter or amendment showing the approval by the voters of the district.

(b) The secretary of state shall file and record the

certification in the secretary of state's office.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.024. EFFECT OF RECORDING CHARTER OR CHARTER AMENDMENT. A recorded charter or charter amendment is a public act. A court shall take judicial notice of a recorded charter or charter amendment and proof is not required of its provisions.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.025. GOVERNANCE. (a) A home-rule school district may adopt and operate under any governing structure.

(b) The district may:

(1) create offices;

(2) determine the time and method for selecting officers; and

(3) prescribe the qualifications and duties of officers.

(c) The term of any officer of the district is determined under Section 11.059.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.026. CHANGE IN GOVERNING BODY. If the adoption, amendment, or revocation of a home-rule school district charter changes the structure of the governing body of the school district, the members of the governing body serving on the date the adoption, amendment, or revocation takes effect continue in office until their successors are chosen and have qualified for office.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.027. BASIS FOR PLACEMENT ON PROBATION OR REVOCATION OF CHARTER. (a) The State Board of Education may place on probation or revoke a home-rule school district charter of a school district if the board determines that the district:

(1) committed a material violation of the charter;

(2) failed to satisfy generally accepted accounting standards of fiscal management; or

(3) failed to comply with this subchapter or other applicable federal or state law or rule.

(b) The action the board takes under Subsection (a) shall be based on the best interest of district students, the severity of the violation, and any previous violation the district has committed.

(c) A district whose home-rule school district charter is revoked or rescinded under this subchapter shall operate under the other provisions of Title 1 and this title that apply to school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.028. PROCEDURE FOR PLACEMENT ON PROBATION OR REVOCATION. (a) The State Board of Education by rule shall adopt a procedure to be used for placing on probation or revoking a home-rule school district charter.

(b) The procedure adopted under Subsection (a) must provide an opportunity for a hearing to the district and to parents of district students. A hearing under this subsection must be held in the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.029. STATUS OF DISTRICT IN CASE OF ANNEXATION OR CONSOLIDATION. (a) If a school district is annexed to another district under Chapter 13, and only one of the districts has a home-rule school district status, the status, as a home-rule or other type of school district, of the receiving district is the status for both districts following annexation.

(b) Except as provided by Subchapter H, Chapter 41, if two or more school districts having different status, one of which is home-rule school district status, consolidate into a single district, the petition under Section 13.003 initiating the consolidation must state the status for the consolidated district. The ballot shall be printed to permit voting for or against the proposition: "Consolidation of (names of school districts) into a single school district governed as (status of school district specified in the

petition)."

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.030. RESCISSION OF CHARTER. (a) A home-rule school district charter may be rescinded as provided by this section.

(b) The governing body of the district shall order an election on the question of rescinding a home-rule school district charter if:

(1) the governing body receives a petition requesting a rescission election signed by at least five percent of the registered voters of the district; or

(2) at least two-thirds of the total membership of the governing body adopt a resolution ordering that a rescission election be held.

(c) As soon as practicable after the date of receipt or adoption of a resolution under Subsection (b), the governing body shall order an election.

(d) The proposition to rescind the home-rule school district charter shall be submitted to the voters of the district at an election to be held on the first uniform election date that occurs at least 45 days after the date on which the governing body orders the election.

(e) The ballot shall be printed to permit voting for or against the proposition: "Whether the home-rule school district charter of (name of school district) shall be rescinded so that the school district becomes an independent school district."

(f) A home-rule school district charter is rescinded if the rescission is approved by a majority of the qualified voters of the district voting at an election held for that purpose at which at least 25 percent of the registered voters of the district vote.

(g) The rescission takes effect on a date established by resolution of the governing body but not later than the 90th day after the date of an election held under this section at which rescission of the charter is approved and at which the number of registered voters required under Subsection (f) vote. As soon as practicable after that election, the governing body shall notify the commissioner and the secretary of state of the results of the election and of the effective date of the rescission.

(h) The rescission of a home-rule school district charter under

this section does not affect:

(1) the district's boundaries; or

(2) taxes or bonds of the district authorized before the effective date of the rescission.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. CAMPUS OR CAMPUS PROGRAM CHARTER

Sec. 12.051. DEFINITIONS. In this subchapter:

(1) "Parent" means the parent who is indicated on the student registration form at that school campus.

(2) "Board" and "board of trustees" mean the board of trustees of a school district or the governing body of a home-rule school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.052. AUTHORIZATION. (a) In accordance with this subchapter, the board of trustees of a school district or the governing body of a home-rule school district shall grant or deny, through a public vote of the board of trustees or governing body, a charter to parents and teachers for a campus or a program on a campus if the board is presented with a petition signed by:

(1) the parents of a majority of the students at that school campus; and

(2) a majority of the classroom teachers at that school campus.

(b) For purposes of Subsection (a)(1), the signature of only one parent of a student is required.

(c) The board of trustees may not arbitrarily deny a charter under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 2, eff. September 1, 2013.

Sec. 12.0521. ALTERNATIVE AUTHORIZATION. (a) Notwithstanding

Section 12.052, in accordance with this subchapter and in the manner provided by this section, the board of trustees of a school district or the governing body of a home-rule school district may grant a charter for:

(1) a new district campus; or

(2) a program that is operated:

(A) by an entity that has entered into a contract with the district under Section 11.157 to provide educational services to the district through the campus or program; and

(B) at a facility located in the boundaries of the district.

(b) A student's parent or guardian may choose to enroll the student at a campus or in a program under this section. A school district may not assign a student to a campus or program under this section unless the student's parent or guardian has voluntarily enrolled the student at the campus or in the program. A student's parent or guardian may, at any time, remove the student from a campus or program under this section and enroll the student at the campus to which the student would ordinarily be assigned.

(c) A school district may not assign to a campus or program under this section a teacher who has signed a written statement that the teacher does not agree to that assignment.

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 1, eff. June 20, 2003.

Sec. 12.0522. DISTRICT CHARTER AUTHORIZATION. (a) Notwithstanding Section 12.052, in the manner provided by this section, the board of trustees of a school district or the governing body of a home-rule school district may grant a district charter to a campus to the extent authorized under this section.

(b) Except as otherwise provided by this subsection or Subsection (c), a district charter may be granted under this section only to one or more campuses serving in total a percentage of the district's student enrollment equal to not more than 15 percent of the district's student enrollment for the preceding school year. The percentage limit may not prevent a district from granting a district charter to at least one feeder pattern of schools, including an elementary, middle or junior high, and high school.

(c) A district charter may be granted to any campus that has

received the lowest performance rating under Subchapter C, Chapter 39.

(d) Subchapter D applies to a campus granted a district charter under this section as though the campus were granted a charter under Subchapter D, and the campus is considered an open-enrollment charter school.

(e) A charter granted under this section is not considered for purposes of the limit on the number of charters for open-enrollment charter schools imposed by Section 12.101.

(f) The commissioner may adopt rules as necessary for the administration of this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 3, eff. September 1, 2013.

Sec. 12.053. COOPERATIVE CAMPUS CHARTER. (a) The board of trustees may grant a charter to parents and teachers at two or more campuses in the district for a cooperative charter program if the board is presented with a petition signed by:

(1) the parents of a majority of the students at each school campus; and

(2) a majority of the classroom teachers at each school campus.

(b) For purposes of Subsection (a)(1), the signature of only one parent is required.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.0531. PERFORMANCE CONTRACT; DURATION OF CHARTER. If a charter is granted under this subchapter, the board of trustees of the school district that granted the charter shall enter into a performance contract with the principal or equivalent chief operating officer of the campus or program. The performance contract must specify enhanced authority granted to the principal or equivalent officer in order to achieve the academic goals that must be met by campus or program students. A charter granted under this subchapter expires 10 years from the date the charter is granted unless the specified goals are substantially met, as determined by the board of trustees of the school district that granted the charter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 4, eff. September 1, 2013.

Sec. 12.0532. NEIGHBORHOOD SCHOOL. (a) A charter granted under this subchapter for a campus may, as determined by the board of trustees of the school district granting the charter, provide for the campus to be a neighborhood school.

(b) Except as otherwise provided by this subsection, the principal or equivalent chief operating officer of a neighborhood school shall manage the funding provided for the school under this code and any other funding provided for the school in the manner the principal or other officer determines best meets the needs of the school's students. The district in which the school is located may retain that portion of funding that the district generally withholds from a campus for costs associated with the salary of the district superintendent or other district governance.

(c) The principal or equivalent chief operating officer of a neighborhood school may use school funding to purchase from the school district in which the school is located services for the school, including bus service, facilities maintenance services, and other services generally provided by a school district to district campuses. The school shall pay for each service an amount that reflects the actual cost to the district of providing the service for the number of the school's students for which the service is provided.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 4, eff. September 1, 2013.

Sec. 12.054. AUTHORITY UNDER CHARTER. A campus or program for which a charter is granted under this subchapter:

(1) is exempt from the instructional and academic rules and policies of the board of trustees from which the campus or program is specifically exempted in the charter; and

(2) retains authority to operate under the charter only if students at the campus or in the program perform satisfactorily as provided by the charter in accordance with Section 12.059.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 1997, 75th Leg., ch. 1335, Sec. 2, eff. Sept. 1, 1997.

Sec. 12.055. APPLICABILITY OF LAWS AND RULES TO CAMPUS OR PROGRAM GRANTED CHARTER. (a) A campus or program for which a charter is granted under this subchapter is subject to federal and state laws and rules governing public schools, except that the campus or program is subject to this code and rules adopted under this code only to the extent the applicability to a campus or program for which a charter is granted under this subchapter of a provision of this code or a rule adopted under this code is specifically provided.

(b) A school district may contract with another district or an open-enrollment charter school for services at a campus charter. An employee of the district or open-enrollment charter school providing contracted services to a campus charter is eligible for membership in and benefits from the Teacher Retirement System of Texas if the employee would be eligible for membership and benefits if holding the same position at the employing district or open-enrollment charter school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1078 (H.B. 3357), Sec. 21, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 5, eff. September 1, 2013.

Sec. 12.056. APPLICABILITY OF TITLE. (a) A campus or program for which a charter is granted under this subchapter has the powers granted to schools under this title.

(b) A campus or program for which a charter is granted under this subchapter is subject to:

(1) a provision of this title establishing a criminal offense; and

(2) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System

(PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) criminal history records under Subchapter C, Chapter 22;

(C) high school graduation under Section 28.025;

(D) special education programs under Subchapter A, Chapter 29;

(E) bilingual education under Subchapter B, Chapter 29;

(F) prekindergarten programs under Subchapter E, Chapter 29;

(G) extracurricular activities under Section 33.081;

(H) health and safety under Chapter 38; and

(I) public school accountability under Subchapters B, C, D, E, F, and J, Chapter 39.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 14, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 6, eff. September 1, 2013.

Sec. 12.057. STATUS. (a) With respect to the operation of a campus or program granted a charter under this subchapter, the governing body of the campus or program provided for under the charter is considered a governmental body for purposes of Chapters 551 and 552, Government Code.

(b) An employee of an independent school district who is employed on a campus or program granted a charter under this subchapter and who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system in the same manner and to the same extent as a qualified employee of the independent school district who is employed on a regularly operating campus or in a regularly operating program.

(b-1) An employee of a charter holder, as defined by Section 12.1012, who is employed on a campus or in a program granted a charter under this subchapter and who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system in the same manner and to the same extent as a qualified employee of

an independent school district who is employed on a regularly operating campus or in a regularly operating program.

(c) A campus or program granted a charter under Section 12.052, 12.0521(a)(1), or 12.053 is immune from liability to the same extent as a school district, and its employees and volunteers are immune from liability to the same extent as school district employees and volunteers.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1212, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 1, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1078 (H.B. 3357), Sec. 22, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 7, eff. September 1, 2013.

Sec. 12.058. CHARTER POLICY. Each school district shall adopt a campus charter and program charter policy. The policy must specify:

(1) the process to be followed for approval of a campus charter or a program charter;

(2) the statutory requirements with which a campus charter or program charter must comply; and

(3) the items that must be included in a charter application.

Added by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 2003, 78th Leg., ch. 1212, Sec. 2, eff. June 20, 2003.

Sec. 12.059. CONTENT. Each charter granted under this subchapter must:

(1) describe the educational program to be offered, which may be a general or specialized program;

(2) provide that continuation of the charter is contingent on satisfactory student performance under Subchapter B, Chapter 39,

satisfactory financial performance under Subchapter D, Chapter 39, and compliance with other applicable accountability provisions under Chapter 39;

(3) specify any basis, in addition to a basis specified by this subchapter, on which the charter may be revoked;

(4) prohibit discrimination in admission on the basis of national origin, ethnicity, race, religion, or disability;

(5) describe the governing structure of the campus or program;

(6) specify any procedure or requirement, in addition to those under Chapter 38, that the campus or program will follow to ensure the health and safety of students and employees; and

(7) describe the manner in which an annual audit of financial and programmatic operations of the campus or program is to be conducted, including the manner in which the campus or program will provide information necessary for the school district in which it is located to participate, as required by this code or by commissioner rule, in the Public Education Information Management System (PEIMS).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.058 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 8, eff. September 1, 2013.

Sec. 12.060. FORM. A charter shall be in the form and substance of a written contract signed by the president of the board of trustees granting the charter and the chief operating officer of the campus or program for which the charter is granted.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.059 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.

Sec. 12.061. CHARTER GRANTED. Each charter a board of trustees grants under this subchapter must:

(1) satisfy this subchapter; and

(2) include the information that is required under Section 12.059 consistent with the information provided in the application and any modification the board requires.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.060 and amended by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.

Sec. 12.062. REVISION. (a) A charter granted under Section 12.052 or 12.053 may be revised:

(1) with the approval of the board of trustees that granted the charter; and

(2) on a petition signed by a majority of the parents and a majority of the classroom teachers at the campus or in the program, as applicable.

(b) A charter granted under Section 12.0521 may be revised with the approval of the board of trustees that granted the charter. A charter may be revised under this subsection only before the first day of instruction of a school year or after the final day of instruction of a school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.061 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 1212, Sec. 2, eff. June 20, 2003.

Sec. 12.063. BASIS FOR PLACEMENT ON PROBATION OR REVOCATION. (a) A board of trustees may place on probation or revoke a charter it grants if the board determines that the campus or program:

(1) committed a material violation of the charter;

(2) failed to satisfy generally accepted accounting standards of fiscal management; or

(3) failed to comply with this subchapter, another law, or a state agency rule.

(b) The action the board takes under Subsection (a) shall be based on the best interest of campus or program students, the severity of the violation, and any previous violation the campus or program has committed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.062 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.

Sec. 12.064. PROCEDURE FOR PLACEMENT ON PROBATION OR REVOCATION. (a) Each board of trustees that grants a charter under this subchapter shall adopt a procedure to be used for placing on probation or revoking a charter it grants.

(b) The procedure adopted under Subsection (a) must provide an opportunity for a hearing to the campus or program for which a charter is granted under this subchapter and to parents and guardians of students at the campus or in the program. A hearing under this subsection must be held on the campus or on one of the campuses in the case of a cooperative charter program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.063 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.

Sec. 12.065. ADMISSION. (a) Eligibility criteria for admission of students to the campus or program for which a charter is granted under this subchapter must give priority on the basis of geographic and residency considerations. After priority is given on those bases, secondary consideration may be given to a student's age, grade level, or academic credentials in general or in a specific area, as necessary for the type of program offered.

(b) The campus or program may require an applicant to submit an application not later than a reasonable deadline the campus or program establishes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Renumbered from Education Code Sec. 12.064 by Acts 1997, 75th Leg., ch. 1335, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER D. OPEN-ENROLLMENT CHARTER SCHOOL

Sec. 12.101. AUTHORIZATION. (a) In accordance with this subchapter, the commissioner may grant a charter on the application of an eligible entity for an open-enrollment charter school to

operate in a facility of a commercial or nonprofit entity, an eligible entity, or a school district, including a home-rule school district. In this subsection, "eligible entity" means:

(1) an institution of higher education as defined under Section 61.003;

(2) a private or independent institution of higher education as defined under Section 61.003;

(3) an organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)); or

(4) a governmental entity.

(b) After thoroughly investigating and evaluating an applicant, the commissioner, in coordination with a member of the State Board of Education designated for the purpose by the chair of the board, may grant a charter for an open-enrollment charter school only to an applicant that meets any financial, governing, educational, and operational standards adopted by the commissioner under this subchapter, that the commissioner determines is capable of carrying out the responsibilities provided by the charter and likely to operate a school of high quality, and that:

(1) has not within the preceding 10 years had a charter under this chapter or a similar charter issued under the laws of another state surrendered under a settlement agreement, revoked, denied renewal, or returned; or

(2) is not, under rules adopted by the commissioner, considered to be a corporate affiliate of or substantially related to an entity that has within the preceding 10 years had a charter under this chapter or a similar charter issued under the laws of another state surrendered under a settlement agreement, revoked, denied renewal, or returned.

(b-0) The commissioner shall notify the State Board of Education of each charter the commissioner proposes to grant under this subchapter. Unless, before the 90th day after the date on which the board receives the notice from the commissioner, a majority of the members of the board present and voting vote against the grant of that charter, the commissioner's proposal to grant the charter takes effect. The board may not deliberate or vote on any grant of a charter that is not proposed by the commissioner.

(b-1) In granting charters for open-enrollment charter schools, the commissioner may not grant a total of more than:

(1) 215 charters through the fiscal year ending August 31, 2014;

(2) 225 charters beginning September 1, 2014;

(3) 240 charters beginning September 1, 2015;

(4) 255 charters beginning September 1, 2016;

(5) 270 charters beginning September 1, 2017; and

(6) 285 charters beginning September 1, 2018.

(b-2) Beginning September 1, 2019, the total number of charters for open-enrollment charter schools that may be granted is 305 charters.

(b-3) The commissioner may not grant more than one charter for an open-enrollment charter school to any charter holder. The commissioner may consolidate charters for an open-enrollment charter school held by multiple charter holders into a single charter held by a single charter holder with the written consent to the terms of consolidation by or at the request of each charter holder affected by the consolidation.

(b-4) Notwithstanding Section 12.114, approval of the commissioner under that section is not required for establishment of a new open-enrollment charter school campus if the requirements of this subsection are satisfied. A charter holder having an accreditation status of accredited and at least 50 percent of its student population in grades assessed under Subchapter B, Chapter 39, or at least 50 percent of the students in the grades assessed having been enrolled in the school for at least three school years may establish one or more new campuses under an existing charter held by the charter holder if:

(1) the charter holder is currently evaluated under the standard accountability procedures for evaluation under Chapter 39 and received a district rating in the highest or second highest performance rating category under Subchapter C, Chapter 39, for three of the last five years with at least 75 percent of the campuses rated under the charter also receiving a rating in the highest or second highest performance rating category and with no campus with a rating in the lowest performance rating category in the most recent ratings;

(2) the charter holder provides written notice to the commissioner of the establishment of any campus under this subsection in the time, manner, and form provided by rule of the commissioner; and

(3) not later than the 60th day after the date the charter

holder provides written notice under Subdivision (2), the commissioner does not provide written notice to the charter holder that the commissioner has determined that the charter holder does not satisfy the requirements of this section.

(b-5) The initial term of a charter granted under this section is five years.

(b-6) The commissioner shall adopt rules to modify criteria for granting a charter for an open-enrollment charter school under this section to the extent necessary to address changes in performance rating categories or in the financial accountability system under Chapter 39.

(b-7) A charter granted under this section for a dropout recovery school is not considered for purposes of the limit on the number of charters for open-enrollment charter schools imposed by this section. For purposes of this subsection, an open-enrollment charter school is considered to be a dropout recovery school if the school meets the criteria for designation as a dropout recovery school under Section 12.1141(c).

(b-8) In adopting any financial standards under this subchapter that an applicant for a charter for an open-enrollment charter school must meet, the commissioner shall not:

(1) exclude any loan or line of credit in determining an applicant's available funding; or

(2) exclude an applicant from the grant of a charter solely because the applicant fails to demonstrate having a certain amount of current assets in cash.

(c) If the facility to be used for an open-enrollment charter school is a school district facility, the school must be operated in the facility in accordance with the terms established by the board of trustees or other governing body of the district in an agreement governing the relationship between the school and the district.

(d) An educator employed by a school district before the effective date of a charter for an open-enrollment charter school operated at a school district facility may not be transferred to or employed by the open-enrollment charter school over the educator's objection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 193, Sec. 1, eff. June 2, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 9, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 3(a), eff. June 19, 2015.

Sec. 12.1011. CHARTER AUTHORIZATION FOR HIGH-PERFORMING ENTITIES. (a) Notwithstanding Section 12.101(b), the commissioner may grant a charter for an open-enrollment charter school to an applicant that is:

(1) an eligible entity under Section 12.101(a)(3) that proposes to operate the charter school program of a charter operator that operates one or more charter schools in another state and with which the eligible entity is affiliated and, as determined by the commissioner in accordance with commissioner rule, has performed at a level of performance comparable to performance under the highest or second highest performance rating category under Subchapter C, Chapter 39; or

(2) an entity that has operated one or more charter schools established under this subchapter or Subchapter C or E and, as determined by the commissioner in accordance with commissioner rule, has performed in the highest or second highest performance rating category under Subchapter C, Chapter 39.

(b) A charter holder granted a charter for an open-enrollment charter school under Subsection (a) may vest management of corporate affairs in a member entity provided that the member entity may change the members of the governing body of the charter holder before the expiration of a member's term only with the express written approval of the commissioner.

(c) The initial term of a charter granted under this section is five years.

(d) The commissioner shall adopt rules to modify criteria for granting a charter for an open-enrollment charter school under this section to the extent necessary to address changes in performance rating categories under Subchapter C, Chapter 39.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 10, eff. September 1, 2013.

Sec. 12.1012. DEFINITIONS. In this subchapter:

(1) "Charter holder" means the entity to which a charter is granted under this subchapter.

(2) "Governing body of a charter holder" means the board of directors, board of trustees, or other governing body of a charter holder.

(3) "Governing body of an open-enrollment charter school" means the board of directors, board of trustees, or other governing body of an open-enrollment charter school. The term includes the governing body of a charter holder if that body acts as the governing body of the open-enrollment charter school.

(4) "Management company" means a person, other than a charter holder, who provides management services for an open-enrollment charter school.

(5) "Management services" means services related to the management or operation of an open-enrollment charter school, including:

(A) planning, operating, supervising, and evaluating the school's educational programs, services, and facilities;

(B) making recommendations to the governing body of the school relating to the selection of school personnel;

(C) managing the school's day-to-day operations as its administrative manager;

(D) preparing and submitting to the governing body of the school a proposed budget;

(E) recommending policies to be adopted by the governing body of the school, developing appropriate procedures to implement policies adopted by the governing body of the school, and overseeing the implementation of adopted policies; and

(F) providing leadership for the attainment of student performance at the school based on the indicators adopted under Sections 39.053 and 39.301 or by the governing body of the school.

(6) "Officer of an open-enrollment charter school" means:

(A) the principal, director, or other chief operating officer of an open-enrollment charter school;

(B) an assistant principal or assistant director of an open-enrollment charter school; or

(C) a person charged with managing the finances of an open-enrollment charter school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 3, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 15, eff. June 19, 2009.

Sec. 12.1013. CHARTER AUTHORIZER ACCOUNTABILITY. (a) The commissioner shall select a center for education research authorized by Section 1.005 to prepare an annual report concerning the performance of open-enrollment charter schools by authorizer compared to campus charters and matched traditional campuses, which shall be provided annually under Subchapters J and K, Chapter 39.

(b) The format of the report must enable the public to distinguish and compare the performance of each type of public school by classifying the schools as follows:

(1) open-enrollment charters granted by the State Board of Education;

(2) open-enrollment charters granted by the commissioner;

(3) charters granted by school districts; and

(4) matched traditional campuses.

(c) The report must include the performance of each public school in each class described by Subsection (b) as measured by the achievement indicators adopted under Sections 39.053(c)(1)-(4) and student attrition rates.

(d) The report must also:

(1) aggregate and compare the performance of open-enrollment charter schools granted charters by the State Board of Education, open-enrollment charter schools granted charters by the commissioner, campuses and programs granted charters by school districts, and matched traditional campuses; and

(2) rate the aggregate performance of elementary, middle or junior high, and high schools within each class described by Subsection (b) as indicated by the composite rating that would be assigned to the class of elementary, middle or junior high, and high schools if the students attending all schools in that class were cumulatively enrolled in one elementary, middle or junior high, or high school.

(e) The report must also include an analysis of whether the performance of matched traditional campuses would likely improve if there were consolidation of school districts within the county in

which the campuses are located. This subsection applies only to a county that includes at least seven school districts and at least 10 open-enrollment charter schools.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 11, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 11, eff. June 19, 2015.

Sec. 12.1014. AUTHORIZATION FOR GRANT OF CHARTERS FOR SCHOOLS PRIMARILY SERVING STUDENTS WITH DISABILITIES. (a) The commissioner may grant under Section 12.101 a charter on the application of an eligible entity for an open-enrollment charter school intended primarily to serve students eligible to receive services under Subchapter A, Chapter 29.

(b) The limit on the number of charters for open-enrollment charter schools imposed by Section 12.101 does not apply to a charter granted under this section to a school at which at least 50 percent of the students are eligible to receive services under Subchapter A, Chapter 29. Not more than five charters may be granted for schools described by this subsection.

(c) For purposes of the applicability of state and federal law, including a law prescribing requirements concerning students with disabilities, an open-enrollment charter school described by Subsection (a) is considered the same as any other school for which a charter is granted under Section 12.101.

(d) To the fullest extent permitted under federal law, a parent of a student with a disability may choose to enroll the parent's child in an open-enrollment charter school described by Subsection (a) regardless of whether a disproportionate number of the school's students are students with disabilities.

(e) This section does not authorize an open-enrollment charter school to discriminate in admissions or in the services provided based on the presence, absence, or nature of an applicant's or student's disability.

(f) The commissioner and the State Board for Educator Certification shall adopt rules as necessary to administer this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 12, eff. September 1, 2013.

Sec. 12.102. AUTHORITY UNDER CHARTER. An open-enrollment charter school:

(1) shall provide instruction to students at one or more elementary or secondary grade levels as provided by the charter;

(2) is governed under the governing structure described by the charter;

(3) retains authority to operate under the charter to the extent authorized under Sections 12.1141 and 12.115 and Subchapter E, Chapter 39; and

(4) does not have authority to impose taxes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 13, eff. September 1, 2013.

Sec. 12.103. GENERAL APPLICABILITY OF LAWS, RULES, AND ORDINANCES TO OPEN-ENROLLMENT CHARTER SCHOOL. (a) Except as provided by Subsection (b) or (c), an open-enrollment charter school is subject to federal and state laws and rules governing public schools and to municipal zoning ordinances governing public schools.

(b) An open-enrollment charter school is subject to this code and rules adopted under this code only to the extent the applicability to an open-enrollment charter school of a provision of this code or a rule adopted under this code is specifically provided.

(c) Notwithstanding Subsection (a), a campus of an open-enrollment charter school located in whole or in part in a municipality with a population of 20,000 or less is not subject to a municipal zoning ordinance governing public schools.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 4, eff. Sept. 1, 2001.

Sec. 12.104. APPLICABILITY OF TITLE. (a) An open-enrollment

charter school has the powers granted to schools under this title.

(b) An open-enrollment charter school is subject to:

(1) a provision of this title establishing a criminal offense; and

(2) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) criminal history records under Subchapter C, Chapter 22;

(C) reading instruments and accelerated reading instruction programs under Section 28.006;

(D) accelerated instruction under Section 28.0211;

(E) high school graduation requirements under Section 28.025;

(F) special education programs under Subchapter A, Chapter 29;

(G) bilingual education under Subchapter B, Chapter 29;

(H) prekindergarten programs under Subchapter E or E-1, Chapter 29;

(I) extracurricular activities under Section 33.081;

(J) discipline management practices or behavior management techniques under Section 37.0021;

(K) health and safety under Chapter 38;

(L) public school accountability under Subchapters B, C, D, E, F, G, and J, Chapter 39;

(M) the requirement under Section 21.006 to report an educator's misconduct;

(N) intensive programs of instruction under Section 28.0213; and

(O) the right of a school employee to report a crime, as provided by Section 37.148.

(b-1) During the first three years an open-enrollment charter school is in operation, the agency shall assist the school as necessary in complying with requirements under Subsection (b)(2)(A).

(b-2) An open-enrollment charter school is subject to the requirement to establish an individual graduation committee under Section 28.0258. This subsection expires September 1, 2017.

(c) An open-enrollment charter school is entitled to the same level of services provided to school districts by regional education service centers. The commissioner shall adopt rules that provide for the representation of open-enrollment charter schools on the boards of directors of regional education service centers.

(d) The commissioner may by rule permit an open-enrollment charter school to voluntarily participate in any state program available to school districts, including a purchasing program, if the school complies with all terms of the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.04, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 212, Sec. 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1504, Sec. 5, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 374, Sec. 1, eff. June 18, 2003; Acts 2003, 78th Leg., ch. 1212, Sec. 3, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 5.001, eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 16, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 662 (S.B. 1484), Sec. 3, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 14, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 1, eff. May 11, 2015.

Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 2, eff. May 28, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1043 (H.B. 1783), Sec. 1, eff. September 1, 2015.

Sec. 12.105. STATUS. An open-enrollment charter school is part of the public school system of this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.

Sec. 12.1051. APPLICABILITY OF OPEN MEETINGS AND PUBLIC INFORMATION LAWS. (a) With respect to the operation of an open-enrollment charter school, the governing body of a charter holder and the governing body of an open-enrollment charter school are considered to be governmental bodies for purposes of Chapters 551 and 552, Government Code.

(b) With respect to the operation of an open-enrollment charter school, any requirement in Chapter 551 or 552, Government Code, or another law that concerns open meetings or the availability of information, that applies to a school district, the board of trustees of a school district, or public school students applies to an open-enrollment charter school, the governing body of a charter holder, the governing body of an open-enrollment charter school, or students attending an open-enrollment charter school.

Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 1, eff. June 19, 1999. Renumbered from Sec. 12.105(b) and amended by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 3.01, eff. September 1, 2007.

Sec. 12.1052. APPLICABILITY OF LAWS RELATING TO LOCAL GOVERNMENT RECORDS. (a) With respect to the operation of an open-enrollment charter school, an open-enrollment charter school is considered to be a local government for purposes of Subtitle C, Title 6, Local Government Code, and Subchapter J, Chapter 441, Government Code.

(b) Records of an open-enrollment charter school and records of a charter holder that relate to an open-enrollment charter school are government records for all purposes under state law.

(c) Any requirement in Subtitle C, Title 6, Local Government Code, or Subchapter J, Chapter 441, Government Code, that applies to a school district, the board of trustees of a school district, or an officer or employee of a school district applies to an open-enrollment charter school, the governing body of a charter holder, the governing body of an open-enrollment charter school, or an officer or employee of an open-enrollment charter school except that the records of an open-enrollment charter school that ceases to

operate shall be transferred in the manner prescribed by Subsection (d).

(d) The records of an open-enrollment charter school that ceases to operate shall be transferred in the manner specified by the commissioner to a custodian designated by the commissioner. The commissioner may designate any appropriate entity to serve as custodian, including the agency, a regional education service center, or a school district. In designating a custodian, the commissioner shall ensure that the transferred records, including student and personnel records, are transferred to a custodian capable of:

(1) maintaining the records;

(2) making the records readily accessible to students, parents, former school employees, and other persons entitled to access; and

(3) complying with applicable state or federal law restricting access to the records.

(e) If the charter holder of an open-enrollment charter school that ceases to operate or an officer or employee of such a school refuses to transfer school records in the manner specified by the commissioner under Subsection (d), the commissioner may ask the attorney general to petition a court for recovery of the records. If the court grants the petition, the court shall award attorney's fees and court costs to the state.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.

Sec. 12.1053. APPLICABILITY OF LAWS RELATING TO PUBLIC PURCHASING AND CONTRACTING. (a) This section applies to an open-enrollment charter school unless the school's charter otherwise describes procedures for purchasing and contracting and the procedures are approved by the commissioner.

(b) An open-enrollment charter school is considered to be:

(1) a governmental entity for purposes of:

(A) Subchapter D, Chapter 2252, Government Code; and

(B) Subchapter B, Chapter 271, Local Government Code;

(2) a political subdivision for purposes of Subchapter A, Chapter 2254, Government Code; and

(3) a local government for purposes of Sections 2256.009-2256.016, Government Code.

(c) To the extent consistent with this section, a requirement in a law listed in this section that applies to a school district or the board of trustees of a school district applies to an open-enrollment charter school, the governing body of a charter holder, or the governing body of an open-enrollment charter school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 15, eff. September 1, 2013.

Sec. 12.1054. APPLICABILITY OF LAWS RELATING TO CONFLICT OF INTEREST. (a) A member of the governing body of a charter holder, a member of the governing body of an open-enrollment charter school, or an officer of an open-enrollment charter school is considered to be a local public official for purposes of Chapter 171, Local Government Code. For purposes of that chapter:

(1) a member of the governing body of a charter holder or a member of the governing body or officer of an open-enrollment charter school is considered to have a substantial interest in a business entity if a person related to the member or officer in the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a substantial interest in the business entity under Section 171.002, Local Government Code;

(2) notwithstanding any provision of Section 12.1054(1), an employee of an open-enrollment charter school rated acceptable or higher under Section 39.054 for at least two of the preceding three school years may serve as a member of the governing body of the charter holder of the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members shall comply with the requirements of Sections 171.003-171.007, Local Government Code.

(b) To the extent consistent with this section, a requirement in a law listed in this section that applies to a school district or the board of trustees of a school district applies to an open-enrollment charter school, the governing body of a charter holder, or the governing body of an open-enrollment charter school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 17, eff. June 19, 2009.

Sec. 12.1055. APPLICABILITY OF NEPOTISM LAWS. (a) An open-enrollment charter school is subject to a prohibition, restriction, or requirement, as applicable, imposed by state law or by a rule adopted under state law, relating to nepotism under Chapter 573, Government Code.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1140, Sec. 47(1), eff. September 1, 2013.

(c) Section 11.1513(f) applies to an open-enrollment charter school as though the governing body of the school were the board of trustees of a school district and to the superintendent or, as applicable, the administrator serving as educational leader and chief executive officer of the school as though that person were the superintendent of a school district.

(d) Notwithstanding any other provision of this section, a person who was not restricted or prohibited under this section as this section existed before September 1, 2013, from being employed by an open-enrollment charter school and who was employed by an open-enrollment charter school before September 1, 2013, is considered to have been in continuous employment as provided by Section 573.062(a), Government Code, and is not prohibited from continuing employment with the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 18, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 16, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 47(1), eff. September 1, 2013.

Sec. 12.1056. IMMUNITY FROM LIABILITY AND SUIT. (a) In matters related to operation of an open-enrollment charter school, an open-enrollment charter school or charter holder is immune from liability and suit to the same extent as a school district, and the employees

and volunteers of the open-enrollment charter school or charter holder are immune from liability and suit to the same extent as school district employees and volunteers. A member of the governing body of an open-enrollment charter school or of a charter holder is immune from liability and suit to the same extent as a school district trustee.

(b) An open-enrollment charter school is a governmental unit as defined by Section 101.001, Civil Practice and Remedies Code, and is subject to liability only as provided by Chapter 101, Civil Practice and Remedies Code, and only in the manner that liability is provided by that chapter for a school district.

(c) An open-enrollment charter school is a local government as defined by Section 102.001, Civil Practice and Remedies Code, and a payment on a tort claim must comply with Chapter 102, Civil Practice and Remedies Code.

(d) An open-enrollment charter school is a local governmental entity as defined by Section 271.151, Local Government Code, and is subject to liability on a contract as provided by Subchapter I, Chapter 271, Local Government Code, and only in the manner that liability is provided by that subchapter for a school district.

Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 1, eff. June 19, 1999. Renumbered from Sec. 12.105(c) and amended by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 922 (H.B. 1171), Sec. 1, eff. June 18, 2015.

Sec. 12.1057. MEMBERSHIP IN TEACHER RETIREMENT SYSTEM OF TEXAS. (a) An employee of an open-enrollment charter school who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system to the same extent a qualified employee of a school district is covered.

(b) For each employee of the school covered under the system, the school is responsible for making any contribution that otherwise would be the legal responsibility of the school district, and the state is responsible for making contributions to the same extent it would be legally responsible if the employee were a school district employee.

Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 1, eff. June 19, 1999. Renumbered from Sec. 12.105(d) and amended by Acts 2001, 77th Leg., ch. 1504, Sec. 6, eff. Sept. 1, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 2, eff. September 1, 2005.
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 17, eff. September 1, 2013.

Sec. 12.1058. APPLICABILITY OF OTHER LAWS. (a) An open-enrollment charter school is considered to be:

(1) a local government for purposes of Chapter 791, Government Code;

(2) a local government for purposes of Chapter 2259, Government Code, except that an open-enrollment charter school may not issue public securities as provided by Section 2259.031(b), Government Code;

(3) a political subdivision for purposes of Chapter 172, Local Government Code; and

(4) a local governmental entity for purposes of Subchapter I, Chapter 271, Local Government Code.

(b) An open-enrollment charter school may elect to extend workers' compensation benefits to employees of the school through any method available to a political subdivision under Chapter 504, Labor Code. An open-enrollment charter school that elects to extend workers' compensation benefits as permitted under this subsection is considered to be a political subdivision for all purposes under Chapter 504, Labor Code. An open-enrollment charter school that self-insures either individually or collectively under Chapter 504, Labor Code, is considered to be an insurance carrier for purposes of Subtitle A, Title 5, Labor Code.

(c) Notwithstanding Subsection (a) or (b), an open-enrollment charter school operated by a tax exempt entity as described by Section 12.101(a)(3) is not considered to be a political subdivision, local government, or local governmental entity unless the applicable statute specifically states that the statute applies to an open-enrollment charter school.

Added by Acts 2015, 84th Leg., R.S., Ch. 1020 (H.B. 1170), Sec. 1,

eff. June 19, 2015.

Sec. 12.1059. AGENCY APPROVAL REQUIRED FOR CERTAIN EMPLOYEES. A person may not be employed by or serve as a teacher, librarian, educational aide, administrator, or school counselor for an open-enrollment charter school unless the person has been approved by the agency following a review of the person's national criminal history record information as provided by Section 22.0832.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 2, eff. June 15, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 3, eff. June 14, 2013.

Sec. 12.106. STATE FUNDING.

Text of subsection effective on September 1, 2017

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253.

Text of subsection as amended by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.02

Text of subsection effective until September 1, 2017

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to the greater of:

(1) the percentage specified by Section 42.2516(i) multiplied by the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Sections 42.302(a-1)(2) and (3), as they existed on January 1, 2009, that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an

additional amount of the percentage specified by Section 42.2516(i) multiplied by $120 for each student in weighted average daily attendance; or

(2) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253 and without any local revenue for purposes of Section 42.2516.

(a-1) In determining funding for an open-enrollment charter school under Subsection (a), adjustments under Sections 42.102, 42.103, 42.104, and 42.105 are based on the average adjustment for the state.

(a-2) In addition to the funding provided by Subsection (a), a charter holder is entitled to receive for the open-enrollment charter school enrichment funding under Section 42.302 based on the state average tax effort.

(b) An open-enrollment charter school is entitled to funds that are available to school districts from the agency or the commissioner in the form of grants or other discretionary funding unless the statute authorizing the funding explicitly provides that open-enrollment charter schools are not entitled to the funding.

(c) The commissioner may adopt rules to provide and account for state funding of open-enrollment charter schools under this section. A rule adopted under this section may be similar to a provision of this code that is not similar to Section 12.104(b) if the commissioner determines that the rule is related to financing of open-enrollment charter schools and is necessary or prudent to provide or account for state funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 7, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 5, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.02, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.03, eff. September 1, 2017.

Sec. 12.1061. RECOVERY OF CERTAIN FUNDS. The commissioner may not garnish or otherwise recover funds paid to an open-enrollment charter school under Section 12.106 if:

(1) the basis of the garnishment or recovery is that:

(A) the number of students enrolled in the school during a school year exceeded the student enrollment described by the school's charter during that period; and

(B) the school received funding under Section 12.106 based on the school's actual student enrollment;

(2) the school:

(A) submits to the commissioner a timely request to revise the maximum student enrollment described by the school's charter and the commissioner does not notify the school in writing of an objection to the proposed revision before the 90th day after the date on which the commissioner received the request, provided that the number of students enrolled at the school does not exceed the enrollment described by the school's request; or

(B) exceeds the maximum student enrollment described by the school's charter only because a court mandated that a specific child enroll in that school; and

(3) the school used all funds received under Section 12.106 to provide education services to students.

Added by Acts 2003, 78th Leg., ch. 1048, Sec. 1, eff. June 20, 2003.

Sec. 12.107. STATUS AND USE OF FUNDS. (a) Funds received under Section 12.106 after September 1, 2001, by a charter holder:

(1) are considered to be public funds for all purposes under state law;

(2) are held in trust by the charter holder for the benefit of the students of the open-enrollment charter school;

(3) may be used only for a purpose for which a school may use local funds under Section 45.105(c); and

(4) pending their use, must be deposited into a bank, as defined by Section 45.201, with which the charter holder has entered into a depository contract.

(b) A charter holder shall deliver to the agency a copy of the

depository contract between the charter holder and any bank into which state funds are deposited.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 7, eff. Sept. 1, 2001.

Sec. 12.1071. EFFECT OF ACCEPTING STATE FUNDING. (a) A charter holder who accepts state funds under Section 12.106 after the effective date of a provision of this subchapter agrees to be subject to that provision, regardless of the date on which the charter holder's charter was granted.

(b) A charter holder who accepts state funds under Section 12.106 after September 1, 2001, agrees to accept all liability under this subchapter for any funds accepted under that section before September 1, 2001. This subsection does not create liability for charter holder conduct occurring before September 1, 2001.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 8, eff. Sept. 1, 2001.

Sec. 12.108. TUITION AND FEES RESTRICTED. (a) An open-enrollment charter school may not charge tuition to an eligible student who applies under Section 12.117.

(b) The governing body of an open-enrollment charter school may require a student to pay any fee that the board of trustees of a school district may charge under Section 11.158(a). The governing body may not require a student to pay a fee that the board of trustees of a school district may not charge under Section 11.158(b).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 9, eff. Sept. 1, 2001.

Sec. 12.109. TRANSPORTATION. An open-enrollment charter school shall provide transportation to each student attending the school to the same extent a school district is required by law to provide transportation to district students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 12.110. APPLICATION. (a) The commissioner shall adopt:

(1) an application form and a procedure that must be used to apply for a charter for an open-enrollment charter school; and

(2) criteria to use in selecting a program for which to grant a charter.

(b) The application form must provide for including the information required under Section 12.111 to be contained in a charter.

(c) As part of the application procedure, the commissioner may require a petition supporting a charter for a school signed by a specified number of parents or guardians of school-age children residing in the area in which a school is proposed or may hold a public hearing to determine parental support for the school.

(d) The commissioner shall approve or deny an application based on:

(1) documented evidence collected through the application review process;

(2) merit; and

(3) other criteria as adopted by the commissioner, which must include:

(A) criteria relating to the capability of the applicant to carry out the responsibilities provided by the charter and the likelihood that the applicant will operate a school of high quality;

(B) criteria relating to improving student performance and encouraging innovative programs; and

(C) a statement from any school district whose enrollment is likely to be affected by the open-enrollment charter school, including information relating to any financial difficulty that a loss in enrollment may have on the district.

(e) The commissioner shall give priority to applications that propose an open-enrollment charter school campus to be located in the attendance zone of a school district campus assigned an unacceptable performance rating under Section 39.054 for the two preceding school years.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 18, eff. September 1, 2013.

Sec. 12.1101. NOTIFICATION OF CHARTER APPLICATION OR ESTABLISHMENT OF CAMPUS. The commissioner by rule shall adopt a procedure for providing notice to the following persons on receipt by the commissioner of an application for a charter for an open-enrollment charter school under Section 12.110 or of notice of the establishment of a campus as authorized under Section 12.101(b-4):

(1) the board of trustees of each school district from which the proposed open-enrollment charter school or campus is likely to draw students, as determined by the commissioner; and

(2) each member of the legislature that represents the geographic area to be served by the proposed school or campus, as determined by the commissioner.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 10, eff. Sept. 1, 2001.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 19, eff. September 1, 2013.

Sec. 12.111. CONTENT. (a) Each charter granted under this subchapter must:

(1) describe the educational program to be offered, which must include the required curriculum as provided by Section 28.002;

(2) provide that continuation of the charter is contingent on the status of the charter as determined under Section 12.1141 or 12.115 or under Subchapter E, Chapter 39;

(3) specify the academic, operational, and financial performance expectations by which a school operating under the charter will be evaluated, which must include applicable elements of the performance frameworks adopted under Section 12.1181;

(4) specify:

(A) any basis, in addition to a basis specified by this subchapter or Subchapter E, Chapter 39, on which the charter may be revoked, renewal of the charter may be denied, or the charter may be allowed to expire; and

(B) the standards for evaluation of a school operating under the charter for purposes of charter renewal, denial of renewal, expiration, revocation, or other intervention in accordance with Section 12.1141 or 12.115 or Subchapter E, Chapter 39, as applicable;

(5) prohibit discrimination in admission policy on the basis of sex, national origin, ethnicity, religion, disability, academic, artistic, or athletic ability, or the district the child would otherwise attend in accordance with this code, although the charter may:

(A) provide for the exclusion of a student who has a documented history of a criminal offense, a juvenile court adjudication, or discipline problems under Subchapter A, Chapter 37; and

(B) provide for an admission policy that requires a student to demonstrate artistic ability if the school specializes in performing arts;

(6) specify the grade levels to be offered;

(7) describe the governing structure of the program, including:

(A) the officer positions designated;

(B) the manner in which officers are selected and removed from office;

(C) the manner in which members of the governing body of the school are selected and removed from office;

(D) the manner in which vacancies on that governing body are filled;

(E) the term for which members of that governing body serve; and

(F) whether the terms are to be staggered;

(8) specify the powers or duties of the governing body of the school that the governing body may delegate to an officer;

(9) specify the manner in which the school will distribute to parents information related to the qualifications of each professional employee of the program, including any professional or educational degree held by each employee, a statement of any certification under Subchapter B, Chapter 21, held by each employee, and any relevant experience of each employee;

(10) describe the process by which the person providing the program will adopt an annual budget;

(11) describe the manner in which an annual audit of the

financial and programmatic operations of the program is to be conducted, including the manner in which the person providing the program will provide information necessary for the school district in which the program is located to participate, as required by this code or by commissioner rule, in the Public Education Information Management System (PEIMS);

(12) describe the facilities to be used;

(13) describe the geographical area served by the program;

(14) specify any type of enrollment criteria to be used;

(15) provide information, as determined by the commissioner, relating to any management company that will provide management services to a school operating under the charter; and

(16) specify that the governing body of an open-enrollment charter school accepts and may not delegate ultimate responsibility for the school, including the school's academic performance and financial and operational viability, and is responsible for overseeing any management company providing management services for the school and for holding the management company accountable for the school's performance.

(b) A charter holder of an open-enrollment charter school shall consider including in the school's charter a requirement that the school develop and administer personal graduation plans under Sections 28.0212 and 28.02121.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 2, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1504, Sec. 11, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1212, Sec. 4, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1032 (H.B. 1111), Sec. 1, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 4(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 20, eff. September 1, 2013.

Sec. 12.112. FORM. A charter for an open-enrollment charter school shall be in the form of a written contract signed by the commissioner and the chief operating officer of the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 21, eff. September 1, 2013.

Sec. 12.113. CHARTER GRANTED. (a) Each charter the commissioner grants for an open-enrollment charter school must:

(1) satisfy this subchapter; and

(2) include the information that is required under Section 12.111 consistent with the information provided in the application and any modification the commissioner requires.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1140, Sec. 47(2), eff. September 1, 2013.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 11, eff. Sept. 1, 2001.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 22, eff. September 1, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 47(2), eff. September 1, 2013.

Sec. 12.114. REVISION. (a) A revision of a charter of an open-enrollment charter school may be made only with the approval of the commissioner.

(b) Not more than once each year, an open-enrollment charter school may request approval to revise the maximum student enrollment described by the school's charter.

(c) Not later than the 60th day after the date that a charter holder submits to the commissioner a completed request for approval for an expansion amendment, as defined by commissioner rule, including a new school amendment, the commissioner shall provide to the charter holder written notice of approval or disapproval of the amendment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 12, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1048, Sec. 2, eff. June 20, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 23, eff. September 1, 2013.

Sec. 12.1141. RENEWAL OF CHARTER; DENIAL OF RENEWAL; EXPIRATION. (a) The commissioner shall develop and by rule adopt a procedure for renewal, denial of renewal, or expiration of a charter for an open-enrollment charter school at the end of the term of the charter. The procedure must include consideration of the performance under Chapter 39 of the charter holder and each campus operating under the charter and must include three distinct processes, which must be expedited renewal, discretionary consideration of renewal or denial of renewal, and expiration. To renew a charter at the end of the term, the charter holder must submit a petition for renewal to the commissioner in the time and manner established by commissioner rule.

(b) At the end of the term of a charter for an open-enrollment charter school, if a charter holder submits to the commissioner a petition for expedited renewal of the charter, the charter automatically renews unless, not later than the 30th day after the date the charter holder submits the petition, the commissioner provides written notice to the charter holder that expedited renewal of the charter is denied. The commissioner may not deny expedited renewal of a charter if:

(1) the charter holder has been assigned the highest or second highest performance rating under Subchapter C, Chapter 39, for the three preceding school years;

(2) the charter holder has been assigned a financial performance accountability rating under Subchapter D, Chapter 39, indicating financial performance that is satisfactory or better for the three preceding school years; and

(3) no campus operating under the charter has been assigned the lowest performance rating under Subchapter C, Chapter 39, for the three preceding school years or such a campus has been closed.

(c) At the end of the term of a charter for an open-enrollment charter school, if a charter holder submits to the commissioner a petition for renewal of the charter and the charter does not meet the criteria for expedited renewal under Subsection (b) or for expiration under Subsection (d), the commissioner shall use the discretionary

consideration process. The commissioner's decision under the discretionary consideration process must take into consideration the results of annual evaluations under the performance frameworks established under Section 12.1181. The renewal of the charter of an open-enrollment charter school that is registered under the agency's alternative education accountability procedures for evaluation under Chapter 39 shall be considered under the discretionary consideration process regardless of the performance ratings under Subchapter C, Chapter 39, of the open-enrollment charter school or of any campus operating under the charter, except that if the charter holder has been assigned a financial accountability performance rating under Subchapter D, Chapter 39, indicating financial performance that is lower than satisfactory for any three of the five preceding school years, the commissioner shall allow the charter to expire under Subsection (d). In considering the renewal of the charter of an open-enrollment charter school that is registered under the agency's alternative education accountability procedures for evaluation under Chapter 39, such as a dropout recovery school or a school providing education within a residential treatment facility, the commissioner shall use academic criteria established by commissioner rule that are appropriate to measure the specific goals of the school. The criteria established by the commissioner shall recognize growth in student achievement as well as educational attainment. For purposes of this subsection, the commissioner shall designate as a dropout recovery school an open-enrollment charter school or a campus of an open-enrollment charter school:

(1) that serves students in grades 9 through 12 and has an enrollment of which at least 50 percent of the students are 17 years of age or older as of September 1 of the school year as reported for the fall semester Public Education Information Management System (PEIMS) submission; and

(2) that meets the eligibility requirements for and is registered under alternative education accountability procedures adopted by the commissioner.

(d) At the end of the term of a charter for an open-enrollment charter school, if a charter holder submits to the commissioner a petition for renewal of the charter, the commissioner may not renew the charter and shall allow the charter to expire if:

(1) the charter holder has been assigned the lowest performance rating under Subchapter C, Chapter 39, for any three of

the five preceding school years;

(2) the charter holder has been assigned a financial accountability performance rating under Subchapter D, Chapter 39, indicating financial performance that is lower than satisfactory for any three of the five preceding school years;

(3) the charter holder has been assigned any combination of the ratings described by Subdivision (1) or (2) for any three of the five preceding school years; or

(4) any campus operating under the charter has been assigned the lowest performance rating under Subchapter C, Chapter 39, for the three preceding school years and such a campus has not been closed.

(e) Notwithstanding any other law, a determination by the commissioner under Subsection (d) is final and may not be appealed.

(f) Not later than the 90th day after the date on which a charter holder submits a petition for renewal of a charter for an open-enrollment charter school at the end of the term of the charter, the commissioner shall provide written notice to the charter holder, in accordance with commissioner rule, of the basis on which the charter qualified for expedited renewal, discretionary consideration, or expiration, and of the commissioner's decision regarding whether to renew the charter, deny renewal of the charter, or allow the charter to expire.

(g) Except as provided by Subsection (e), a decision by the commissioner to deny renewal of a charter for an open-enrollment charter school is subject to review by the State Office of Administrative Hearings. Notwithstanding Chapter 2001, Government Code:

(1) the administrative law judge shall uphold a decision by the commissioner to deny renewal of a charter for an open-enrollment charter school unless the judge finds the decision is arbitrary and capricious or clearly erroneous; and

(2) a decision of the administrative law judge under this subsection is final and may not be appealed.

(h) If a charter holder submits a petition for renewal of a charter for an open-enrollment charter school, notwithstanding the expiration date of the charter, the charter term is extended until the commissioner has provided notice to the charter holder of the renewal, denial of renewal, or expiration of the charter.

(i) The term of a charter renewed under this section is 10

years for each renewal.

(j) The commissioner shall adopt rules to modify criteria for renewal, denial of renewal, or expiration of a charter for an open-enrollment charter school under this section to the extent necessary to address changes in performance rating categories or in the financial accountability system under Chapter 39.

(k) For purposes of determination of renewal under Subsection (b)(1) or (3) or (d)(1) or (4), performance during the 2011-2012 school year may not be considered. For purposes of determination of renewal under Subsection (b)(1) or (3) or (d)(1) or (4), the initial three school years for which performance ratings under Subchapter C, Chapter 39, shall be considered are the 2009-2010, 2010-2011, and 2012-2013 school years. For purposes of determination of renewal under Subsection (b)(2) or (d)(2), the earliest school year for which financial accountability performance ratings under Subchapter D, Chapter 39, may be considered is the 2010-2011 school year. This subsection expires September 1, 2016.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 24, eff. September 1, 2013.

Sec. 12.115. BASIS FOR CHARTER REVOCATION OR MODIFICATION OF GOVERNANCE. (a) Except as provided by Subsection (c), the commissioner shall revoke the charter of an open-enrollment charter school or reconstitute the governing body of the charter holder if the commissioner determines that the charter holder:

(1) committed a material violation of the charter, including failure to satisfy accountability provisions prescribed by the charter;

(2) failed to satisfy generally accepted accounting standards of fiscal management;

(3) failed to protect the health, safety, or welfare of the students enrolled at the school;

(4) failed to comply with this subchapter or another applicable law or rule;

(5) failed to satisfy the performance framework standards adopted under Section 12.1181; or

(6) is imminently insolvent as determined by the commissioner in accordance with commissioner rule.

(b) The action the commissioner takes under Subsection (a) shall be based on the best interest of the open-enrollment charter school's students, the severity of the violation, any previous violation the school has committed, and the accreditation status of the school.

(c) The commissioner shall revoke the charter of an open-enrollment charter school if:

(1) the charter holder has been assigned an unacceptable performance rating under Subchapter C, Chapter 39, for the three preceding school years;

(2) the charter holder has been assigned a financial accountability performance rating under Subchapter D, Chapter 39, indicating financial performance lower than satisfactory for the three preceding school years; or

(3) the charter holder has been assigned any combination of the ratings described by Subdivision (1) or (2) for the three preceding school years.

(c-1) For purposes of revocation under Subsection (c)(1), performance during the 2011-2012 school year may not be considered. For purposes of revocation under Subsection (c)(1), the initial three school years for which performance ratings under Subchapter C, Chapter 39, shall be considered are the 2009-2010, 2010-2011, and 2012-2013 school years. For purposes of revocation under Subsection (c)(2), the initial three school years for which financial accountability performance ratings under Subchapter D, Chapter 39, shall be considered are the 2010-2011, 2011-2012, and 2012-2013 school years. This subsection expires September 1, 2016.

(d) In reconstituting the governing body of a charter holder under this section, the commissioner shall appoint members to the governing body. In appointing members under this subsection the commissioner:

(1) shall consider:

(A) local input from community members and parents; and

(B) appropriate credentials and expertise for membership, including financial expertise, whether the person lives in the geographic area the charter holder serves, and whether the person is an educator; and

(2) may reappoint current members of the governing body.

(e) If a governing body of a charter holder subject to reconstitution under this section governs enterprises other than the

open-enrollment charter school, the commissioner may require the charter holder to create a new, single-purpose organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986, to govern the open-enrollment charter school and may require the charter holder to surrender the charter to the commissioner for transfer to the organization created under this subsection. The commissioner shall appoint the members of the governing body of an organization created under this subsection.

(f) This section does not limit the authority of the attorney general to take any action authorized by law.

(g) The commissioner shall adopt rules necessary to administer this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 12, eff. Sept. 1, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 25, eff. September 1, 2013.

Sec. 12.116. PROCEDURE FOR REVOCATION, MODIFICATION OF GOVERNANCE, OR DENIAL OF RENEWAL. (a) The commissioner shall adopt an informal procedure to be used for:

(1) revoking the charter of an open-enrollment charter school or for reconstituting the governing body of the charter holder as authorized by Section 12.115; and

(2) denying the renewal of a charter of an open-enrollment charter school as authorized by Section 12.1141(c).

(a-1) The procedure adopted under Subsection (a) for the denial of renewal of a charter under Section 12.1141(c) or the revocation of a charter or reconstitution of a governing body of a charter holder under Section 12.115(a) must allow representatives of the charter holder to meet with the commissioner to discuss the commissioner's decision and must allow the charter holder to submit additional information to the commissioner relating to the commissioner's decision. In a final decision issued by the commissioner, the commissioner shall provide a written response to any information the charter holder submits under this subsection.

(b) Chapter 2001, Government Code, does not apply to a

procedure that is related to a revocation or modification of governance under this subchapter.

(c) A decision by the commissioner to revoke a charter is subject to review by the State Office of Administrative Hearings. Notwithstanding Chapter 2001, Government Code:

(1) the administrative law judge shall uphold a decision by the commissioner to revoke a charter unless the judge finds the decision is arbitrary and capricious or clearly erroneous; and

(2) a decision of the administrative law judge under this subsection is final and may not be appealed.

(d) If the commissioner revokes the charter of an open-enrollment charter school, the commissioner may:

(1) manage the school until alternative arrangements are made for the school's students; and

(2) assign operation of one or more campuses formerly operated by the charter holder who held the revoked charter to a different charter holder who consents to the assignment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 12, eff. Sept. 1, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 26, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 3(b), eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 3(c), eff. June 19, 2015.

Sec. 12.1161. EFFECT OF REVOCATION, DENIAL OF RENEWAL, OR SURRENDER OF CHARTER. (a) If the commissioner revokes or denies the renewal of a charter of an open-enrollment charter school or an open-enrollment charter school surrenders its charter, the school may not:

(1) continue to operate under this subchapter; or

(2) receive state funds under this subchapter.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1140, Sec. 47(3), eff. September 1, 2013.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 13, eff. Sept. 1, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 27, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 47(3), eff. September 1, 2013.

Sec. 12.1162. ADDITIONAL SANCTIONS. (a) The commissioner shall take any of the actions described by Subsection (b) or by Section 39.102(a), to the extent the commissioner determines necessary, if an open-enrollment charter school, as determined by a report issued under Section 39.058(b):

(1) commits a material violation of the school's charter;

(2) fails to satisfy generally accepted accounting standards of fiscal management; or

(3) fails to comply with this subchapter or another applicable rule or law.

(b) The commissioner may temporarily withhold funding, suspend the authority of an open-enrollment charter school to operate, or take any other reasonable action the commissioner determines necessary to protect the health, safety, or welfare of students enrolled at the school based on evidence that conditions at the school present a danger to the health, safety, or welfare of the students.

(c) After the commissioner acts under Subsection (b), the open-enrollment charter school may not receive funding and may not resume operating until a determination is made that:

(1) despite initial evidence, the conditions at the school do not present a danger of material harm to the health, safety, or welfare of students; or

(2) the conditions at the school that presented a danger of material harm to the health, safety, or welfare of students have been corrected.

(d) Not later than the third business day after the date the commissioner acts under Subsection (b), the commissioner shall provide the charter holder an opportunity for a hearing.

(e) Immediately after a hearing under Subsection (d), the commissioner must cease the action under Subsection (b) or initiate action under Section 12.116.

(f) The commissioner shall adopt rules implementing this section. Chapter 2001, Government Code, does not apply to a hearing

under this section.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 13, eff. Sept. 1, 2001.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 19, eff. June 19, 2009.

Sec. 12.1163. AUDIT BY COMMISSIONER. (a) To the extent consistent with this section, the commissioner may audit the records of:

(1) an open-enrollment charter school;
(2) a charter holder; and
(3) a management company.

(b) An audit under Subsection (a) must be limited to matters directly related to the management or operation of an open-enrollment charter school, including any financial and administrative records.

(c) Unless the commissioner has specific cause to conduct an additional audit, the commissioner may not conduct more than one on-site audit during any fiscal year, including any financial and administrative records. For purposes of this subsection, an audit of a charter holder or management company associated with an open-enrollment charter school is not considered an audit of the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 13, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 511, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 28, eff. September 1, 2013.

Sec. 12.1164. NOTICE TO TEACHER RETIREMENT SYSTEM OF TEXAS. (a) The commissioner must notify the Teacher Retirement System of Texas in writing of the revocation, denial of renewal, expiration, or surrender of a charter under this subchapter not later than the 10th business day after the date of the event.

(b) The commissioner must notify the Teacher Retirement System of Texas in writing that an open-enrollment charter school is no longer receiving state funding not later than the 10th business day after the date on which the funding ceases.

(c) The commissioner must notify the Teacher Retirement System

of Texas in writing that an open-enrollment charter school has resumed receiving state funds not later than the 10th business day after the date on which funding resumes.

Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 3, eff. September 1, 2005.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 29, eff. September 1, 2013.

Sec. 12.117. ADMISSION. (a) For admission to an open-enrollment charter school, the governing body of the school shall:

(1) require the applicant to complete and submit an application not later than a reasonable deadline the school establishes; and

(2) on receipt of more acceptable applications for admission under this section than available positions in the school:

(A) fill the available positions by lottery; or

(B) subject to Subsection (b), fill the available positions in the order in which applications received before the application deadline were received.

(b) An open-enrollment charter school may fill applications for admission under Subsection (a)(2)(B) only if the school published a notice of the opportunity to apply for admission to the school. A notice published under this subsection must:

(1) state the application deadline; and

(2) be published in a newspaper of general circulation in the community in which the school is located not later than the seventh day before the application deadline.

(c) An open-enrollment charter school authorized by a charter granted under this subchapter to a municipality:

(1) is considered a work-site open-enrollment charter school for purposes of federal regulations regarding admissions policies that apply to open-enrollment charter schools receiving federal funding; and

(2) notwithstanding Subsection (a), may admit children of employees of the municipality to the school before conducting a lottery to fill remaining available positions, provided that the number of children admitted under this subdivision constitutes only a

small percentage, as may be further specified by federal regulation, of the school's total enrollment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 14, eff. Sept. 1, 2001.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 317 (H.B. 2366), Sec. 1, eff. June 17, 2011.

Sec. 12.1171. ADMISSION TO OPEN-ENROLLMENT CHARTER SCHOOLS SPECIALIZING IN PERFORMING ARTS. Notwithstanding Section 12.117, the governing body of an open-enrollment charter school that specializes in one or more performing arts may require an applicant to audition for admission to the school.

Added by Acts 2005, 79th Leg., Ch. 1032 (H.B. 1111), Sec. 2, eff. September 1, 2005.

Sec. 12.118. EVALUATION OF OPEN-ENROLLMENT CHARTER SCHOOLS. (a) The commissioner shall designate an impartial organization with experience in evaluating school choice programs to conduct an annual evaluation of open-enrollment charter schools.

(b) An evaluation under this section must include consideration of the following items before implementing the charter and after implementing the charter:

(1) students' scores on assessment instruments administered under Subchapter B, Chapter 39;

(2) student attendance;

(3) students' grades;

(4) incidents involving student discipline;

(5) socioeconomic data on students' families;

(6) parents' satisfaction with their children's schools; and

(7) students' satisfaction with their schools.

(c) The evaluation of open-enrollment charter schools must also include an evaluation of:

(1) the costs of instruction, administration, and transportation incurred by open-enrollment charter schools;

(2) the effect of open-enrollment charter schools on school districts and on teachers, students, and parents in those districts; and

(3) other issues, as determined by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 15, eff. Sept. 1, 2001.

Sec. 12.1181. PERFORMANCE FRAMEWORKS; ANNUAL EVALUATIONS. (a) The commissioner shall develop and by rule adopt performance frameworks that establish standards by which to measure the performance of an open-enrollment charter school. The commissioner shall develop and by rule adopt separate, specific performance frameworks by which to measure the performance of an open-enrollment charter school that is registered under the agency's alternative education accountability procedures for evaluation under Chapter 39. The performance frameworks shall be based on national best practices that charter school authorizers use in developing and applying standards for charter school performance. In developing the performance frameworks, the commissioner shall solicit advice from charter holders, the members of the governing bodies of open-enrollment charter schools, and other interested persons.

(b) The performance frameworks may include a variety of standards. In evaluating an open-enrollment charter school, the commissioner shall measure school performance against an established set of quality standards developed and adopted by the commissioner.

(c) Each year, the commissioner shall evaluate the performance of each open-enrollment charter school based on the applicable performance frameworks adopted under Subsection (a). The performance of a school on a performance framework may not be considered for purposes of renewal of a charter under Section 12.1141(d) or revocation of a charter under Section 12.115(c).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 30, eff. September 1, 2013.

Sec. 12.119. BYLAWS; ANNUAL REPORT. (a) A charter holder shall file with the commissioner a copy of its articles of

incorporation and bylaws, or comparable documents if the charter holder does not have articles of incorporation or bylaws, within the period and in the manner prescribed by the commissioner.

(b) Each year within the period and in a form prescribed by the commissioner, each open-enrollment charter school shall file with the commissioner the following information:

(1) the name, address, and telephone number of each officer and member of the governing body of the open-enrollment charter school; and

(2) the amount of annual compensation the open-enrollment charter school pays to each officer and member of the governing body.

(c) On request, the commissioner shall provide the information required by this section and Section 12.111(a)(7) to a member of the public. The commissioner may charge a reasonable fee to cover the commissioner's cost in providing the information.

Added by Acts 1999, 76th Leg., ch. 1335, Sec. 3, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 16, eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.002, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 31, eff. September 1, 2013.

Sec. 12.120. RESTRICTIONS ON SERVING AS MEMBER OF GOVERNING BODY OF CHARTER HOLDER OR OPEN-ENROLLMENT CHARTER SCHOOL OR AS OFFICER OR EMPLOYEE. (a) A person may not serve as a member of the governing body of a charter holder, as a member of the governing body of an open-enrollment charter school, or as an officer or employee of an open-enrollment charter school if the person:

(1) has been convicted of a felony or a misdemeanor involving moral turpitude;

(2) has been convicted of an offense listed in Section 37.007(a);

(3) has been convicted of an offense listed in Article 62.001(5), Code of Criminal Procedure; or

(4) has a substantial interest in a management company.

(a-1) Notwithstanding Subsection (a), subject to Section

12.1059, an open-enrollment charter school may employ a person:

(1) as a teacher or educational aide if:

(A) a school district could employ the person as a teacher or educational aide; or

(B) a school district could employ the person as a teacher or educational aide if the person held the appropriate certificate issued under Subchapter B, Chapter 21, and the person has never held a certificate issued under Subchapter B, Chapter 21; or

(2) in a position other than a position described by Subdivision (1) if a school district could employ the person in that position.

(b) For purposes of Subsection (a)(4), a person has a substantial interest in a management company if the person:

(1) has a controlling interest in the company;

(2) owns more than 10 percent of the voting interest in the company;

(3) owns more than $25,000 of the fair market value of the company;

(4) has a direct or indirect participating interest by shares, stock, or otherwise, regardless of whether voting rights are included, in more than 10 percent of the profits, proceeds, or capital gains of the company;

(5) is a member of the board of directors or other governing body of the company;

(6) serves as an elected officer of the company; or

(7) is an employee of the company.

Added by Acts 1999, 76th Leg., ch. 1335, Sec. 3, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 17, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 1008 (H.B. 867), Sec. 2.04, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 639 (H.B. 647), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 32, eff. September 1, 2013.

Sec. 12.1202. REQUIREMENT FOR MAJORITY OF MEMBERS OF GOVERNING

BODY. A majority of the members of the governing body of an open-enrollment charter school or the governing body of a charter holder must be qualified voters.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 33, eff. September 1, 2013.

Sec. 12.121. RESPONSIBILITY FOR OPEN-ENROLLMENT CHARTER SCHOOL. The governing body of an open-enrollment charter school is responsible for the management, operation, and accountability of the school, regardless of whether the governing body delegates the governing body's powers and duties to another person.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.1211. NAMES OF MEMBERS OF GOVERNING BODY LISTED ON WEBSITE. An open-enrollment charter school shall list the names of the members of the governing body on the home page of the school's Internet website.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 34, eff. September 1, 2013.

Sec. 12.122. LIABILITY OF MEMBERS OF GOVERNING BODY OF OPEN-ENROLLMENT CHARTER SCHOOL. (a) Notwithstanding the applicable provisions of the Business Organizations Code or other law, on request of the commissioner, the attorney general may bring suit against a member of the governing body of an open-enrollment charter school for breach of a fiduciary duty by the member, including misapplication of public funds.

(b) The attorney general may bring suit under Subsection (a) for:

(1) damages;

(2) injunctive relief; or

(3) any other equitable remedy determined to be appropriate by the court.

(c) This section is cumulative of all other remedies.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 35, eff. September 1, 2013.

Sec. 12.123. TRAINING FOR MEMBERS OF GOVERNING BODY OF SCHOOL AND OFFICERS. (a) The commissioner shall adopt rules prescribing training for:

(1) members of governing bodies of open-enrollment charter schools; and

(2) officers of open-enrollment charter schools.

(b) The rules adopted under Subsection (a) may:

(1) specify the minimum amount and frequency of the training;

(2) require the training to be provided by:

(A) the agency and regional education service centers;

(B) entities other than the agency and service centers, subject to approval by the commissioner; or

(C) both the agency, service centers, and other entities; and

(3) require training to be provided concerning:

(A) basic school law, including school finance;

(B) health and safety issues;

(C) accountability requirements related to the use of public funds; and

(D) other requirements relating to accountability to the public, such as open meetings requirements under Chapter 551, Government Code, and public information requirements under Chapter 552, Government Code.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.124. LOANS FROM MANAGEMENT COMPANY PROHIBITED. (a) The charter holder or the governing body of an open-enrollment charter school may not accept a loan from a management company that has a contract to provide management services to:

(1) that charter school; or

(2) another charter school that operates under a charter

granted to the charter holder.

(b) A charter holder or the governing body of an open-enrollment charter school that accepts a loan from a management company may not enter into a contract with that management company to provide management services to the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.125. CONTRACT FOR MANAGEMENT SERVICES. Any contract, including a contract renewal, between an open-enrollment charter school and a management company proposing to provide management services to the school must require the management company to maintain all records related to the management services separately from any other records of the management company.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.126. CERTAIN MANAGEMENT SERVICES CONTRACTS PROHIBITED. The commissioner may prohibit, deny renewal of, suspend, or revoke a contract between an open-enrollment charter school and a management company providing management services to the school if the commissioner determines that the management company has:

(1) failed to provide educational or related services in compliance with the company's contractual or other legal obligation to any open-enrollment charter school in this state or to any other similar school in another state;

(2) failed to protect the health, safety, or welfare of the students enrolled at an open-enrollment charter school served by the company;

(3) violated this subchapter or a rule adopted under this subchapter; or

(4) otherwise failed to comply with any contractual or other legal obligation to provide services to the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.127. LIABILITY OF MANAGEMENT COMPANY. (a) A management company that provides management services to an open-

enrollment charter school is liable for damages incurred by the state as a result of the failure of the company to comply with its contractual or other legal obligation to provide services to the school.

(b) On request of the commissioner, the attorney general may bring suit on behalf of the state against a management company liable under Subsection (a) for:

(1) damages, including any state funding received by the company and any consequential damages suffered by the state;

(2) injunctive relief; or

(3) any other equitable remedy determined to be appropriate by the court.

(c) This section is cumulative of all other remedies and does not affect:

(1) the liability of a management company to the charter holder; or

(2) the liability of a charter holder, a member of the governing body of a charter holder, or a member of the governing body of an open-enrollment charter school to the state.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.128. PROPERTY PURCHASED OR LEASED WITH STATE FUNDS. (a) Property purchased or leased with funds received by a charter holder under Section 12.106 after September 1, 2001:

(1) is considered to be public property for all purposes under state law;

(2) is property of this state held in trust by the charter holder for the benefit of the students of the open-enrollment charter school; and

(3) may be used only for a purpose for which a school district may use school district property.

(b) If at least 50 percent of the funds used by a charter holder to purchase real property are funds received under Section 12.106 before September 1, 2001, the property is considered to be public property to the extent it was purchased with those funds.

(c) The commissioner shall:

(1) take possession and assume control of the property described by Subsection (a) of an open-enrollment charter school that

ceases to operate; and

(2) supervise the disposition of the property in accordance with law.

(d) The commissioner may adopt rules necessary to administer this section.

(e) This section does not affect a security interest in or lien on property established by a creditor in compliance with law if the security interest or lien arose in connection with the sale or lease of the property to the charter holder.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 37, eff. September 1, 2013.

Sec. 12.129. MINIMUM QUALIFICATIONS FOR PRINCIPALS AND TEACHERS. A person employed as a principal or a teacher by an open-enrollment charter school must hold a baccalaureate degree.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 38, eff. September 1, 2013.

Sec. 12.130. NOTICE OF TEACHER QUALIFICATIONS. Each open-enrollment charter school shall provide to the parent or guardian of each student enrolled in the school written notice of the qualifications of each teacher employed by the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 18, eff. Sept. 1, 2001.

Sec. 12.131. REMOVAL OF STUDENTS TO DISCIPLINARY ALTERNATIVE EDUCATION PROGRAM; EXPULSION OF STUDENTS. (a) The governing body of an open-enrollment charter school shall adopt a code of conduct for its district or for each campus. In addition to establishing standards for behavior, the code of conduct shall outline generally the types of prohibited behaviors and their possible consequences. The code of conduct shall also outline the school's due process

procedures with respect to expulsion. Notwithstanding any other provision of law, a final decision of the governing body of an open-enrollment charter school with respect to actions taken under the code of conduct may not be appealed.

(b) An open-enrollment charter school may not elect to expel a student for a reason that is not authorized by Section 37.007 or specified in the school's code of conduct as conduct that may result in expulsion.

(c) Notwithstanding any other provision, Section 37.002 and its provisions, wherever referenced, are not applicable to an open-enrollment charter school unless the governing body of the school so determines.

Added by Acts 2003, 78th Leg., ch. 1055, Sec. 1, eff. June 20, 2003.

Sec. 12.132. USE OF MUNICIPAL FUNDS FOR CHARTER SCHOOL LAND OR FACILITIES. A municipality to which a charter is granted under this subchapter may borrow funds, issue obligations, or otherwise spend its funds to acquire land or acquire, construct, expand, or renovate school buildings or facilities and related improvements for its open-enrollment charter school within the city limits of the municipality in the same manner the municipality is authorized to borrow funds, issue obligations, or otherwise spend its funds in connection with any other public works project.

Added by Acts 2003, 78th Leg., ch. 193, Sec. 2, eff. June 2, 2003. Renumbered from Education Code, Section 12.131 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(11), eff. September 1, 2005.

Sec. 12.133. WAGE INCREASE FOR CERTAIN PROFESSIONAL STAFF. (a) This section applies to a charter holder that on January 1, 2006, operated an open-enrollment charter school.

(b) Each school year, using state funds received by the charter holder for that purpose under Subsection (d), a charter holder that participated in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year shall provide employees of the charter holder, other than administrators, compensation in the form of annual salaries, incentives, or other compensation determined appropriate by the charter holder that results in an average compensation increase

for classroom teachers, full-time librarians, full-time school counselors, and full-time school nurses who are employed by the charter holder and who would be entitled to a minimum salary under Section 21.402 if employed by a school district, in an amount at least equal to $2,500.

(b-1) Using state funds received by the charter holder for that purpose under Subsection (d-1), a charter holder that participated in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year shall provide employees of the charter holder, other than administrators, compensation in the form of annual salaries, incentives, or other compensation determined appropriate by the charter holder that results in average compensation increases as follows:

(1) for full-time employees other than employees who would be entitled to a minimum salary under Section 21.402 if employed by a school district, an average increase at least equal to $500; and

(2) for part-time employees, an average increase at least equal to $250.

(c) Each school year, using state funds received by the charter holder for that purpose under Subsection (e), a charter holder that did not participate in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year shall provide employees of the charter holder, other than administrators, compensation in the form of annual salaries, incentives, or other compensation determined appropriate by the charter holder that results in an average compensation increase for classroom teachers, full-time librarians, full-time school counselors, and full-time school nurses who are employed by the charter holder and who would be entitled to a minimum salary under Section 21.402 if employed by a school district, in an amount at least equal to $2,000.

(d) Each school year, in addition to any amounts to which a charter holder is entitled under this chapter, a charter holder that participated in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year is entitled to state aid in an amount, as determined by the commissioner, equal to the product of $2,500 multiplied by the number of classroom teachers, full-time librarians, full-time school counselors, and full-time school nurses employed by the charter holder at an open-enrollment charter school.

(d-1) In addition to any amounts to which a charter holder is entitled under this chapter, a charter holder that participated in

the program under Chapter 1579, Insurance Code, for the 2005-2006 school year is entitled to state aid in an amount, as determined by the commissioner, equal to the sum of:

(1) the product of $500 multiplied by the number of full-time employees other than employees who would be entitled to a minimum salary under Section 21.402 if employed by a school district; and

(2) the product of $250 multiplied by the number of part-time employees.

(e) Each school year, in addition to any amounts to which a charter holder is entitled under this chapter, a charter holder that did not participate in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year is entitled to state aid in an amount, as determined by the commissioner, equal to the product of $2,000 multiplied by the number of classroom teachers, full-time librarians, full-time school counselors, and full-time school nurses employed by the charter holder at an open-enrollment charter school.

(f) A payment under this section is in addition to wages the charter holder would otherwise pay the employee during the school year.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.02, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 4, eff. June 14, 2013.

Sec. 12.135. DESIGNATION AS CHARTER DISTRICT FOR PURPOSES OF BOND GUARANTEE. (a) On the application of the charter holder, the commissioner may grant designation as a charter district to an open-enrollment charter school that meets financial standards adopted by the commissioner. The financial standards must require an open-enrollment charter school to have an investment grade credit rating as specified by Section 45.0541.

(b) A charter district may apply for bonds issued under Chapter 53 for the open-enrollment charter school, including refunding and refinanced bonds, to be guaranteed by the permanent school fund as provided by Chapter 45.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.01,

eff. September 28, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 280 (H.B. 885), Sec. 1, eff. September 1, 2013.

Sec. 12.136. POSTING OF CHIEF EXECUTIVE OFFICER SALARY. An open-enrollment charter school shall post on the school's Internet website the salary of the school's superintendent or, as applicable, of the administrator serving as educational leader and chief executive officer.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 39, eff. September 1, 2013.

Sec. 12.137. CERTAIN CHARTER HOLDERS AUTHORIZED TO PROVIDE COMBINED SERVICES FOR CERTAIN ADULT AND HIGH SCHOOL DROPOUT RECOVERY PROGRAMS. (a) This section applies only to:

(1) an open-enrollment charter school designated as a dropout recovery school as described by Section 12.1141(c) if the enrollment of the school consists only of students 17 years of age and older; and

(2) an adult education program provided under a high school diploma and industry certification charter school pilot program under Section 29.259.

(b) Notwithstanding any other law, an entity granted a charter to operate a charter school described by Subsection (a)(1) and a charter to provide an adult education program described by Subsection (a)(2) may, for the purpose of providing services to students enrolled in the charter school and the adult education program, place students, regardless of the age of the students, at the same facility and in the same classroom setting or learning environment, the same cafeteria, or the same activity sanctioned by the school and the program.

Added by Acts 2015, 84th Leg., R.S., Ch. 1234 (S.B. 2062), Sec. 1, eff. June 19, 2015.

SUBCHAPTER E. COLLEGE OR UNIVERSITY OR JUNIOR COLLEGE

CHARTER SCHOOL

Sec. 12.151. DEFINITIONS. In this subchapter, "public junior college" and "public senior college or university" have the meanings assigned by Section 61.003.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 631 (H.B. 1423), Sec. 2, eff. June 19, 2009.

Sec. 12.152. AUTHORIZATION. (a) In accordance with this subchapter and Subchapter D, the commissioner may grant a charter on the application of:

(1) a public senior college or university for an open-enrollment charter school to operate on the campus of the public senior college or university or, subject to Subsection (b), at another location in any county in this state; or

(2) a public junior college for an open-enrollment charter school to operate on the campus of the public junior college or in the same county in which the campus of the public junior college is located.

(b) In evaluating an application submitted under Subsection (a)(1) for a charter to operate an open-enrollment charter school in a county other than the county in which the campus of the applicant is located, the commissioner shall consider:

(1) the locations of existing open-enrollment charter schools, as appropriate, to avoid duplication of services in the area in which the applicant proposes to operate the school; and

(2) the need of the community in the area in which the applicant proposes to operate the school to have an additional open-enrollment charter school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 631 (H.B. 1423), Sec. 2, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 40, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 617 (S.B. 955), Sec. 1, eff. June 16, 2015.

Sec. 12.153. RULES. The commissioner may adopt rules to implement this subchapter.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.

Sec. 12.154. CONTENT. (a) Notwithstanding Section 12.110(d), the commissioner may grant a charter under this subchapter to a public senior college or university only if the following criteria are satisfied in the public senior college's or university's application, as determined by the commissioner:

(1) the college or university charter school's educational program must include innovative teaching methods;

(2) the college or university charter school's educational program must be implemented under the direct supervision of a member of the teaching or research faculty of the public senior college or university;

(3) the faculty member supervising the college or university charter school's educational program must have substantial experience and expertise in education research, teacher education, classroom instruction, or educational administration;

(4) the college or university charter school's educational program must be designed to meet specific goals described in the charter, including improving student performance, and each aspect of the program must be directed toward the attainment of the goals;

(5) the attainment of the college or university charter school's educational program goals must be measured using specific, objective standards set forth in the charter, including assessment methods and a time frame; and

(6) the financial operations of the college or university charter school must be supervised by the business office of the public senior college or university.

(b) Notwithstanding Section 12.110(d), the commissioner may grant a charter under this subchapter to a public junior college only if the following criteria are satisfied in the public junior college's application, as determined by the commissioner:

(1) the junior college charter school's educational program must be implemented under the direct supervision of a member of the

faculty of the public junior college;

(2) the faculty member supervising the junior college charter school's educational program must have substantial experience and expertise in teacher education, classroom instruction, or educational administration;

(3) the junior college charter school's educational program must be designed to meet specific goals described in the charter, such as dropout recovery, and each aspect of the program must be directed toward the attainment of the goals;

(4) the attainment of the junior college charter school's educational program goals must be measured using specific, objective standards set forth in the charter, including assessment methods and a time frame; and

(5) the financial operations of the junior college charter school must be supervised by the business office of the junior college.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 631 (H.B. 1423), Sec. 2, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 40, eff. September 1, 2013.

Sec. 12.155. SCHOOL NAME. The name of a college or university charter school or junior college charter school must include the name of the public senior college or university or public junior college, as applicable, operating the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 631 (H.B. 1423), Sec. 2, eff. June 19, 2009.

Sec. 12.156. APPLICABILITY OF CERTAIN PROVISIONS. (a) Except as otherwise provided by this subchapter, Subchapter D applies to a college or university charter school or junior college charter school as though the college or university charter school or junior college charter school, as applicable, were granted a charter under that

subchapter.

(b) A charter granted under this subchapter is not considered for purposes of the limit on the number of open-enrollment charter schools imposed by Section 12.101.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 19, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 631 (H.B. 1423), Sec. 3, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 41, eff. September 1, 2013.

CHAPTER 12A. DISTRICTS OF INNOVATION

Sec. 12A.001. AUTHORIZATION. (a) Subject to Subsection (b), a school district may be designated as a district of innovation in accordance with this chapter.

(b) A school district is eligible for designation as a district of innovation only if the district's most recent performance rating under Section 39.054 reflects at least acceptable performance.

(c) Consideration of designation as a district of innovation may be initiated by:

(1) a resolution adopted by the board of trustees of the district; or

(2) a petition signed by a majority of the members of the district-level committee established under Section 11.251.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.002. PUBLIC HEARING. (a) Promptly after adopting a resolution under Section 12A.001(c)(1) or receiving a petition under Section 12A.001(c)(2), the board of trustees shall hold a public hearing to consider whether the district should develop a local innovation plan for the designation of the district as a district of innovation.

(b) At the conclusion of the public hearing or as soon as possible after conclusion of the public hearing, the board of trustees may:

(1) decline to pursue designation of the district as a

district of innovation; or

(2) appoint a committee to develop a local innovation plan in accordance with Section 12A.003.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.003. LOCAL INNOVATION PLAN. (a) A local innovation plan must be developed for a school district before the district may be designated as a district of innovation.

(b) A local innovation plan must:

(1) provide for a comprehensive educational program for the district, which program may include:

(A) innovative curriculum, instructional methods, and provisions regarding community participation, campus governance, and parental involvement;

(B) modifications to the school day or year;

(C) provisions regarding the district budget and sustainable program funding;

(D) accountability and assessment measures that exceed the requirements of state and federal law; and

(E) any other innovations prescribed by the board of trustees; and

(2) identify requirements imposed by this code that inhibit the goals of the plan and from which the district should be exempted on adoption of the plan, subject to Section 12A.004.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.004. LIMITATION OF PERMISSIBLE EXEMPTIONS. (a) A local innovation plan may not provide for the exemption of a district designated as a district of innovation from the following provisions of this title:

(1) a state or federal requirement applicable to an open-enrollment charter school operating under Subchapter D, Chapter 12;

(2) Subchapters A, C, D, and E, Chapter 11, except that a district may be exempt from Sections 11.1511(b)(5) and (14) and Section 11.162;

(3) state curriculum and graduation requirements adopted under Chapter 28; and

(4) academic and financial accountability and sanctions under Chapter 39.

(b) The commissioner shall:

(1) maintain a list of provisions of this title from which school districts designated as districts of innovation are exempt under this chapter; and

(2) notify the legislature of each provision from which districts enrolling a majority of students in this state are exempt.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.005. ADOPTION OF LOCAL INNOVATION PLAN; COMMISSIONER APPROVAL. (a) The board of trustees may not vote on adoption of a proposed local innovation plan unless:

(1) the final version of the proposed plan has been available on the district's Internet website for at least 30 days;

(2) the board of trustees has notified the commissioner of the board's intention to vote on adoption of the proposed plan; and

(3) the district-level committee established under Section 11.251 has held a public meeting to consider the final version of the proposed plan and has approved the plan by a majority vote of the committee members, provided that the meeting required by this subdivision may occur immediately before and on the same date as the meeting at which the board intends to vote on adoption of the proposed plan.

(b) A board of trustees may adopt a proposed local innovation plan by an affirmative vote of two-thirds of the membership of the board.

(c) On adoption of a local innovation plan, the district:

(1) is designated as a district of innovation under this chapter for the term specified in the plan, subject to Section 12A.006;

(2) shall begin operation in accordance with the plan; and

(3) is exempt from state requirements identified under Section 12A.003(b)(2).

(d) A district's exemption described by Subsection (c)(3)

includes any subsequent amendment or redesignation of an identified state requirement, unless the subsequent amendment or redesignation specifically applies to a district of innovation.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.006. TERM. The term of a district's designation as a district of innovation may not exceed five years.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.007. AMENDMENT, RESCISSION, OR RENEWAL OF LOCAL INNOVATION PLAN. A local innovation plan may be amended, rescinded, or renewed if the action is approved by a vote of the district-level committee established under Section 11.251, or a comparable committee if the district is exempt from that section, and the board of trustees in the same manner as required for initial adoption of a local innovation plan under Section 12A.005.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.008. TERMINATION BY COMMISSIONER. (a) The commissioner may terminate a district's designation as a district of innovation if the district receives for two consecutive school years:

(1) an unacceptable academic performance rating under Section 39.054;

(2) an unacceptable financial accountability rating under Section 39.082; or

(3) an unacceptable academic performance rating under Section 39.054 for one of the school years and an unacceptable financial accountability rating under Section 39.082 for the other school year.

(b) Instead of terminating a district's designation as authorized by Subsection (a), the commissioner may permit the district to amend the district's local innovation plan to address

concerns specified by the commissioner.

(c) The commissioner shall terminate a district's designation as a district of innovation if the district receives for three consecutive school years:

(1) an unacceptable academic performance rating under Section 39.054;

(2) an unacceptable financial accountability rating under Section 39.082; or

(3) any combination of one or more unacceptable ratings under Subdivision (1) and one or more unacceptable ratings under Subdivision (2).

(d) A decision by the commissioner under this section is final and may not be appealed.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

Sec. 12A.009. COMMISSIONER RULEMAKING. The commissioner may adopt rules to implement this chapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 4, eff. June 19, 2015.

CHAPTER 13. CREATION, CONSOLIDATION, AND ABOLITION OF A DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 13.001. DEFINITION. In this chapter, "membership" means the number of students enrolled in a school district as of a given date.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.002. PERMITTED FREQUENCY OF PROPOSED ACTIONS. (a) If at an election on a proposition under this chapter the majority of the votes are cast against the proposition, another election for the same purpose may not be held earlier than the corresponding uniform election date three years after the date of the first election. If a majority of the votes are cast in favor of the proposition, an election to reverse the effects of the first election may not be held

earlier than the corresponding uniform election date three years after the date of the first election.

(b) If, without an election, an action under this chapter occurs on the order or ordinance of an authority acting in response to a petition and the petitioners' request is rejected, that authority may not consider a subsequent petition on the same request earlier than three years after the date on which the request is rejected. If the request is granted and the order is issued or the ordinance is adopted, a petition to reverse the effects of the order or ordinance may not be considered by the authority earlier than three years after the date of issuance or adoption.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.003. PETITION AND ELECTION. (a) Except as otherwise provided by this chapter, this section governs:

(1) the validity of a petition submitted to request an election under this chapter; and

(2) the conduct of the resulting election.

(b) To be valid, a petition must:

(1) be submitted to the county judge serving the county in which the appropriate school district is located;

(2) be signed by at least 10 percent of the registered voters of the appropriate district; and

(3) state the purpose for which it is being submitted.

(c) Immediately following receipt of a valid petition, the county judge shall order the election to be held on an authorized election date, as prescribed by Chapter 41, Election Code, occurring not later than the 60th day after the date of receipt. If an authorized date within that period does not allow sufficient time to comply with other legal requirements or if there is no authorized date within that period, the election shall be ordered for the next authorized date.

(d) The election order must include the date of the election, the hours during which the polls will be open, the location of the polling places, and the proposition to be voted on.

(e) Not earlier than the 30th day or later than the 10th day before the date of the election, the county judge shall give notice of the election by having a copy of the election order published at

least once in a newspaper published at least once each week in the appropriate school district. If such a newspaper is not published in the district, the notice shall be published in at least one newspaper of general circulation in the county in which the district is located. The county judge shall give additional notice of the election by having a copy of the election order posted in a public place in each election precinct not later than the 21st day before the date of the election.

(f) The election precincts and polling places usually used in the elections of the appropriate school district shall be used in an election held under this chapter, except that if another election is occurring on the same date for all or part of the same geographic area, precincts and polling places shall be selected to allow each voter to cast ballots at the same polling place for each of the elections. To the extent practical, the election shall be conducted in accordance with the Election Code.

(g) The expenses of the election shall be paid by the appropriate school district or districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.004. ALLOCATION OF INDEBTEDNESS AND PERSONAL PROPERTY. (a) If under this chapter a school district assumes a portion of the indebtedness of another district, the commissioners court by order shall equitably allocate the indebtedness among the districts involved. If territory from one district is annexed to another or if a district is abolished, the commissioners court shall also equitably allocate among the receiving districts a portion of the personal property of the annexed district or all the personal property of an abolished district. If districts located in more than one county are involved, the commissioners court of each county in which an involved school district is located must agree on the allocation of indebtedness and personal property.

(b) In allocating the indebtedness and personal property, the commissioners court shall consider the value of the properties involved and the taxable value of the districts involved.

(c) The order of the commissioners court is binding on the school districts and territory affected by the order.

(d) A school district required to assume the indebtedness of

another district under this chapter is not required to conduct an election on assumption of the indebtedness. Without an election, the school district assuming the indebtedness may levy and collect taxes necessary to pay principal and interest on the assumed debt so long as the debt is outstanding.

(e) Without an election, a school district may issue refunding bonds for bonds of another district assumed under this chapter.

(f) If an entire district is annexed to or consolidated with another district, if a district is converted from a common to an independent school district, or if a school district is separated from a municipality, the governing board of the district as changed may, without an election, sell and deliver any unissued bonds voted in the district before the change and may levy and collect taxes in the district as changed for the payment of principal and interest on bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.005. EFFECTIVE DATE OF TRANSFER. (a) Except as provided by this section or by a local consolidation agreement under Section 13.158, the annexation of all or part of the territory of one district to another is effective on the first July 1 that is more than 30 days after the date of the order or ordinance accomplishing the annexation or of the declaration of the results of an election at which the transfer is approved.

(b) On the effective date of the transfer:

(1) students residing in the territory become residents of the receiving district;

(2) title to property allocated to the receiving district vests in the district;

(3) the receiving district assumes any debt allocated to it; and

(4) the receiving district assumes jurisdiction of the annexed territory for all other purposes.

(c) If the annexation is appealed to the commissioner and is approved, the transfer is effective on a date set by the commissioner that is not earlier than the 30th day after the date of the commissioner's decision in the appeal. If the decision of the commissioner is appealed to a district court in Travis County, the

transfer, if approved, is effective on a date set by the court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 7, eff. Sept. 1, 2003.

Sec. 13.006. TAXING AUTHORITY TRANSFER. (a) If all or part of the territory of a school district is annexed to another district, the receiving district may levy taxes at the rate established in accordance with law for the district as a whole and is not required to conduct an election for the purpose of taxing the territory received.

(b) Conversion of a common school district or rural high school district to an independent school district or separation from municipal control does not affect the taxes levied for school purposes. The new district may levy and collect taxes at the same rate at which the taxes were previously levied and is not required to conduct an election for that purpose.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.008. DISTRICT TRUSTEE APPROVAL OF BOUNDARY CHANGES REQUIRED. Any change in the boundaries of a school district is not effective unless approved by a majority of the board of trustees of the district if the board's approval is required under this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.009. APPEALS. (a) A decision of a commissioners court under this chapter may be appealed for a de novo review.

(b) If this chapter requires the agreement of or action by two or more commissioners courts, and the commissioners courts fail to agree or take action within a reasonable time set by rule of the State Board of Education, a person aggrieved by the failure may appeal to the commissioner for resolution of the issue.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.010. BOUNDARY DESCRIPTIONS AND MAPS TO BE FILED WITH AGENCY. (a) Each school district shall file with the agency:

(1) a complete and legally sufficient description of the boundaries of the district;

(2) a map of the district that:

(A) is drawn to the county general highway maps produced by the Texas Department of Transportation or a similar map of sufficient detail to display the names of visible features that the boundaries follow or to which the boundaries are in close proximity; and

(B) is an accurate and legible representation of the boundaries in relationship to other features on the map; and

(3) a list of voting precincts in the district, separately listing those precincts wholly in the district and those precincts only partly in the district.

(b) A school district shall amend the information and maps on file under this section if the boundaries of the district change or if any other change makes the information on file incomplete or inaccurate.

(c) The agency shall make maps and information maintained under this section available to the legislature and legislative agencies without cost.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER B. DETACHMENT; ANNEXATION

Sec. 13.051. DETACHMENT AND ANNEXATION OF TERRITORY. (a) In accordance with this section, territory may be detached from a school district and annexed to another school district that is contiguous to the detached territory. A petition requesting the detachment and annexation must be presented to the board of trustees of the district from which the territory is to be detached and to the board of trustees of the district to which the territory is to be annexed. Each board of trustees to which a petition is required to be presented must conduct a hearing and adopt a resolution as provided by this section for the annexation to be effective.

(b) The petition requesting detachment and annexation must:

(1) be signed by a majority of:

(A) the registered voters residing in the territory to

be detached and annexed, if the territory has residents; or

(B) the surface owners of taxable property in the territory to be detached and annexed, if the territory does not have residents; and

(2) give the metes and bounds of the territory to be detached and annexed.

(c) Territory that does not have residents may be detached from a school district and annexed to another school district if:

(1) the total taxable value of the property in the territory according to the most recent certified appraisal roll for each school district is not greater than:

(A) five percent of the district's taxable value of all property in that district as determined under Subchapter M, Chapter 403, Government Code; and

(B) $5,000 property value per student in average daily attendance as determined under Section 42.005; and

(2) the school district from which the property will be detached does not own any real property located in the territory.

(d) The proposed annexation must be approved by the board of trustees of each affected district, subject to the appeal provisions of Subsection (j).

(e) Unless the petition is signed by a majority of the trustees of the district from which the territory is to be detached, territory that has residents may not be detached from a school district under this section if detachment would reduce that district's tax base by a ratio at least twice as large as the ratio by which it would reduce its membership. The first ratio is determined by dividing the assessed value of taxable property in the affected territory by the assessed value of all taxable property in the district, both figures according to the preceding year's tax rolls. The second ratio is determined by dividing the number of students residing in the affected territory by the number of students residing in the district as a whole, using membership on the last day of the preceding school year and the students' places of residence as of that date.

(f) A school district may not be reduced to an area of less than nine square miles.

(g) Immediately following receipt of the petition as required by this section, each affected board of trustees shall give notice of the contemplated change by publishing and posting a notice in the manner required for an election order under Section 13.003. The

notice must specify the place and date at which a hearing on the matter shall be held. Unless the districts hold a joint hearing, the districts must hold hearings on separate dates. At each hearing, affected persons are entitled to an opportunity to be heard.

(h) At the hearing, each board of trustees shall consider the educational interests of the current students residing or future students expected to reside in the affected territory and in the affected districts and the social, economic, and educational effects of the proposed boundary change. After the conclusion of the hearing, each board of trustees shall make findings as to the educational interests of the current students residing or future students expected to reside in the affected territory and in the affected districts and as to the social, economic, and educational effects of the proposed boundary change and shall, on the basis of those findings, adopt a resolution approving or disapproving the petition. The findings and resolution shall be recorded in the minutes of each affected board of trustees and shall be reported to the commissioners court of the county to which the receiving district is assigned for administrative purposes by the agency and to the commissioners court of the county to which the district from which territory is to be detached is assigned for administrative purposes.

(i) If both boards of trustees of the affected districts approve the petition, the commissioners court or commissioners courts to whom the matter is required to be reported shall enter an order redefining the boundaries of the districts affected by the transfer. Title to all real property of the district from which territory is detached within the territory annexed vests in the receiving district, and the receiving district assumes and is liable for any portion of the indebtedness of the district from which the territory is to be detached that is allocated to the receiving district under Section 13.004.

(j) If both boards of trustees of the affected districts disapprove the petition, the decisions may not be appealed. If the board of trustees of only one affected district disapproves the petition, an aggrieved party to the proceedings in either district may appeal the board's decision to the commissioner under Section 7.057. An appeal under this subsection is de novo. In deciding the appeal, the commissioner shall consider the educational interests of the students in the affected territory and the affected districts and the social, economic, and educational effects of the proposed

boundary change.

(k) Any additional tax resulting from a change of use, as provided for by Chapter 23, Tax Code, and the interest and penalty on the additional tax, that is imposed for any year on land in the annexed territory shall be paid to the school district that imposed the tax.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.052. DORMANT SCHOOL DISTRICTS. (a) If the commissioner determines that a school district has failed to operate a school for a full school year, the commissioner shall report to each appropriate commissioners court that the district is dormant.

(b) The commissioners court of a county shall by order annex each dormant school district within the county with an adjoining district or districts. If the dormant district is a county-line district, the commissioners court of each county in which the district is located shall annex the territory of the dormant district that is within that county. The commissioners court may annex territory to a school district only if the board of trustees of that district approves the annexation.

(c) The governing board of the district to which a dormant school district is annexed is the governing board for the new district.

(d) The order of the commissioners court shall define by legal boundary description the territory of the new district as enlarged and shall be recorded in the minutes of the commissioners court.

(e) Title to the real property of the dormant district vests in the district to which the property is annexed. Each district to which territory is annexed assumes and is liable for any portion of the dormant district's indebtedness that is allocated to the receiving district under Section 13.004.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.053. TERRITORY NOT IN SCHOOL DISTRICT. (a) All real property must be included within the limits of a school district. At any time it is determined that there is territory located in a county but not within the described limits of a school district, the

commissioners court shall annex the territory to one or more adjoining districts.

(b) The annexation order shall define by legal boundary description the territory of the new district and shall be recorded in the minutes of the commissioners court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.054. ACADEMICALLY UNACCEPTABLE SCHOOL DISTRICTS. (a) The commissioner by order may annex to one or more adjoining districts a school district that has been rated as academically unacceptable for a period of two years.

(b) The governing board of a district to which territory of an academically unacceptable district is annexed is the governing board for the new district.

(c) The order of the commissioner shall define by legal boundary description the territory of the new district as enlarged.

(d) Title to the real property of the academically unacceptable district vests in the district to which the property is annexed. Each district to which territory is annexed assumes and is liable for any portion of the academically unacceptable district's indebtedness that is allocated to the receiving district under Section 13.004.

(e) Before the commissioner orders an annexation under this section, the commissioner shall investigate the educational and financial impact of the annexation on the receiving district. The commissioner may order the annexation only if the commissioner finds that the annexation will not substantially impair the ability of the receiving district to educate the students located in the district before the annexation and to meet its financial obligations incurred before the annexation.

(f) For five years beginning with the school year in which the annexation occurs, the commissioner shall annually adjust the local fund assignment of a district to which territory is annexed under this section by multiplying the enlarged district's local fund assignment computed under Section 42.252 by a fraction, the numerator of which is the number of students residing in the district preceding the date of the annexation and the denominator of which is the number of students residing in the district as enlarged on the date of the annexation.

(g) A district to which territory is annexed under this section is entitled to additional state aid equal to the amount by which the annual debt service required to meet the indebtedness incurred by the district due to the annexation exceeds the additional amount of state aid that results from the adjustment under Subsection (f), if any. In determining the amount of annual debt service required, the estimated tax levy from applying the receiving district's current debt service tax rate, if any, to the territory that has been annexed shall be deducted.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. CREATION OF DISTRICT BY DETACHMENT

Sec. 13.101. CREATION OF DISTRICT BY DETACHING TERRITORY FROM EXISTING DISTRICT. (a) A new school district may be created by detaching territory from an existing school district or existing contiguous school districts and establishing a new school district.

(b) A school district created under this subchapter has all the rights and privileges of other independent school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.102. MINIMUM AREA AND ATTENDANCE REQUIREMENTS. A new district may not be created with an area of less than nine square miles or fewer than 8,000 students in average daily attendance, and a district may not be reduced to an area of less than nine square miles or fewer than 8,000 students in average daily attendance.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.103. INITIATION OF DETACHMENT. Creation of a new district by detachment is initiated by resolution of the board of trustees of each district from which territory is to be detached or by a petition presented to the commissioners court. A petition under this subchapter must:

(1) give the metes and bounds of the proposed new district;

(2) be signed by at least 10 percent of the registered voters residing in the proposed area to be detached from an existing

district; and

(3) be addressed to the commissioners court of the county in which the territory of the proposed district is located or, if the territory is in more than one county, to the commissioners court of each county in which the territory is located.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.104. ELECTION. (a) Not later than the 30th day after the date the commissioners court receives a petition under this subchapter, the commissioners court shall hold a hearing on the validity of the petition. If the commissioners court determines the petition is valid, each board of trustees shall order an election to be held on the same date in each district.

(b) The ballot shall be printed to permit voting for or against the proposition: "Creation of a new school district that includes the following territory from the _____ School District: _____." The ballot description of the territory to be detached must be sufficient to give general notice of the territory affected.

(c) An election on the detachment of the territory and creation of a new district has no effect unless at least 25 percent of the registered voters of each district vote in the election in which the issue is on the ballot.

(d) The boards of trustees shall report the results of the election to the appropriate commissioners courts, which shall declare the results of the election. The new school district is created only if the proposition receives:

(1) a majority of the votes in the territory to be detached; and

(2) a majority of the votes in the remaining territory in each district from which property is to be detached in the manner prescribed by Section 13.003.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.105. CREATION OF DISTRICT. (a) If all the requirements of this subchapter are met, the commissioners court shall enter an order creating the new school district. If the new

district contains territory in two or more counties, the order must be concurred in by the commissioners court of each county concerned.

(b) At the time the order creating the district is made, the commissioners court of the county in which the largest portion of the district's territory is located shall appoint a board of seven trustees for the new district to serve until the next regular election of trustees, when a board of trustees shall be elected in compliance with Chapter 11.

(c) Title to school district real property in the territory detached vests in the new district. The new district assumes and is liable for any portion of outstanding indebtedness of the district from which the territory was detached that is allocated to the new district under Section 13.004.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER D. CONSOLIDATION

Sec. 13.151. DISTRICTS THAT MAY CONSOLIDATE. (a) By the procedure provided by this subchapter, two or more school districts may consolidate into a single school district.

(b) The consolidated district may include area in more than one county.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.152. RESOLUTION OR PETITION. Consolidation is initiated in each district proposed to be consolidated by either a resolution adopted by the board of trustees of the district or a petition requesting an election on the question that is signed by the required number of registered voters of the district. Each district is not required to use the same method to initiate consolidation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 8, eff. Sept. 1, 2003.

Sec. 13.1521. RECEIPT OR CONSIDERATION OF PETITION REQUESTING DETACHMENT AND ANNEXATION AFTER ADOPTION OF CONSOLIDATION RESOLUTIONS. If a resolution in favor of consolidation has been

adopted by the board of trustees of each school district proposed to be consolidated into a particular single district, none of those boards of trustees may receive or consider a petition requesting detachment and annexation under Subchapter B without the consent of each of the other of those boards of trustees:

(1) before consolidation; or

(2) before consolidation is disapproved at an election under Section 13.153.

Added by Acts 2013, 83rd Leg., R.S., Ch. 336 (H.B. 2016), Sec. 1, eff. June 14, 2013.

Sec. 13.153. ELECTION ORDER; NOTICE. (a) Each board of trustees shall:

(1) issue an order for an election to be held on the same day in each district included in the proposed consolidated district; and

(2) give notice of the election.

(b) If no local consolidation agreement is submitted under Section 13.158, the ballot in the election shall be printed to permit voting for or against the proposition: "Consolidation of (name of school districts) into a single school district."

(c) If a local consolidation agreement is submitted under Section 13.158, the ballot in the election shall be printed to permit voting for or against the proposition: "Consolidation of (name of school districts) into a single school district under a local consolidation agreement."

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 9, eff. Sept. 1, 2003.

Sec. 13.154. CANVASS; RESULT. (a) Each board of trustees shall canvass the returns of the election in its district and shall publish the results separately for each district.

(b) If the votes cast in all districts show a majority in each district voting in favor of the consolidation, the board of trustees shall declare the school districts consolidated.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.155. STATUS; GOVERNANCE. (a) The consolidated district is an independent school district.

(b) Except as provided by Subsection (c) or by a local consolidation agreement under Section 13.158, the board of trustees of the school district having the greatest membership on the last day of the school year preceding the consolidation serves as the board of trustees of the consolidated district until the next regular election of trustees, at which time the consolidated district shall elect a board of trustees.

(c) Except as provided by a local consolidation agreement under Section 13.158, if the membership on the last day of the school year preceding the consolidation in the district with the largest membership is more than five times that of the other district or districts consolidating with it, the trustees of the district with the largest membership continue to serve for the terms for which they have been elected and only the vacancies, as they occur, are filled from the consolidated district.

(d) The powers, duties, and terms of office of the trustees are governed by Chapter 11.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 10, eff. Sept. 1, 2003.

Sec. 13.156. TITLE TO PROPERTY; ASSUMPTION OF DEBT. Title to all property of the consolidating districts vests in the consolidated district, and the consolidated district assumes and is liable for the outstanding indebtedness of the consolidating districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.157. DISSOLUTION OF CONSOLIDATED SCHOOL DISTRICT. (a) A consolidated school district may be dissolved by the same procedure provided for consolidation, except that it is not necessary to provide polling places in each of the former districts.

(b) If the district is dissolved, each of the former districts is restored as a separate district and classified as an independent

school district.

(c) Title to property of the consolidated district that is allocated to each of the restored districts under Section 13.004 vests in the restored districts, and each of the restored districts assumes and is liable for the indebtedness of the consolidated district as allocated under that section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.158. LOCAL CONSOLIDATION AGREEMENT. (a) Before issuing an order for an election under Section 13.153, the boards of trustees of the districts to be consolidated may draft a local consolidation agreement to be submitted to the registered voters in each district. An agreement must set out the composition and method of election of the consolidated board of trustees. The identical agreement must be submitted to the registered voters of each district.

(b) A local consolidation agreement may provide the following:

(1) an effective date that is not more than one year after the date of the consolidation election;

(2) a schedule to elect the board of trustees of the consolidated district before or after the effective date of consolidation;

(3) that the consolidated district educate particular grades within the boundaries of a district being consolidated;

(4) that the consolidated district maintain a specific campus in operation;

(5) that if the votes cast in some districts, but not all districts, show a majority voting in favor of the consolidation, the districts receiving a favorable vote may consolidate;

(6) that a majority of the votes cast in each district must be in favor of consolidation for there to be a consolidation; or

(7) any other provision consistent with state and federal law.

(c) Not later than 30 days before a consolidation election is held, the boards of trustees of the districts to be consolidated may amend the local consolidation agreement. After a successful election to consolidate, the local consolidation agreement may not be amended for five years following the effective date of consolidation, unless

a shorter period is set out in the agreement. After that time, the agreement may be amended only by unanimous vote of the board of trustees of the district.

(d) The commissioner may waive a requirement under this section or Section 13.159 on application of the boards of trustees of all districts proposed for consolidation.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 11, eff. Sept. 1, 2003.

Sec. 13.159. PUBLIC INSPECTION AND HEARING. (a) A local consolidation agreement under Section 13.158 must be made available for public inspection during regular business hours at the central administration building of each district for at least 25 days before the consolidation election.

(b) Each district shall hold a public hearing to allow interested persons to present comments related to the local consolidation agreement. If the agreement is amended following a public hearing, before the consolidation election each district shall hold another public hearing to consider the amendment.

(c) Each district shall provide notice of each public hearing to the public.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 11, eff. Sept. 1, 2003.

SUBCHAPTER E. ABOLITION OF INDEPENDENT SCHOOL DISTRICT

Sec. 13.201. ELIGIBILITY. An independent school district may be abolished in the manner provided by this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.202. PETITION. Abolition of an independent school district is initiated by a petition requesting an election on the question. The petition must be signed by a majority of the board of trustees of the district to be abolished and must be presented to the county judge of each county in which part of the independent school district is situated.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.203. ELECTION. (a) Each county judge receiving a valid petition shall:

(1) issue an order for an election to be held on the same day in each county; and

(2) give notice of the election.

(b) The ballot in the election shall be printed to permit voting for or against the proposition: "Abolition of the _____ Independent School District."

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.204. ORDER ABOLISHING DISTRICT. (a) The commissioners court of each county shall canvass the returns of the election in its county.

(b) If a majority of the total votes cast in the district favor abolishing the district, each commissioners court shall declare the results. The abolition is effective only if all territory of the district is annexed to other contiguous districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.205. DISPOSITION OF TERRITORY; AFFAIRS OF ABOLISHED DISTRICT. (a) The property and affairs of the abolished district are governed by this section unless otherwise controlled by the manner in which the district was abolished.

(b) Each commissioners court shall annex the territory of the abolished independent school district in its county to one or more contiguous districts in the county. The commissioners court may annex territory to a school district only if the board of trustees of that district approves the annexation.

(c) Title to the real property of the abolished district vests in the district to which the property is annexed.

(d) If at the time of its abolition the independent school district does not have outstanding indebtedness, all uncollected taxes on the property of the district for the years up to and including the last day of January of the year immediately following the year in which the independent school district is abolished shall

be levied and collected, at the same rate and in the same manner as authorized for the independent school district immediately before its abolition, by the school district to which the territory containing the property on which taxes are due is annexed.

(e) Each school district to which territory from the abolished district is annexed assumes and is liable for the indebtedness of the abolished district that is allocated to the district under Section 13.004.

(f) A creditor of an abolished independent school district must file the creditor's claim against the district with the commissioners court not later than the 60th day after the effective date on which the independent school district is abolished and, if the claim is not allowed, may maintain suit against the abolished independent school district as such. Suit must be brought not later than the first anniversary of the date on which the claim is disallowed. Process in a suit, if necessary, may be served on the county judge of each county in which the district was located. The county commissioners court shall defend any suit against an abolished independent school district but may settle the litigation as the commissioners court considers advisable. This section does not waive any defense available to the abolished district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER F. OTHER BOUNDARY CHANGES

Sec. 13.231. MINOR BOUNDARY ADJUSTMENTS BY AGREEMENT. (a) Two contiguous school districts may adjust their common boundary by agreement if, at the time the agreement is executed:

(1) no child who resides in the territory that is transferred from one jurisdiction to the other is enrolled in a school of the district from which the territory is transferred; and

(2) the taxable value of the territory that is transferred from one jurisdiction to the other does not exceed one-tenth of one percent of the total taxable value of all property in the school district from which the territory is transferred.

(b) In this section, "taxable value" has the meaning assigned by Section 403.302, Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. INCENTIVE AID PAYMENTS

Sec. 13.281. INCENTIVE AID. (a) A school district created after August 22, 1963, through consolidation may qualify for incentive aid payments from the state.

(b) A school district may not receive incentive aid payments for a period of more than 10 years.

(c) Incentive aid payments may be made only on application to the agency and in compliance with this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.282. AMOUNT; COMPUTATION. (a) The amount of incentive aid payments may not exceed the difference between:

(1) the sum of the entitlements computed under Section 42.253 that would have been paid to the districts included in the reorganized district if the districts had not been consolidated; and

(2) the amount to which the reorganized district is entitled under Section 42.253.

(b) If the reorganized district is not eligible for an entitlement under Section 42.253, the amount of the incentive aid payments may not exceed the sum of the entitlements computed under Section 42.253 for which the districts included in the reorganized district were eligible in the school year when they were consolidated.

(c) If there is a series of consolidations at intervals in compliance with this chapter, the school district last organized is eligible to receive at due times the total sum of the series of incentive aid payments as computed separately at the time of each consolidation, subject to this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.283. PAYMENTS REDUCED. The incentive aid payments shall be reduced in direct proportion to any reduction in the average daily attendance as determined under Section 42.005 of the reorganized school district for the preceding year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.284. CONDITIONS FOR PAYMENT. To receive incentive aid payments:

(1) the geographical boundaries of the proposed district must be submitted to the agency for approval; and

(2) the geographical boundaries approved by the agency must be set forth in the petition for a consolidation election, if applicable.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 13.285. COST. The cost of incentive aid payments authorized by this subchapter shall be paid from the foundation school fund.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 1, eff. Sept. 1, 1997.

CHAPTER 18. JOB CORPS DIPLOMA PROGRAMS

Sec. 18.001. DEFINITIONS. In this chapter:

(1) "Job Corps diploma program" or "diploma program" means a public school high school diploma program established and operated under this chapter.

(2) "Job Corps training program" means any corporate entity authorized to do business in the state and currently under contract with the United States Department of Labor to operate a Job Corps training program under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.).

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.002. ESTABLISHMENT. (a) A Job Corps training program may establish a high school diploma program to operate public secondary schools at Job Corps facilities throughout the state.

(b) A Job Corps diploma program established under this chapter is separate and distinct from the United States Department of Labor.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.003. AUTHORITY. A Job Corps diploma program may offer a secondary school curriculum, a high school diploma program, and a General Educational Development program.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.004. GOALS. The goals of a Job Corps diploma program are to:

(1) serve at-risk students who have not been successful in a traditional school setting;

(2) increase student success rates in obtaining and maintaining employment; and

(3) decrease future societal costs by offering a high school diploma program to students who would benefit from Job Corps academic and vocational programs.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.005. GOVERNANCE; LIMITATION ON POWERS; DUTIES. (a) A Job Corps diploma program shall be governed as provided by this chapter and policies established by the Job Corps training program operating the diploma program. Unless otherwise provided by this chapter, a provision of this code applicable to a school district does not apply to a Job Corps diploma program.

(b) A Job Corps diploma program may not impose a tax.

(c) A Job Corps diploma program shall:

(1) develop educational programs specifically designed for persons eligible for enrollment in a Job Corps training program established by the United States Department of Labor;

(2) coordinate educational programs and services in the diploma program with programs and services provided by the United States Department of Labor and other federal and state agencies and local political subdivisions and by persons who provide programs and

services under contract with the United States Department of Labor;

(3) provide a course of instruction that includes the required curriculum under Subchapter A, Chapter 28;

(4) require that students enrolled in the diploma program satisfy the requirements of Section 39.025 before receiving a diploma under this chapter; and

(5) comply with a requirement imposed under this title or a rule adopted under this title relating to the Public Education Information Management System (PEIMS) to the extent necessary to determine compliance with this chapter, as determined by the commissioner.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.006. ACCOUNTABILITY. (a) The commissioner shall develop and implement a system of accountability consistent with Chapter 39, where appropriate, to be used in assigning an annual performance rating to Job Corps diploma programs comparable to the ratings assigned to school districts under Section 39.054. The commissioner may develop and implement a system of distinction designations consistent with Subchapter G, Chapter 39, where appropriate, to be used in assigning distinction designations to Job Corps diploma programs comparable to the distinction designations assigned to campuses under Subchapter G, Chapter 39.

(b) In addition to other factors determined to be appropriate by the commissioner, the accountability system must include consideration of:

(1) student performance on the end-of-course assessment instruments required by Section 39.023(c); and

(2) dropout rates, including dropout rates and diploma program completion rates for the grade levels served by the diploma program.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 1, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 20, eff. June

19, 2009.

Sec. 18.007. ELIGIBILITY FOR CERTAIN PROGRAMS AND SERVICES. (a) Any person enrolled in good standing in a Job Corps diploma program who is not a high school graduate is eligible for programs or services under this chapter.

(b) A person's eligibility for programs and services under this chapter does not exclude the person from being eligible for an educational program or service under any other chapter of this code.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.008. GRANTS AND FEDERAL FUNDS. (a) A Job Corps diploma program may accept a grant from a public or private organization and may spend those funds to supplement programs and provide student services.

(b) A diploma program may accept federal funds and shall use those funds in compliance with applicable federal law, regulations, and guidelines.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.009. COSTS. (a) A Job Corps training program shall pay the cost of operating its diploma program.

(b) The operating costs of a program may not be charged to a school district.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

Sec. 18.010. PROGRAM EMPLOYEES. (a) Job Corps diploma program employees are not considered employees of the state.

(b) A diploma program may establish personnel policies as necessary to ensure its effective and efficient operation under this chapter.

(c) A diploma program employee required under Chapter 21 to hold a certificate if employed by a school district must be certified in accordance with that chapter.

Added by Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 1, eff. June 17, 2005.

CHAPTER 19. SCHOOLS IN THE TEXAS DEPARTMENT OF CRIMINAL JUSTICE

Sec. 19.001. DEFINITIONS. In this chapter:

(1) "Board" means the Texas Board of Criminal Justice.

(2) "Department" means the Texas Department of Criminal Justice.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.002. ESTABLISHMENT. The school district established by the Texas Board of Corrections in 1969 shall be known as the Windham School District, an entity that is separate and distinct from the Texas Department of Criminal Justice. The district may establish and operate schools at the various facilities of the Texas Department of Criminal Justice.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.0022. SUNSET PROVISION. The Windham School District is subject to review under Chapter 325, Government Code (Texas Sunset Act). The district shall be reviewed during the period in which the Texas Department of Criminal Justice is reviewed.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1154 (S.B. 213), Sec. 27, eff. September 1, 2013.

Sec. 19.003. GOALS OF THE DISTRICT. The goals of the district in educating its students are to:

(1) reduce recidivism;

(2) reduce the cost of confinement or imprisonment;

(3) increase the success of former inmates in obtaining and

maintaining employment; and

(4) provide an incentive to inmates to behave in positive ways during confinement or imprisonment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.004. GOVERNANCE, LIMITATION ON POWERS, AND DUTIES. (a) The district shall be governed as provided by this chapter and policies established by the board. Unless otherwise specifically provided, a provision of this code applying to school districts does not apply to the district.

(b) The district may not impose a tax.

(c) The district shall:

(1) develop educational programs specifically designed for persons eligible under Section 19.005 and ensure that those programs, such as GED and ESL, are integrated with an applied vocational context leading to employment;

(1-a) develop vocational training programs specifically designed for persons eligible under Section 19.005 and prioritize the programs that result in certification or licensure, considering the impact that a previous felony conviction has on the ability to secure certification, licensure, and employment;

(1-b) continually assess job markets in this state and update, augment, and expand the vocational training programs developed under Subdivision (1-a) as necessary to provide relevant and marketable skills to students; and

(2) coordinate educational programs and services in the department with those provided by other state agencies, by political subdivisions, and by persons who provide programs and services under contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 1142 (H.B. 2837), Sec. 1, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 274 (H.B. 799), Sec. 1, eff. September 1, 2013.

Sec. 19.0041. PROGRAM DATA COLLECTION AND BIENNIAL EVALUATION

AND REPORT. (a) To evaluate the effectiveness of its programs, the Windham School District shall compile and analyze information for each of its programs, including performance-based information and data related to academic, vocational training, and life skills programs. This information shall include for each person who participates in district programs an evaluation of:

(1) institutional disciplinary violations;

(2) subsequent arrests;

(3) subsequent convictions or confinements;

(4) the cost of confinement;

(5) educational achievement;

(6) high school equivalency examination passage;

(7) the kind of training services provided;

(8) the kind of employment the person obtains on release;

(9) whether the employment was related to training;

(10) the difference between the amount of the person's earnings on the date employment is obtained following release and the amount of those earnings on the first anniversary of that date; and

(11) the retention factors associated with the employment.

(b) The Windham School District shall use the information compiled and analyzed under Subsection (a) to biennially:

(1) evaluate whether its programs meet the goals under Section 19.003 and make changes to the programs as necessary; and

(2) submit a report to the board, the legislature, and the governor's office.

(c) The Windham School District may enter into a memorandum of understanding with the department, the Department of Public Safety, and the Texas Workforce Commission to obtain and share data necessary to evaluate district programs.

Added by Acts 2005, 79th Leg., Ch. 1142 (H.B. 2837), Sec. 2, eff. September 1, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1154 (S.B. 213), Sec. 28, eff. September 1, 2013.

Sec. 19.0042. INFORMATION TO BE PROVIDED BY DISTRICT BEFORE VOCATIONAL TRAINING PROGRAM ENROLLMENT. Before a person described by Section 19.005 enrolls in a district vocational training program, the

district must inform the person in writing of:

(1) any rule or policy of a state agency that would impose a restriction or prohibition on the person in obtaining a certificate or license in connection with the vocational training program;

(2) the total number of district students released during the preceding 10 years who have completed a district vocational training program that allows for an opportunity to apply for a certificate or license from a state agency and, of those students:

(A) the number who have applied for a certificate or license from a state agency;

(B) the number who have been issued a certificate or license by a state agency; and

(C) the number who have been denied a certificate or license by a state agency; and

(3) the procedures for:

(A) requesting a criminal history evaluation letter under Section 53.102, Occupations Code;

(B) providing evidence of fitness to perform the duties and discharge the responsibilities of a licensed occupation for purposes of Section 53.023, Occupations Code; and

(C) appealing a state agency's denial of a certificate or license, including deadlines and due process requirements:

(i) to the State Office of Administrative Hearings under Subchapter C, Chapter 2001, Government Code; and

(ii) through any other available avenue.

Added by Acts 2013, 83rd Leg., R.S., Ch. 273 (H.B. 797), Sec. 1, eff. June 14, 2013.

Sec. 19.0043. CREDIT FOR COMPLETION OF EDUCATIONAL PROGRAMS; HIGH SCHOOL DIPLOMA AND CERTIFICATE. (a) A school district shall grant credit to a student toward the academic, career and technology, or other course requirements for high school graduation for courses the student successfully completes in the Windham School District educational programs, provided that the completed courses meet the standards adopted under Section 28.002(c).

(b) A student may graduate and receive a diploma from a Windham School District educational program if:

(1) the student successfully completes the curriculum

requirements identified by the State Board of Education under Section 28.025(a) and complies with Section 39.025; or

(2) the student successfully completes the curriculum requirements under Section 28.025(a) as modified by an individualized education program developed under Section 29.005.

(c) A Windham School District educational program may issue a certificate of coursework completion to a student who successfully completes the curriculum requirements identified by the State Board of Education under Section 28.025(a) but who fails to comply with Section 39.025.

Added by Acts 2015, 84th Leg., R.S., Ch. 44 (S.B. 1024), Sec. 1, eff. May 19, 2015.

Sec. 19.005. ELIGIBILITY FOR CERTAIN PROGRAMS AND SERVICES. (a) Any person confined or imprisoned in the department who is not a high school graduate is eligible for programs or services under this chapter paid for with money from the foundation school fund. To the extent space is available, the district may also offer programs or services under this chapter paid for with money from the foundation school fund to persons confined or imprisoned in the department who are high school graduates.

(b) Eligibility under this chapter does not make a person eligible for a program or service under any other chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1188, Sec. 1.51, eff. Sept. 1, 1999.

Sec. 19.006. GRANTS AND FEDERAL FUNDS. (a) The district may accept a grant from a public or private organization and may spend those funds to operate district programs and provide district services.

(b) The district may accept federal funds and shall use those funds in compliance with applicable federal law, regulations, and guidelines.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.007. COSTS TO BE BORNE BY STATE. (a) Except as authorized by Section 19.006 and this section, the state shall pay the cost of operating the district.

(b) The costs for persons eligible under Section 19.005 shall be paid from the foundation school fund.

(c) In addition to money from the foundation school fund, the district may receive appropriated money from the department for educational programs.

(d) The operating costs of the district may not be charged to another school district.

(e) The district may participate in the instructional materials program under Chapter 31.

(f) In addition to other amounts received by the district under this section, the district is entitled to state aid in an amount equal to the product of $2,000 multiplied by the number of classroom teachers, full-time librarians, full-time school counselors certified under Subchapter B, Chapter 21, and full-time school nurses who are employed by the district and who would be entitled to a minimum salary under Section 21.402 if employed by a school district operating under Chapter 11.

(g) In addition to other amounts received by the district under this section, the district is entitled to state aid in the amount necessary to fund the salary increases required by Section 19.009(d-2).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 2, eff. Sept. 1, 1997.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.03, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 7, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 11, eff. July 19, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 5, eff. June 14, 2013.

Sec. 19.008. ALLOCATION OF COSTS. (a) The commissioner shall

allocate funds to the district from the foundation school fund based on an amount, established in the General Appropriations Act, for each contact hour between a teacher and a person eligible under Section 19.005, including associated administrative costs, for the best 180 of 210 school days in each year of the state fiscal biennium. Those funds may be spent only for district administrative costs related to education and for district educational programs and services and only with the approval of the board.

(b) The agency by rule shall establish a time and manner for the district to report and verify contact hours to the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.009. DISTRICT EMPLOYEES. (a) District employees are not considered employees of the state except as provided for in this section. The board may establish personnel policies as necessary to ensure the effective and efficient operation of the district.

(b) Each employee of the district shall serve 220 or 226 days each year, based on position, as determined by the board.

(c) A district employee required under Subchapter B, Chapter 21, to hold a certificate must be certified in accordance with that subchapter.

(d) Each employee shall be paid according to a salary schedule approved by the board. The schedule may allow for salary differentiation that provides for salaries at a Windham School District school site to be commensurate with educator salaries in school districts contiguous to that school site.

(d-1) Each school year, the district shall pay an amount at least equal to $2,000 to each classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, Chapter 21, and full-time school nurse who is employed by the district and who would be entitled to a minimum salary under Section 21.402 if employed by a school district operating under Chapter 11. A payment under this section is in addition to wages the district would otherwise pay the employee during the school year.

(d-2) Beginning with the 2009-2010 school year, the district shall increase the monthly salary of each classroom teacher, full-time speech pathologist, full-time librarian, full-time school counselor certified under Subchapter B, Chapter 21, and full-time

school nurse employed by the district by the greater of:

(1) $80; or

(2) the maximum uniform amount that, when combined with any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or by the district on behalf of the specified employees under Section 825.405, Government Code, may be provided using an amount equal to the product of $60 multiplied by the number of students in weighted average daily attendance in the district during the 2009-2010 school year.

(d-3) A payment under Subsection (d-2) is in addition to salary the district would otherwise pay the employees during the school year.

(e) Each employee of the district who qualifies for membership in the Teacher Retirement System of Texas shall be covered under the system to the same extent a qualified employee of any other district is covered.

(f) The state minimum personal leave program under Section 22.003 applies to a district employee in the same manner as that program applies to an employee of any other school district.

(g) The employees of the district are eligible for workers' compensation benefits under Chapter 501, Labor Code, and for group benefits under Chapter 1551, Insurance Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 10A.510, eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.04, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 8, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 6, eff. June 14, 2013.

Sec. 19.010. STRATEGIC PLAN AND ANNUAL REPORT. (a) The district shall propose, and the board shall adopt with any modification the board finds necessary, a strategic plan that includes:

(1) a mission statement relating to the goals and duties of the district under this chapter;

(2) goals to be met by the district in carrying out the mission stated; and

(3) specific educational, vocational training, and counseling programs to be conducted by the district to meet the goals stated in the plan.

(b) The district shall prepare a report for each fiscal year documenting district activities under the strategic plan. Not later than January 31 of each year, the district shall file the report for the preceding fiscal year with the board, the governor, the lieutenant governor, the speaker of the house of representatives, and the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 19.011. COORDINATION WITH OTHER STATE AGENCIES. (a) In order to achieve the goals stated in Section 19.003, the district with the cooperation of the Health and Human Services Commission, the Texas Workforce Investment Council, the Texas Workforce Commission, the Texas Economic Development and Tourism Office, and the department shall provide persons confined or imprisoned in the department:

(1) information from local workforce and development boards on job training and employment referral services; and

(2) information on the tax refund voucher program under Subchapter H, Chapter 301, Labor Code.

(b) The district shall coordinate vocational education and job training programs with a local workforce development board authorized by the Texas Workforce Commission to ensure that district students are equipped with the skills necessary to compete for current and emerging jobs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 818, Sec. 6.01, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1142 (H.B. 2837), Sec. 3, eff. September 1, 2005.

SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 21. EDUCATORS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 21.001. DEFINITION. In this chapter, "commissioner" includes a person designated by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.002. TEACHER EMPLOYMENT CONTRACTS. (a) A school district shall employ each classroom teacher, principal, librarian, nurse, or school counselor under:

(1) a probationary contract, as provided by Subchapter C;

(2) a continuing contract, as provided by Subchapter D; or

(3) a term contract, as provided by Subchapter E.

(b) A district is not required to employ a person other than an employee listed in Subsection (a) under a probationary, continuing, or term contract.

(c) Each board of trustees shall establish a policy designating specific positions of employment, or categories of positions based on considerations such as length of service, to which continuing contracts or term contracts apply.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 7, eff. June 14, 2013.

Sec. 21.003. CERTIFICATION REQUIRED. (a) A person may not be employed as a teacher, teacher intern or teacher trainee, librarian, educational aide, administrator, educational diagnostician, or school counselor by a school district unless the person holds an appropriate certificate or permit issued as provided by Subchapter B.

(b) Except as otherwise provided by this subsection, a person may not be employed by a school district as an audiologist, occupational therapist, physical therapist, physician, nurse, school psychologist, associate school psychologist, licensed professional counselor, marriage and family therapist, social worker, or speech language pathologist unless the person is licensed by the state agency that licenses that profession and may perform specific

services within those professions for a school district only if the person holds the appropriate credential from the appropriate state agency. As long as a person employed by a district before September 1, 2011, to perform marriage and family therapy, as defined by Section 502.002, Occupations Code, is employed by the same district, the person is not required to hold a license as a marriage and family therapist to perform marriage and family therapy with that district.

(c) The commissioner may waive the requirement for certification of a superintendent if requested by a school district as provided by Section 7.056. A person who is not certified as a superintendent may not be employed by a school district as the superintendent before the person has received a waiver of certification from the commissioner. The commissioner may limit the waiver of certification in any manner the commissioner determines is appropriate. A person may be designated to act as a temporary or interim superintendent for a school district, but the district may not employ the person under a contract as superintendent unless the person has been certified or a waiver has been granted.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 82 (S.B. 158), Sec. 1, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1134 (H.B. 1386), Sec. 5, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 8, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1135 (S.B. 168), Sec. 1, eff. June 19, 2015.

Sec. 21.0031. FAILURE TO OBTAIN CERTIFICATION; CONTRACT VOID. (a) An employee's probationary, continuing, or term contract under this chapter is void if the employee:

(1) does not hold a valid certificate or permit issued by the State Board for Educator Certification;

(2) fails to fulfill the requirements necessary to renew or extend the employee's temporary, probationary, or emergency certificate or any other certificate or permit issued under Subchapter B; or

(3) fails to comply with any requirement under Subchapter C, Chapter 22, if the failure results in suspension or revocation of the employee's certificate under Section 22.0831(f)(2).

(b) If a school district has knowledge that an employee's contract is void under Subsection (a):

(1) the district may, except as provided by Subsection (b-1):

(A) terminate the employee;

(B) suspend the employee with or without pay; or

(C) retain the employee for the remainder of the school year on an at-will employment basis in a position other than a position required to be held by an employee under a contract under Section 21.002 at the employee's existing rate of pay or at a reduced rate; and

(2) the employee is not entitled to the minimum salary prescribed by Section 21.402.

(b-1) A school district may not terminate or suspend under Subsection (b) an employee whose contract is void under Subsection (a)(1) or (2) because the employee failed to renew or extend the employee's certificate or permit if the employee:

(1) requests an extension from the State Board for Educator Certification to renew, extend, or otherwise validate the employee's certificate or permit; and

(2) not later than the 10th day after the date the contract is void, takes necessary measures to renew, extend, or otherwise validate the employee's certificate or permit, as determined by the State Board for Educator Certification.

(c) A school district's decision under Subsection (b) is not subject to appeal under this chapter, and the notice and hearing requirements of this chapter do not apply to the decision.

(d) This section does not affect the rights and remedies of a party in an at-will employment relationship.

(e) This section does not apply to a certified teacher assigned to teach a subject for which the teacher is not certified.

(f) For purposes of this section, a certificate or permit is not considered to have expired if:

(1) the employee has completed the requirements for renewal of the certificate or permit;

(2) the employee submitted the request for renewal prior to the expiration date; and

(3) the date the certificate or permit would have expired is before the date the State Board for Educator Certification takes action to approve the renewal of the certificate or permit.

Added by Acts 2003, 78th Leg., ch. 181, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 968 (H.B. 1334), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 1, eff. September 28, 2011.

Sec. 21.004. TEACHER RECRUITMENT PROGRAM. (a) To the extent that funds are available, the agency, the State Board for Educator Certification, and the Texas Higher Education Coordinating Board shall develop and implement programs to identify talented students and recruit those students and persons, including high school and undergraduate students, mid-career and retired professionals, honorably discharged and retired military personnel, and members of underrepresented gender and ethnic groups, into the teaching profession.

(b) From available funds, the agency, the State Board for Educator Certification, and the Texas Higher Education Coordinating Board shall develop and distribute materials that emphasize the importance of the teaching profession and inform individuals about state-funded loan forgiveness and tuition assistance programs.

(c) The commissioner, in cooperation with the commissioner of higher education and the executive director of the State Board for Educator Certification, shall annually identify the need for teachers in specific subject areas and geographic regions and among underrepresented groups. The commissioner shall give priority to developing and implementing recruitment programs to address those needs from the agency's discretionary funds.

(d) The agency, the State Board for Educator Certification, and the Texas Higher Education Coordinating Board shall encourage the business community to cooperate with local schools to develop recruiting programs designed to attract and retain capable teachers, including programs to provide summer employment opportunities for teachers.

(e) The agency, the State Board for Educator Certification, and

the Texas Higher Education Coordinating Board shall encourage major education associations to cooperate in developing a long-range program promoting teaching as a career and to assist in identifying local activities and resources that may be used to promote the teaching profession.

(f) Funds received for teacher recruitment programs may be used only to publicize and implement the programs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 7, eff. June 19, 1999.

Sec. 21.005. HIGH-QUALITY TEACHERS. The commissioner may by rule establish a statewide standard to be used to certify each school district that is preparing, training, and recruiting high-quality teachers in a manner consistent with the No Child Left Behind Act of 2001 (Pub. L. No. 107-110).

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 5, eff. June 20, 2003.

Sec. 21.006. REQUIREMENT TO REPORT MISCONDUCT. (a) In this section, "abuse" has the meaning assigned by Section 261.001, Family Code, and includes any sexual conduct involving an educator and a student or minor.

(b) In addition to the reporting requirement under Section 261.101, Family Code, the superintendent or director of a school district, open-enrollment charter school, regional education service center, or shared services arrangement shall notify the State Board for Educator Certification if:

(1) an educator employed by or seeking employment by the district, school, service center, or shared services arrangement has a criminal record and the district, school, service center, or shared services arrangement obtained information about the educator's criminal record by a means other than the criminal history clearinghouse established under Section 411.0845, Government Code;

(2) an educator's employment at the district, school, service center, or shared services arrangement was terminated based on evidence that the educator:

(A) abused or otherwise committed an unlawful act with

a student or minor;

(A-1) was involved in a romantic relationship with or solicited or engaged in sexual contact with a student or minor;

(B) possessed, transferred, sold, or distributed a controlled substance, as defined by Chapter 481, Health and Safety Code, or by 21 U.S.C. Section 801 et seq.;

(C) illegally transferred, appropriated, or expended funds or other property of the district, school, service center, or shared services arrangement;

(D) attempted by fraudulent or unauthorized means to obtain or alter a professional certificate or license for the purpose of promotion or additional compensation; or

(E) committed a criminal offense or any part of a criminal offense on school property or at a school-sponsored event;

(3) the educator resigned and there is evidence that the educator engaged in misconduct described by Subdivision (2); or

(4) the educator engaged in conduct that violated the assessment instrument security procedures established under Section 39.0301.

(b-1) A superintendent or director of a school district or open-enrollment charter school shall complete an investigation of an educator that is based on evidence that the educator may have engaged in misconduct described by Subsection (b)(2)(A) or (A-1), despite the educator's resignation from district or school employment before completion of the investigation.

(c) The superintendent or director must notify the State Board for Educator Certification by filing a report with the board not later than the seventh day after the date the superintendent or director knew about an employee's criminal record under Subsection (b)(1) or a termination of employment or resignation following an alleged incident of misconduct described by Subsection (b). The report must be:

(1) in writing; and

(2) in a form prescribed by the board.

(d) The superintendent or director shall notify the board of trustees or governing body of the school district, open-enrollment charter school, regional education service center, or shared services arrangement and the educator of the filing of the report required by Subsection (c).

(e) A superintendent or director who in good faith and while

acting in an official capacity files a report with the State Board for Educator Certification under this section is immune from civil or criminal liability that might otherwise be incurred or imposed.

(f) The State Board for Educator Certification shall determine whether to impose sanctions against a superintendent or director who fails to file a report in violation of Subsection (c).

(g) The State Board for Educator Certification shall propose rules as necessary to implement this section.

(h) The name of a student or minor who is the victim of abuse or unlawful conduct by an educator must be included in a report filed under this section, but the name of the student or minor is not public information under Chapter 552, Government Code.

Added by Acts 2003, 78th Leg., ch. 374, Sec. 2, eff. June 18, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 511 (S.B. 606), Sec. 1, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 2, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 761 (H.B. 1610), Sec. 1, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1043 (H.B. 1783), Sec. 2, eff. September 1, 2015.

Sec. 21.007. NOTICE ON CERTIFICATION RECORD OF ALLEGED MISCONDUCT. (a) In this section, "board" means the State Board for Educator Certification.

(b) The board shall adopt a procedure for placing a notice of alleged misconduct on an educator's public certification records. The procedure adopted by the board must provide for immediate placement of a notice of alleged misconduct on an educator's public certification records if the alleged misconduct presents a risk to the health, safety, or welfare of a student or minor as determined by the board.

(c) The board must notify an educator in writing when placing a notice of an alleged incident of misconduct on the public certification records of the educator.

(d) The board must provide an opportunity for an educator to show cause why the notice should not be placed on the educator's

public certification records. The board shall propose rules establishing the length of time that a notice may remain on the educator's public certification records before the board must:

(1) initiate a proceeding to impose a sanction on the educator on the basis of the alleged misconduct; or

(2) remove the notice from the educator's public certification records.

(e) If it is determined that the educator has not engaged in the alleged incident of misconduct, the board shall immediately remove the notice from the educator's public certification records.

(f) The board shall propose rules necessary to administer this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 3, eff. June 15, 2007.

SUBCHAPTER B. CERTIFICATION OF EDUCATORS

Sec. 21.031. PURPOSE. (a) The State Board for Educator Certification is established to recognize public school educators as professionals and to grant educators the authority to govern the standards of their profession. The board shall regulate and oversee all aspects of the certification, continuing education, and standards of conduct of public school educators.

(b) In proposing rules under this subchapter, the board shall ensure that all candidates for certification or renewal of certification demonstrate the knowledge and skills necessary to improve the performance of the diverse student population of this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.032. DEFINITION. In this subchapter, "board" means the State Board for Educator Certification.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.033. STATE BOARD FOR EDUCATOR CERTIFICATION. (a) The State Board for Educator Certification is composed of 15 members.

The commissioner of education shall appoint an employee of the agency to represent the commissioner as a nonvoting member. The commissioner of higher education shall appoint an employee of the Texas Higher Education Coordinating Board to represent the commissioner as a nonvoting member. The governor shall appoint two nonvoting members. The governor shall appoint a dean of a college of education in this state as one of the nonvoting members. The governor shall appoint a person who has experience working for and knowledge of an alternative educator preparation program and who is not affiliated with an institution of higher education as one of the nonvoting members. The remaining 11 members are appointed by the governor with the advice and consent of the senate, as follows:

(1) four members must be teachers employed in public schools;

(2) two members must be public school administrators;

(3) one member must be a public school counselor; and

(4) four members must be citizens, three of whom are not and have not, in the five years preceding appointment, been employed by a public school district or by an educator preparation program in an institution of higher education and one of whom is not and has not been employed by a public school district or by an educator preparation program in an institution of higher education.

(b) Appointments to the board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the person appointed.

(c) A board member is immune from civil suit for any act performed in good faith in the execution of duties as a board member.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1174, Sec. 1, eff. June 20, 1997; Acts 2003, 78th Leg., ch. 1170, Sec. 12.01, eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 1, eff. September 1, 2015.

Sec. 21.034. TERMS; VACANCY. (a) The board members appointed by the governor hold office for staggered terms of six years with the terms of one-third of the members expiring on February 1 of each odd-

numbered year. A member appointed by the commissioner of education or the commissioner of higher education serves at the will of the appointing commissioner.

(b) In the event of a vacancy during a term of a member appointed by the governor, the governor shall appoint a replacement who meets the qualifications of the vacated office to fill the unexpired portion of the term.

(c) A vacancy arises if a member appointed by the governor no longer qualifies for the office to which the member was appointed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.035. DELEGATION AUTHORITY; ADMINISTRATION BY AGENCY. (a) The board is permitted to make a written delegation of authority to the commissioner or the agency to informally dispose of a contested case involving educator certification.

(b) The agency shall provide the board's administrative functions and services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1112, Sec. 1.01, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1227 (H.B. 1116), Sec. 1.04, eff. September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 2, eff. September 1, 2015.

Sec. 21.036. OFFICERS. The board shall elect one of its members to serve as presiding officer for a term of two years. The presiding officer is entitled to vote on all matters before the board. The board may elect other officers from among its membership.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1174, Sec. 2, eff. June 20, 1997.

Sec. 21.037. COMPENSATION. A board member may not receive

compensation for serving on the board. A member is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the board, subject to any applicable limitation on reimbursement provided by the General Appropriations Act.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.038. MEETINGS. (a) The board shall meet at least once in each quarter of the calendar year.

(b) The board may meet at other times at the call of the presiding officer or as provided by the rules of the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.040. GENERAL POWERS AND DUTIES OF BOARD. The board shall:

(1) supervise the executive director's performance;

(2) approve an operating budget for the board and make a request for appropriations;

(3) appoint the members of any advisory committee to the board;

(4) for each class of educator certificate, appoint an advisory committee composed of members of that class to recommend standards for that class to the board;

(5) provide to its members and employees, as often as necessary, information regarding their qualifications for office or employment under this chapter and their responsibilities under applicable laws relating to standards of conduct for state officers or employees;

(6) develop and implement policies that clearly define the respective responsibilities of the board and the board's staff; and

(7) execute interagency contracts to perform routine administrative functions.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 2, eff. June 17, 2011.

Sec. 21.041. RULES; FEES. (a) The board may adopt rules as necessary for its own procedures.

(b) The board shall propose rules that:

(1) provide for the regulation of educators and the general administration of this subchapter in a manner consistent with this subchapter;

(2) specify the classes of educator certificates to be issued, including emergency certificates;

(3) specify the period for which each class of educator certificate is valid;

(4) specify the requirements for the issuance and renewal of an educator certificate;

(5) provide for the issuance of an educator certificate to a person who holds a similar certificate issued by another state or foreign country, subject to Section 21.052;

(6) provide for special or restricted certification of educators, including certification of instructors of American Sign Language;

(7) provide for disciplinary proceedings, including the suspension or revocation of an educator certificate, as provided by Chapter 2001, Government Code;

(8) provide for the adoption, amendment, and enforcement of an educator's code of ethics;

(9) provide for continuing education requirements; and

(10) provide for certification of persons performing appraisals under Subchapter H.

(c) The board shall propose a rule adopting a fee for the issuance and maintenance of an educator certificate that, when combined with any fees imposed under Subsection (d), is adequate to cover the cost of administration of this subchapter.

(d) The board may propose a rule adopting a fee for the approval or renewal of approval of an educator preparation program, or for the addition of a certificate or field of certification to the scope of a program's approval. A fee imposed under this subsection may not exceed the amount necessary, as determined by the board, to provide for the administrative cost of approving, renewing the approval of, and appropriately ensuring the accountability of educator preparation programs under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 1, eff. June 19, 2009.

Sec. 21.042. APPROVAL OF RULES. The State Board for Educator Certification must submit a written copy of each rule it proposes to adopt to the State Board of Education for review. The State Board of Education may reject a proposed rule by a vote of at least two-thirds of the members of the board present and voting. If the State Board of Education fails to reject a proposal before the 90th day after the date on which it receives the proposal, the proposal takes effect as a rule of the State Board for Educator Certification as provided by Chapter 2001, Government Code. The State Board of Education may not modify a rule proposed by the State Board for Educator Certification.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.043. ACCESS TO PEIMS DATA. The agency shall provide the board with access to data obtained under the Public Education Information Management System (PEIMS).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.044. EDUCATOR PREPARATION. (a) The board shall propose rules establishing the training requirements a person must accomplish to obtain a certificate, enter an internship, or enter an induction-year program. The board shall specify the minimum academic qualifications required for a certificate.

(b) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction in detection and education of students with dyslexia.

(c) The instruction under Subsection (b) must:

(1) be developed by a panel of experts in the diagnosis and treatment of dyslexia who are:

(A) employed by institutions of higher education; and

(B) approved by the board; and

(2) include information on:

(A) characteristics of dyslexia;

(B) identification of dyslexia; and

(C) effective, multisensory strategies for teaching students with dyslexia.

(c-1) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction regarding mental health, substance abuse, and youth suicide. The instruction required must:

(1) be provided through a program selected from the list of recommended best practice-based programs established under Section 161.325, Health and Safety Code; and

(2) include effective strategies for teaching and intervening with students with mental or emotional disorders, including de-escalation techniques and positive behavioral interventions and supports.

(c-2) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1157 , Sec. 2, eff. September 1, 2015.

(d) In proposing rules under this section, the board shall specify that to obtain a certificate to teach an "applied STEM course," as that term is defined by Section 28.027, at a secondary school, a person must:

(1) pass the certification test administered by the recognized national or international business and industry group that created the curriculum the applied STEM course is based on; and

(2) have at a minimum:

(A) an associate degree from an accredited institution of higher education; and

(B) three years of work experience in an occupation for which the applied STEM course is intended to prepare the student.

(e) In proposing rules under this section for a person to obtain a certificate to teach a health science technology education course, the board shall specify that a person must have:

(1) an associate degree or more advanced degree from an accredited institution of higher education;

(2) current licensure, certification, or registration as a health professions practitioner issued by a nationally recognized

accrediting agency for health professionals; and

(3) at least two years of wage earning experience utilizing the licensure requirement.

(f) The board may not propose rules for a certificate to teach a health science technology education course that specify that a person must have a bachelor's degree or that establish any other credential or teaching experience requirements that exceed the requirements under Subsection (e).

(g) Each educator preparation program must provide information regarding:

(1) the skills that educators are required to possess, the responsibilities that educators are required to accept, and the high expectations for students in this state;

(2) the effect of supply and demand forces on the educator workforce in this state;

(3) the performance over time of the educator preparation program;

(4) the importance of building strong classroom management skills; and

(5) the framework in this state for teacher and principal evaluation, including the procedures followed in accordance with Subchapter H.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 635 (S.B. 866), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 926 (S.B. 1620), Sec. 1, eff. June 17, 2011.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.001, eff. September 1, 2013.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 1091 (H.B. 3573), Sec. 1, eff. June 14, 2013.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 3, eff. September 1, 2013.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1321 (S.B. 460), Sec. 2, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 3, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1157 (S.B. 674), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1157 (S.B. 674), Sec. 2, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(8), eff. September 1, 2015.

Sec. 21.0441. ADMISSION REQUIREMENTS FOR EDUCATOR PREPARATION PROGRAMS. (a) Rules of the board proposed under this subchapter must provide that a person, other than a person seeking career and technology education certification, is not eligible for admission to an educator preparation program, including an alternative educator preparation program, unless the person:

(1) except as provided by Subsection (b), satisfies the following minimum grade point average requirements:

(A) an overall grade point average of at least 2.50 on a four-point scale or the equivalent on any course work previously attempted at a public or private institution of higher education; or

(B) a grade point average of at least 2.50 on a four-point scale or the equivalent for the last 60 semester credit hours attempted at a public or private institution of higher education; and

(2) if the person is seeking initial certification:

(A) has successfully completed at least:

(i) 15 semester credit hours in the subject-specific content area in which the person is seeking certification, if the person is seeking certification to teach mathematics or science at or above grade level seven; or

(ii) 12 semester credit hours in the subject-specific content area in which the person is seeking certification, if the person is not seeking certification to teach mathematics or science at or above grade level seven; or

(B) has achieved a satisfactory level of performance on a content certification examination, which may be a content certification examination administered by a vendor approved by the commissioner for purposes of administering such an examination for the year for which the person is applying for admission to the program.

(b) The board's rules must permit an educator preparation program to admit in extraordinary circumstances a person who fails to

satisfy a grade point average requirement prescribed by Subsection (a)(1)(A) or (B), provided that:

(1) not more than 10 percent of the total number of persons admitted to the program in a year fail to satisfy the requirement under Subsection (a)(1)(A) or (B);

(2) each person admitted as described by this subsection performs, before admission, at a satisfactory level on an appropriate subject matter examination for each subject in which the person seeks certification; and

(3) for each person admitted as described by this subsection, the director of the program determines and certifies, based on documentation provided by the person, that the person's work, business, or career experience demonstrates achievement comparable to the academic achievement represented by the grade point average requirement.

(c) The overall grade point average of each incoming class admitted by an educator preparation program, including an alternative educator preparation program, may not be less than 3.00 on a four-point scale or the equivalent or a higher overall grade point average prescribed by the board. In computing the overall grade point average of an incoming class for purposes of this subsection, a program may:

(1) include the grade point average of each person in the incoming class based on all course work previously attempted by the person at a public or private institution of higher education; or

(2) include the grade point average of each person in the incoming class based only on the last 60 semester credit hours attempted by the person at a public or private institution of higher education.

(d) A person seeking career and technology education certification is not included in determining the overall grade point average of an incoming class under Subsection (c).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 4, eff. September 1, 2013.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 526 (H.B. 1300), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 4, eff. September 1, 2015.

Sec. 21.0443. EDUCATOR PREPARATION PROGRAM APPROVAL AND RENEWAL. (a) The board shall propose rules to establish standards to govern the approval or renewal of approval of:

(1) educator preparation programs; and

(2) certification fields authorized to be offered by an educator preparation program.

(b) To be eligible for approval or renewal of approval, an educator preparation program must adequately prepare candidates for educator certification and meet the standards and requirements of the board.

(c) The board shall require that each educator preparation program be reviewed for renewal of approval at least every five years. The board shall adopt an evaluation process to be used in reviewing an educator preparation program for renewal of approval.

Added by Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 5, eff. September 1, 2015.

Sec. 21.045. ACCOUNTABILITY SYSTEM FOR EDUCATOR PREPARATION PROGRAMS. (a) The board shall propose rules necessary to establish standards to govern the continuing accountability of all educator preparation programs based on the following information that is disaggregated with respect to race, sex, and ethnicity:

(1) results of the certification examinations prescribed under Section 21.048(a);

(2) performance based on the appraisal system for beginning teachers adopted by the board;

(3) achievement, including improvement in achievement, of students taught by beginning teachers for the first three years following certification, to the extent practicable;

(4) compliance with board requirements regarding the frequency, duration, and quality of structural guidance and ongoing support provided by field supervisors to candidates completing student teaching, clinical teaching, or an internship; and

(5) results from a teacher satisfaction survey, developed by the board with stakeholder input, of new teachers performed at the end of the teacher's first year of teaching.

(b) Each educator preparation program shall submit data elements as required by the board for an annual performance report to ensure access and equity. At a minimum, the annual report must contain:

(1) the performance data from Subsection (a), other than the data required for purposes of Subsection (a)(3);

(2) data related to the program's compliance with requirements for field supervision of candidates during their clinical teaching and internship experiences;

(3) the following information, disaggregated by race, sex, and ethnicity:

(A) the number of candidates who apply;

(B) the number of candidates admitted;

(C) the number of candidates retained;

(D) the number of candidates completing the program;

(E) the number of candidates employed as beginning teachers under standard teaching certificates by not later than the first anniversary of completing the program;

(F) the amount of time required by candidates employed as beginning teachers under probationary teaching certificates to be issued standard teaching certificates;

(G) the number of candidates retained in the profession; and

(H) any other information required by federal law;

(4) the ratio of field supervisors to candidates completing student teaching, clinical teaching, or an internship; and

(5) any other information necessary to enable the board to assess the effectiveness of the program on the basis of teacher retention and success criteria adopted by the board.

(c) The board shall propose rules necessary to establish performance standards for the Accountability System for Educator Preparation for accrediting educator preparation programs. At a minimum, performance standards must be based on Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 2, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 6, eff. September 1, 2015.

Sec. 21.0451. SANCTIONS UNDER ACCOUNTABILITY SYSTEM FOR EDUCATOR PREPARATION PROGRAMS. (a) The board shall propose rules necessary for the sanction of educator preparation programs that do not meet accountability standards or comply with state law or rules and shall at least annually review the accreditation status of each educator preparation program. The rules:

(1) shall provide for the assignment of the following accreditation statuses:

(A) not rated;

(B) accredited;

(C) accredited-warned;

(D) accredited-probation; and

(E) not accredited-revoked;

(2) may provide for the agency to take any necessary action, including one or more of the following actions:

(A) requiring the program to obtain technical assistance approved by the agency or board;

(B) requiring the program to obtain professional services under contract with another person;

(C) appointing a monitor to participate in and report to the board on the activities of the program; and

(D) if a program has been rated as accredited-probation under the Accountability System for Educator Preparation for a period of at least one year, revoking the approval of the program and ordering the program to be closed, provided that the board or agency has provided the opportunity for a contested case hearing;

(3) shall provide for the agency to revoke the approval of the program and order the program to be closed if the program has been rated as accredited-probation under the Accountability System for Educator Preparation for three consecutive years, provided that the board or agency has provided the opportunity for a contested case hearing; and

(4) shall provide the board procedure for changing the accreditation status of a program that:

(A) does not meet the accreditation standards established under Section 21.045(a); or

(B) violates a board or agency regulation.

(b) Any action authorized or required to be taken against an

educator preparation program under Subsection (a) may also be taken with regard to a particular field of certification authorized to be offered by an educator preparation program.

(c) A revocation must be effective for a period of at least two years. After two years, the program may seek renewed approval to prepare educators for state certification.

(d) The costs of technical assistance required under Subsection (a)(2)(A) or the costs associated with the appointment of a monitor under Subsection (a)(2)(C) shall be paid by the educator preparation program.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 2, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 7, eff. September 1, 2015.

Sec. 21.0452. CONSUMER INFORMATION REGARDING EDUCATOR PREPARATION PROGRAMS. (a) To assist persons interested in obtaining teaching certification in selecting an educator preparation program and assist school districts in making staffing decisions, the board shall make information regarding educator programs in this state available to the public through the board's Internet website.

(b) The board shall make available at least the following information regarding each educator preparation program:

(1) the information specified in Sections 21.045(a) and (b);

(2) in addition to any other appropriate information indicating the quality of persons admitted to the program, the average academic qualifications possessed by persons admitted to the program, including:

(A) average overall grade point average and average grade point average in specific subject areas; and

(B) average scores on the Scholastic Assessment Test (SAT), the American College Test (ACT), or the Graduate Record Examination (GRE), as applicable;

(3) the degree to which persons who complete the program are successful in obtaining teaching positions;

(4) the extent to which the program prepares teachers,

including general education teachers and special education teachers, to effectively teach:

(A) students with disabilities; and

(B) students of limited English proficiency, as defined by Section 29.052;

(5) the activities offered by the program that are designed to prepare teachers to:

(A) integrate technology effectively into curricula and instruction, including activities consistent with the principles of universal design for learning; and

(B) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of increasing student academic achievement;

(6) for each semester, the average ratio of field supervisors to candidates completing student teaching, clinical teaching, or an internship in an educator preparation program;

(7) the percentage of teachers employed under a standard teaching certificate within one year of completing the program;

(8) the perseverance of beginning teachers in the profession, as determined on the basis of the number of beginning teachers who maintain status as active contributing members in the Teacher Retirement System of Texas for at least three years after certification in comparison to similar programs;

(9) the results of exit surveys given to program participants on completion of the program that involve evaluation of the program's effectiveness in preparing participants to succeed in the classroom;

(10) the results of surveys given to school principals that involve evaluation of the program's effectiveness in preparing participants to succeed in the classroom, based on experience with employed program participants; and

(11) the results of teacher satisfaction surveys developed under Section 21.045 and given to program participants at the end of the first year of teaching.

(c) For purposes of Subsection (b)(9), the board shall require an educator preparation program to distribute an exit survey that a program participant must complete before the participant is eligible to receive a certificate under this subchapter.

(d) For purposes of Subsections (b)(9) and (10), the board shall develop surveys for distribution to program participants and

school principals.

(e) The board may develop procedures under which each educator preparation program receives a designation or ranking based on the information required to be made available under Subsection (b). If the board develops procedures under this subsection, the designation or ranking received by each program must be included in the information made available under this section.

(f) In addition to other information required to be made available under this section, the board shall provide information identifying employment opportunities for teachers in the various regions of this state. The board shall specifically identify each region of this state in which a shortage of qualified teachers exists.

(g) The board may require any person to provide information to the board for purposes of this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 2, eff. June 19, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 8, eff. September 1, 2015.

Sec. 21.0453. INFORMATION FOR CANDIDATES FOR TEACHER CERTIFICATION. (a) The board shall require an educator preparation program to provide candidates for teacher certification with information concerning the following:

(1) skills and responsibilities required of teachers;

(2) expectations for student performance based on state standards;

(3) the current supply of and demand for teachers in this state;

(4) the importance of developing classroom management skills; and

(5) the state's framework for appraisal of teachers and principals.

(b) The board may propose rules as necessary for administration of this section, including rules to ensure that accurate and consistent information is provided by all educator preparation programs.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1292 (H.B. 2318), Sec. 1, eff. June 14, 2013.

Sec. 21.0454. RISK FACTORS FOR EDUCATOR PREPARATION PROGRAMS; RISK-ASSESSMENT MODEL. (a) The board shall propose rules necessary to develop a set of risk factors to use in assessing the overall risk level of each educator preparation program. The set of risk factors must include:

(1) a history of the program's compliance with state law and board rules, standards, and procedures, with consideration given to:

(A) the seriousness of any violation of a rule, standard or procedure;

(B) whether the violation resulted in an action being taken against the program;

(C) whether the violation was promptly remedied by the program;

(D) the number of alleged violations; and

(E) any other matter considered to be appropriate in evaluating the program's compliance history; and

(2) whether the program meets the accountability standards under Section 21.045.

(b) The set of risk factors developed by the board may include whether an educator preparation program is accredited by other organizations.

(c) The board shall use the set of risk factors to guide the agency in conducting monitoring, inspections, and compliance audits of educator preparation programs, including evaluations associated with renewals under Section 21.0443.

Added by Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 9, eff. September 1, 2015.

Sec. 21.0455. COMPLAINTS REGARDING EDUCATOR PREPARATION PROGRAMS. (a) The board shall propose rules necessary to establish a process for a candidate for teacher certification to direct a complaint against an educator preparation program to the agency.

(b) The board by rule shall require an educator preparation

program to notify candidates for teacher certification of the complaint process adopted under Subsection (a). The notice must include the name, mailing address, telephone number, and Internet website address of the agency for the purpose of directing complaints to the agency. The educator preparation program shall provide for that notification:

(1) on the Internet website of the educator preparation program, if the program maintains a website; and

(2) on a sign prominently displayed in program facilities.

(c) The board shall post the complaint process adopted under Subsection (a) on the agency's Internet website.

(d) The board has no authority to arbitrate or resolve contractual or commercial issues between an educator preparation program and a candidate for teacher certification.

Added by Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 9, eff. September 1, 2015.

Sec. 21.046. QUALIFICATIONS FOR CERTIFICATION AS SUPERINTENDENT OR PRINCIPAL. (a) The qualifications for superintendent must permit a candidate for certification to substitute management training or experience for part of the educational experience.

(b) The qualifications for certification as a principal must be sufficiently flexible so that an outstanding teacher may qualify by substituting approved experience and professional training for part of the educational requirements. Supervised and approved on-the-job experience in addition to required internship shall be accepted in lieu of classroom hours. The qualifications must emphasize:

(1) instructional leadership;

(2) administration, supervision, and communication skills;

(3) curriculum and instruction management;

(4) performance evaluation;

(5) organization; and

(6) fiscal management.

(c) Because an effective principal is essential to school improvement, the board shall ensure that:

(1) each candidate for certification as a principal is of the highest caliber; and

(2) multi-level screening processes, validated

comprehensive assessment programs, and flexible internships with successful mentors exist to determine whether a candidate for certification as a principal possesses the essential knowledge, skills, and leadership capabilities necessary for success.

(d) In creating the qualifications for certification as a principal, the board shall consider the knowledge, skills, and proficiencies for principals as developed by relevant national organizations and the State Board of Education.

(e) For purposes of satisfying eligibility requirements for certification as a principal, a teacher who is certified under Section 21.0487:

(1) is considered to hold a classroom teaching certificate; and

(2) may apply as creditable years of teaching experience as a classroom teacher any period during which the teacher was employed by a school district as a Junior Reserve Officer Training Corps instructor before or after the teacher was certified under Section 21.0487.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1194 (S.B. 1309), Sec. 2, eff. June 19, 2015.

Sec. 21.047. CENTERS FOR PROFESSIONAL DEVELOPMENT OF TEACHERS. (a) The board may develop the process for the establishment of centers for professional development through institutions of higher education for the purpose of integrating technology and innovative teaching practices in the preservice and staff development training of public school teachers and administrators. An institution of higher education with a teacher education program may develop a center through a collaborative process involving public schools, regional education service centers, and other entities or businesses. A center may contract with other entities to develop materials and provide training.

(b) On application by a center, the board shall make grants to the center for its programs from funds derived from gifts, grants, and legislative appropriations for that purpose. The board shall award the grants on a competitive basis according to requirements

established by the board rules.

(c) A center may develop and implement a comprehensive field-based educator preparation program to supplement the internship hours required in Section 21.050. This comprehensive field-based teacher program must:

(1) be designed on the basis of current research into state-of-the-art teaching practices, curriculum theory and application, evaluation of student outcomes, and the effective application of technology; and

(2) have rigorous internal and external evaluation procedures that focus on content, delivery systems, and teacher and student outcomes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.048. CERTIFICATION EXAMINATIONS. (a) The board shall propose rules prescribing comprehensive examinations for each class of certificate issued by the board. The commissioner shall determine the satisfactory level of performance required for each certification examination. For the issuance of a generalist certificate, the commissioner shall require a satisfactory level of examination performance in each core subject covered by the examination.

(a-1) The board may not require that more than 45 days elapse before a person may retake an examination. A person may not retake an examination more than four times, unless the board waives the limitation for good cause as prescribed by the board.

(a-2) For purposes of the limitation imposed by Subsection (a-1) on the number of administrations of an examination, a person who initially took an examination before September 1, 2015, may retake the examination up to four times after that date, regardless of the number of times that the person attempted to perform satisfactorily on the examination before that date. This subsection expires September 1, 2018.

(b) The board may not administer a written examination to determine the competence or level of performance of an educator who has a hearing impairment unless the examination has been field tested to determine its appropriateness, reliability, and validity as applied to, and minimum acceptable performance scores for, persons with hearing impairments.

(c) An educator who has a hearing impairment is exempt from taking a written examination for a period ending on the first anniversary of the date on which the board determines, on the basis of appropriate field tests, that the examination complies with the standards specified in Subsection (b). On application to the board, the board shall issue a temporary exemption certificate to a person entitled to an exemption under this subsection.

(c-1) The results of an examination administered under this section are confidential and are not subject to disclosure under Chapter 552, Government Code, unless the disclosure is regarding notification to a parent of the assignment of an uncertified teacher to a classroom as required by Section 21.057.

(d) In this section:

(1) "Hearing impairment" means a hearing impairment so severe that the person cannot process linguistic information with or without amplification.

(2) "Reliability" means the extent to which an experiment, test, or measuring procedure yields the same results on repeated trials.

(3) "Validity" means being:

(A) well-grounded or justifiable;

(B) relevant and meaningful;

(C) correctly derived from premises or inferences; and

(D) supported by objective truth or generally accepted authority.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 4, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 5, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1292 (H.B. 2318), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 10, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 11, eff. September 1, 2015.

Sec. 21.0481. MASTER READING TEACHER CERTIFICATION. (a) To ensure that there are teachers with special training to work with other teachers and with students in order to improve student reading performance, the board shall establish a master reading teacher certificate.

(b) The board shall issue a master reading teacher certificate to each eligible person.

(c) To be eligible for a master reading teacher certificate, a person must:

(1) hold a reading specialist certificate issued under this subchapter and satisfactorily complete a course of instruction as prescribed under Subdivision (2)(B); or

(2) hold a teaching certificate issued under this subchapter and:

(A) have at least three years of teaching experience;

(B) satisfactorily complete a knowledge-based and skills-based course of instruction on the science of teaching children to read that includes training in:

(i) effective reading instruction techniques, including effective techniques for students whose primary language is a language other than English;

(ii) identification of dyslexia and related reading disorders and effective reading instruction techniques for students with those disorders; and

(iii) effective professional peer mentoring techniques;

(C) perform satisfactorily on the master reading teacher certification examination prescribed by the board; and

(D) satisfy any other requirements prescribed by the board.

Added by Acts 1999, 76th Leg., ch. 931, Sec. 2, eff. Aug. 30, 1999.

Sec. 21.0482. MASTER MATHEMATICS TEACHER CERTIFICATION. (a) To ensure that there are teachers with special training to work with other teachers and with students in order to improve student mathematics performance, the board shall establish:

(1) a master mathematics teacher certificate to teach mathematics at elementary school grade levels;

(2) a master mathematics teacher certificate to teach mathematics at middle school grade levels; and

(3) a master mathematics teacher certificate to teach mathematics at high school grade levels.

(b) The board shall issue the appropriate master mathematics teacher certificate to each eligible person.

(c) To be eligible for a master mathematics teacher certificate, a person must:

(1) hold a teaching certificate issued under this subchapter;

(2) have at least three years of teaching experience;

(3) satisfactorily complete a knowledge-based course of instruction on the science of teaching children mathematics that includes training in mathematics instruction and professional peer mentoring techniques that, through scientific testing, have been proven effective;

(4) perform satisfactorily on the appropriate master mathematics teacher certification examination prescribed by the board; and

(5) satisfy any other requirements prescribed by the board.

(d) The course of instruction prescribed under Subsection (c)(3) shall be developed by the board in consultation with mathematics and science faculty members at institutions of higher education.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 4, eff. Sept. 1, 2001.

Sec. 21.0483. MASTER TECHNOLOGY TEACHER CERTIFICATION. (a) To ensure that there are teachers with special training to work with other teachers and with students in order to increase the use of technology in each classroom, the board shall establish a master technology teacher certificate.

(b) The board shall issue a master technology teacher certificate to each eligible person.

(c) To be eligible for a master technology teacher certificate, a person must:

(1) hold a technology applications or Technology Education certificate issued under this subchapter, satisfactorily complete the course of instruction prescribed under Subdivision (2)(B), and

satisfactorily perform on the examination prescribed under Subdivision (2)(C); or

(2) hold a teaching certificate issued under this subchapter and:

(A) have at least three years of teaching experience;

(B) satisfactorily complete a knowledge-based and skills-based course of instruction on interdisciplinary technology applications and the science of teaching technology that includes training in:

(i) effective technology instruction techniques, including applications designed to meet the educational needs of students with disabilities;

(ii) classroom teaching methodology that engages student learning through the integration of technology;

(iii) digital learning competencies, including Internet research, graphics, animation, website mastering, and video technologies;

(iv) curriculum models designed to prepare teachers to facilitate an active student learning environment; and

(v) effective professional peer mentoring techniques;

(C) satisfactorily perform on an examination administered at the conclusion of the course of instruction prescribed under Paragraph (B); and

(D) satisfy any other requirements prescribed by the board.

(d) The board may provide technology applications training courses under Subsection (c)(2)(B) in cooperation with:

(1) regional education service centers; and

(2) other public or private entities, including any state council on technology.

Added by Acts 2001, 77th Leg., ch. 1301, Sec. 2, eff. June 16, 2001.
Renumbered from Education Code Sec. 21.0482 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(12), eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 831 (H.B. 735), Sec. 2, eff. September 1, 2008.

Sec. 21.0484. MASTER SCIENCE TEACHER CERTIFICATION. (a) To ensure that there are teachers with special training to work with other teachers and with students in order to improve student science performance, the board shall establish:

(1) a master science teacher certificate to teach science at elementary school grade levels;

(2) a master science teacher certificate to teach science at middle school grade levels; and

(3) a master science teacher certificate to teach science at high school grade levels.

(b) The board shall issue the appropriate master science teacher certificate to each eligible person.

(c) To be eligible for a master science teacher certificate, a person must:

(1) hold a teaching certificate issued under this subchapter;

(2) have at least three years of teaching experience;

(3) satisfactorily complete a knowledge-based course of instruction on the science of teaching children science that includes training in science instruction and professional peer mentoring techniques that, through scientific testing, have been proven effective;

(4) perform satisfactorily on the appropriate master science teacher certification examination prescribed by the board; and

(5) satisfy any other requirements prescribed by the board.

(d) The course of instruction prescribed under Subsection (c)(3) shall be developed by the board in consultation with science faculty members at institutions of higher education.

Added by Acts 2003, 78th Leg., ch. 430, Sec. 1, eff. Sept. 1, 2003.

Sec. 21.0485. CERTIFICATION TO TEACH STUDENTS WITH VISUAL IMPAIRMENTS. (a) To be eligible to be issued a certificate to teach students with visual impairments, a person must:

(1) complete either:

(A) all course work required for that certification in an approved educator preparation program; or

(B) an alternative educator certification program

approved for the purpose by the board;

(2) perform satisfactorily on each examination prescribed under Section 21.048 for certification to teach students with visual impairments, after completing the course work or program described by Subdivision (1); and

(3) satisfy any other requirements prescribed by the board.

(b) Subsection (a) does not apply to eligibility for a certificate to teach students with visual impairments, including eligibility for renewal of that certificate, if the application for the initial certificate was submitted on or before September 1, 2011.

Added by Acts 2011, 82nd Leg., R.S., Ch. 362 (S.B. 54), Sec. 1, eff. September 1, 2011.

Sec. 21.0486. TECHNOLOGY APPLICATIONS CERTIFICATION. A person who holds a technology applications certificate issued under this subchapter may, in addition to teaching technology applications courses as authorized under the certificate, teach courses in:

(1) principles of arts, audio/video technology, and communications; and

(2) principles of information technology.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1091 (H.B. 3573), Sec. 2, eff. June 14, 2013.

Text of section as added by Acts 2015, 84th Leg., R.S., Ch. 755 (H.B. 2014), Sec. 1

For text of section as added by Acts 2015, 84th Leg., R.S., Ch. 1194 (S.B. 1309), Sec. 1, see other Sec. 21.0487.

Sec. 21.0487. TRADES AND INDUSTRIES EDUCATION CERTIFICATION FOR MILITARY PERSONNEL. (a) To the extent that rules adopted under this subchapter require a person seeking trades and industries education certification to hold a license or other professional credential for a specific trade, a person who is a current or former member of the United States armed services is considered to have satisfied that requirement if the person has experience in that trade obtained through military service.

(b) The board may not propose rules requiring a current or

former member of the United States armed services who seeks career and technology education certification for a specific trade to hold a credential related to that trade or possess experience related to that trade other than the experience in that trade obtained through military service.

Added by Acts 2015, 84th Leg., R.S., Ch. 755 (H.B. 2014), Sec. 1, eff. June 17, 2015.

Text of section as added by Acts 2015, 84th Leg., R.S., Ch. 1194 (S.B. 1309), Sec. 1

For text of section as added by Acts 2015, 84th Leg., R.S., Ch. 755 (H.B. 2014), Sec. 1, see other Sec. 21.0487.

Sec. 21.0487. JUNIOR RESERVE OFFICER TRAINING CORPS TEACHER CERTIFICATION. (a) The board shall establish a standard Junior Reserve Officer Training Corps teaching certificate to provide Junior Reserve Officer Training Corps instruction.

(b) To be eligible for a certificate under this section, a person must:

(1) hold a bachelor's degree from an institution of higher education that is, and at the time the person received the degree was, accredited or otherwise approved by an accrediting organization recognized by the Texas Higher Education Coordinating Board;

(2) satisfy the eligibility and testing requirements for certification as a Junior Reserve Officer Training Corps instructor established by the branch of service in which the person served; and

(3) complete an approved educator preparation program.

(c) The board shall propose rules to:

(1) approve educator preparation programs to prepare a person as a teacher for certification under this section; and

(2) establish requirements under which:

(A) a person's training and experience acquired during the person's military service serves as proof of the person's demonstration of subject matter knowledge if that training and experience is verified by the branch of service in which the person served; and

(B) a person's employment by a school district as a Junior Reserve Officer Training Corps instructor before the person was enrolled in an educator preparation program or while the person

is enrolled in an educator preparation program is applied to satisfy any student teaching, internship, or field-based experience program requirement.

(d) A person is not required to hold a certificate established under this section to be employed by a school district as a Junior Reserve Officer Training Corps instructor.

Added by Acts 2015, 84th Leg., R.S., Ch. 1194 (S.B. 1309), Sec. 1, eff. June 19, 2015.

Sec. 21.049. ALTERNATIVE CERTIFICATION. (a) To provide a continuing additional source of qualified educators, the board shall propose rules providing for educator certification programs as an alternative to traditional educator preparation programs. The rules may not provide that a person may be certified under this section only if there is a demonstrated shortage of educators in a school district or subject area.

(b) The board may not require a person employed as a teacher in an alternative education program under Section 37.008 or a juvenile justice alternative education program under Section 37.011 for at least three years to complete an alternative educator certification program adopted under this section before taking the appropriate certification examination.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 609, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.050. ACADEMIC DEGREE REQUIRED FOR TEACHING CERTIFICATE; INTERNSHIP. (a) A person who applies for a teaching certificate for which board rules require a bachelor's degree must possess a bachelor's degree received with an academic major or interdisciplinary academic major, including reading, other than education, that is related to the curriculum as prescribed under Subchapter A, Chapter 28.

(b) The board may not require more than 18 semester credit hours of education courses at the baccalaureate level for the granting of a teaching certificate. The board shall provide for a minimum number of semester credit hours of internship to be included in the hours needed for certification. The board may propose rules

requiring additional credit hours for certification in bilingual education, English as a second language, early childhood education, or special education.

(c) A person who receives a bachelor's degree required for a teaching certificate on the basis of higher education coursework completed while receiving an exemption from tuition and fees under Section 54.363 may not be required to participate in any field experience or internship consisting of student teaching to receive a teaching certificate.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 524, Sec. 1, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 74, Sec. 2, eff. May 14, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 2, eff. January 1, 2012.

Sec. 21.051. RULES REGARDING FIELD-BASED EXPERIENCE AND OPTIONS FOR FIELD EXPERIENCE AND INTERNSHIPS. (a) In this section, "teacher of record" means a person employed by a school district who teaches the majority of the instructional day in an academic instructional setting and is responsible for evaluating student achievement and assigning grades.

(b) Before a school district may employ a candidate for certification as a teacher of record, the candidate must complete at least 15 hours of field-based experience in which the candidate is actively engaged in instructional or educational activities under supervision at:

(1) a public school campus accredited or approved for the purpose by the agency; or

(2) a private school recognized or approved for the purpose by the agency.

(c) Subsection (b) applies only to an initial certification issued on or after September 1, 2012. Subsection (b) does not affect:

(1) the validity of a certification issued before September 1, 2012; or

(2) the eligibility of a person who holds a certification issued before September 1, 2012, to obtain a subsequent renewal of

the certification in accordance with board rule.

(d) Subsection (b) does not affect the period within which an individual must complete field-based experience hours as determined by board rule if the individual is not accepted into an educator preparation program before the deadline prescribed by board rule and is hired for a teaching assignment by a school district after the deadline prescribed by board rule.

(e) The board shall propose rules relating to the field-based experience required by Subsection (b). The commissioner by rule shall adopt procedures and standards for recognizing a private school under Subsection (b)(2).

(f) The board shall propose rules providing flexible options for persons for any field-based experience or internship required for certification.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 2, eff. September 28, 2011.

Sec. 21.052. CERTIFICATION OF EDUCATORS FROM OUTSIDE THE STATE. (a) The board may issue a certificate to an educator who applies for a certificate and:

(1) holds:

(A) a degree issued by an institution accredited by a regional accrediting agency or group that is recognized by a nationally recognized accreditation board; or

(B) a degree issued by an institution located in a foreign country, if the degree is equivalent to a degree described by Paragraph (A);

(2) holds an appropriate certificate or other credential issued by another state or country; and

(3) performs satisfactorily on:

(A) the examination prescribed under Section 21.048; or

(B) if the educator holds a certificate or other credential issued by another state or country, an examination similar to and at least as rigorous as that described by Paragraph (A) administered to the educator under the authority of that state.

(b) For purposes of Subsection (a)(2), a person is considered

to hold a certificate or other credential if the credential is not valid solely because it has expired.

(c) The board may issue a temporary certificate under this section to an educator who holds a degree required by Subsection (a)(1) and a certificate or other credential required by Subsection (a)(2) but who has not satisfied the requirements prescribed by Subsection (a)(3). Subject to Subsection (d), the board may specify the term of a temporary certificate issued under this subsection.

(d) A temporary certificate issued under Subsection (c) to an educator employed by a school district that has constructed or expanded at least one instructional facility as a result of increased student enrollment due to actions taken under the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. Section 2687) may not expire before the first anniversary of the date on which the board completes the review of the educator's credentials and informs the educator of the examination or examinations under Section 21.048 on which the educator must perform successfully to receive a standard certificate.

(e) An educator who has submitted all documents required by the board for certification and who receives a certificate as provided by Subsection (a) must perform satisfactorily on the examination prescribed under Section 21.048 not later than the first anniversary of the date the board completes the review of the educator's credentials and informs the educator of the examination or examinations under Section 21.048 on which the educator must perform successfully to receive a standard certificate.

(f) The board shall post on the board's Internet website the procedures for obtaining a certificate under Subsection (a).

(g) The commissioner shall provide guidance to school districts that employ an educator certified as provided by Subsection (a) on procedures to classify the educator as a highly qualified teacher in a manner consistent with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.).

(h) This subsection applies only to an applicant who holds a certificate or other credential issued by another state in mathematics, science, special education, or bilingual education, or another subject area that the commissioner determines has a shortage of teachers. In any state fiscal year, the board shall accept or reject, not later than the 14th day after the date the board receives the completed application, at least 90 percent of the applications

the board receives for a certificate under this subsection, and shall accept or reject all completed applications the board receives under this subsection not later than the 30th day after the date the board receives the completed application. An applicant under this subsection must submit:

(1) a letter of good standing from the state in which the teacher is certified on a form determined by the board;

(2) information necessary to complete a national criminal history record information review; and

(3) an application fee as required by the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1306, Sec. 1, eff. June 16, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 577 (S.B. 1912), Sec. 1, eff. June 16, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1013 (H.B. 4152), Sec. 1, eff. June 19, 2009.

Sec. 21.053. PRESENTATION AND RECORDING OF CERTIFICATES. (a) A person who desires to teach in a public school shall present the person's certificate for filing with the employing district before the person's contract with the board of trustees of the district is binding.

(b) An educator who does not hold a valid certificate may not be paid for teaching or work done before the effective date of issuance of a valid certificate.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.054. CONTINUING EDUCATION. (a) The board shall propose rules establishing a process for identifying continuing education courses and programs that fulfill educators' continuing education requirements.

(b) Continuing education requirements for an educator who teaches students with dyslexia must include training regarding new research and practices in educating students with dyslexia.

(c) The training required under Subsection (b) may be offered

in an online course.

(d) Continuing education requirements for a classroom teacher must provide that not more than 25 percent of the training required every five years include instruction regarding:

(1) collecting and analyzing information that will improve effectiveness in the classroom;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) integrating technology into classroom instruction; and

(4) educating diverse student populations, including:

(A) students with disabilities, including mental health disorders;

(B) students who are educationally disadvantaged;

(C) students of limited English proficiency; and

(D) students at risk of dropping out of school.

(e) Continuing education requirements for a principal must provide that not more than 25 percent of the training required every five years include instruction regarding:

(1) effective and efficient management, including:

(A) collecting and analyzing information;

(B) making decisions and managing time; and

(C) supervising student discipline and managing behavior;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) integrating technology into campus curriculum and instruction; and

(4) educating diverse student populations, including:

(A) students with disabilities, including mental health disorders;

(B) students who are educationally disadvantaged;

(C) students of limited English proficiency; and

(D) students at risk of dropping out of school.

(f) Continuing education requirements for a counselor must provide that not more than 25 percent of training required every five years include instruction regarding:

(1) assisting students in developing high school graduation plans;

(2) implementing dropout prevention strategies; and

(3) informing students concerning:

(A) college admissions, including college financial aid resources and application procedures; and

(B) career opportunities.

(g) The board shall adopt rules that allow an educator to fulfill up to 12 hours of continuing education by participating in a mental health first aid training program offered by a local mental health authority under Section 1001.203, Health and Safety Code. The number of hours of continuing education an educator may fulfill under this subsection may not exceed the number of hours the educator actually spends participating in a mental health first aid training program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 675 (S.B. 143), Sec. 2, eff. June 17, 2005.

Acts 2009, 81st Leg., R.S., Ch. 596 (H.B. 200), Sec. 1, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 67(a), eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 635 (S.B. 866), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 638 (H.B. 642), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1306 (H.B. 3793), Sec. 1, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(9), eff. September 1, 2015.

Sec. 21.0541. CONTINUING EDUCATION CREDIT FOR INSTRUCTION RELATED TO USE OF AUTOMATED EXTERNAL DEFIBRILLATOR. The board shall adopt rules allowing an educator to receive credit towards the educator's continuing education requirements for completion of an instructional course on the use of an automated external defibrillator that meets the guidelines for automated external defibrillator training approved under Section 779.002, Health and Safety Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1143 (S.B. 382), Sec. 1, eff. June 19, 2015.

Sec. 21.055. SCHOOL DISTRICT TEACHING PERMIT. (a) As provided by this section, a school district may issue a school district teaching permit and employ as a teacher a person who does not hold a teaching certificate issued by the board.

(b) To be eligible for a school district teaching permit under this section, a person must hold a baccalaureate degree.

(c) Promptly after employing a person under this section, a school district shall send to the commissioner a written statement identifying the person, the person's qualifications as a teacher, and the subject or class the person will teach. The person may teach the subject or class pending action by the commissioner.

(d) Not later than the 30th day after the date the commissioner receives the statement under Subsection (c), the commissioner may inform the district in writing that the commissioner finds the person is not qualified to teach. The person may not teach if the commissioner finds the person is not qualified. If the commissioner fails to act within the time prescribed by this subsection, the district may issue to the person a school district teaching permit and the person may teach the subject or class identified in the statement.

(d-1) Subsections (b), (c), and (d) do not apply to a person who will teach only noncore academic career and technical education courses. A school district board of trustees may issue a school district teaching permit to a person who will teach courses only in career and technical education based on qualifications certified by the superintendent of the school district. Qualifications must include demonstrated subject matter expertise such as professional work experience, formal training and education, holding an active professional relevant industry license, certification, or registration, or any combination of work experience, training and education, or industry license, certification, or registration, in the subject matter to be taught. The superintendent of the school district shall certify to the board of trustees that a new employee has undergone a criminal background check and is capable of proper classroom management. A school district shall require a new employee to obtain at least 20 hours of classroom management training and to comply with continuing education requirements as determined by the board of trustees. A person may teach a career and technical

education course immediately upon issuance of a permit under this subsection. Promptly after employing a person who qualifies under this subsection, the board of trustees shall send to the commissioner a written statement identifying the person, the course the person will teach, and the person's qualifications to teach the course.

(e) A person authorized to teach under this section may not teach in another school district unless that district complies with this section. A school district teaching permit remains valid unless the district issuing the permit revokes it for cause.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 12, eff. September 1, 2015.

Sec. 21.056. ADDITIONAL CERTIFICATION. The board by rule shall provide for a certified educator to qualify for additional certification to teach at a grade level or in a subject area not covered by the educator's certificate upon satisfactory completion of an examination or other assessment of the educator's qualification.

Added by Acts 1997, 75th Leg., ch. 1356, Sec. 1, eff. Sept. 1, 1997.

Sec. 21.057. PARENTAL NOTIFICATION. (a) A school district that assigns an inappropriately certified or uncertified teacher to the same classroom for more than 30 consecutive instructional days during the same school year shall provide written notice of the assignment to a parent or guardian of each student in that classroom.

(b) The superintendent of the school district shall provide the notice required by Subsection (a) not later than the 30th instructional day after the date of the assignment of the inappropriately certified or uncertified teacher.

(c) The school district shall:

(1) make a good-faith effort to ensure that the notice required by this section is provided in a bilingual form to any parent or guardian whose primary language is not English;

(2) retain a copy of any notice provided under this section; and

(3) make information relating to teacher certification

available to the public on request.

(d) For purposes of this section, "inappropriately certified or uncertified teacher":

(1) includes:

(A) an individual serving on an emergency certificate issued under Section 21.041(b)(2); or

(B) an individual who does not hold any certificate or permit issued under this chapter and is not employed as specified by Subdivision (2)(E); and

(2) does not include an individual:

(A) who is a certified teacher assigned to teach a class or classes outside his or her area of certification, as determined by rules proposed by the board in specifying the certificate required for each assignment;

(B) serving on a certificate issued due to a hearing impairment under Section 21.048;

(C) serving on a certificate issued pursuant to enrollment in an approved alternative certification program under Section 21.049;

(D) certified by another state or country and serving on a certificate issued under Section 21.052;

(E) serving on a school district teaching permit issued under Section 21.055; or

(F) employed under a waiver granted by the commissioner pursuant to Section 7.056.

(e) This section does not apply if a school is required in accordance with Section 1111(h)(6)(B)(ii), No Child Left Behind Act of 2001 (20 U.S.C. Section 6311), and its subsequent amendments, to provide notice to a parent or guardian regarding a teacher who is not highly qualified, provided the school provides notice as required by that Act.

Added by Acts 1999, 76th Leg., ch. 680, Sec. 1, eff. June 18, 1999. Amended by Acts 2003, 78th Leg., ch. 1027, Sec. 1, eff. June 20, 2003.

Sec. 21.058. REVOCATION OF CERTIFICATE AND TERMINATION OF EMPLOYMENT BASED ON CONVICTION OF CERTAIN OFFENSES. (a) The procedures described by Subsections (b) and (c) apply only:

(1) to conviction of a felony offense under Title 5, Penal Code, or an offense on conviction of which a defendant is required to register as a sex offender under Chapter 62, Code of Criminal Procedure; and

(2) if the victim of the offense is under 18 years of age.

(b) Notwithstanding Section 21.041(b)(7), not later than the fifth day after the date the board receives notice under Article 42.018, Code of Criminal Procedure, of the conviction of a person who holds a certificate under this subchapter, the board shall:

(1) revoke the certificate held by the person; and

(2) provide to the person and to any school district or open-enrollment charter school employing the person at the time of revocation written notice of:

(A) the revocation; and

(B) the basis for the revocation.

(c) A school district or open-enrollment charter school that receives notice under Subsection (b) of the revocation of a certificate issued under this subchapter shall:

(1) immediately remove the person whose certificate has been revoked from campus or from an administrative office, as applicable, to prevent the person from having any contact with a student; and

(2) if the person is employed under a probationary, continuing, or term contract under this chapter:

(A) suspend the person without pay;

(B) provide the person with written notice that the person's contract is void as provided by Subsection (c-2); and

(C) terminate the employment of the person as soon as practicable.

(c-1) If a school district or open-enrollment charter school becomes aware that a person employed by the district or school under a probationary, continuing, or term contract under this chapter has been convicted of or received deferred adjudication for a felony offense, and the person is not subject to Subsection (c), the district or school may:

(1) suspend the person without pay;

(2) provide the person with written notice that the person's contract is void as provided by Subsection (c-2); and

(3) terminate the employment of the person as soon as practicable.

(c-2) A person's probationary, continuing, or term contract is void if the school district or open-enrollment charter school takes action under Subsection (c)(2)(B) or (c-1)(2).

(d) A person whose certificate is revoked under Subsection (b) may reapply for a certificate in accordance with board rules.

(e) Action taken by a school district or open-enrollment charter school under Subsection (c) or (c-1) is not subject to appeal under this chapter, and the notice and hearing requirements of this chapter do not apply to the action.

Added by Acts 2003, 78th Leg., ch. 920, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 761 (H.B. 1610), Sec. 2, eff. September 1, 2011.

Sec. 21.059. EXTENSION OF CERTAIN DEADLINES FOR ACTIVE DUTY MILITARY PERSONNEL. A person who holds a certificate or permit under this subchapter who is a member of the state military forces or a reserve component of the armed forces of the United States and who is ordered to active duty by proper authority is entitled to an additional amount of time, equal to the total number of years or parts of years that the educator serves on active duty, to complete:

(1) any continuing education requirements; and

(2) any requirements relating to renewal or extension of the person's certificate or permit.

Added by Acts 2005, 79th Leg., Ch. 675 (S.B. 143), Sec. 3, eff. June 17, 2005.

Sec. 21.060. ELIGIBILITY OF PERSONS CONVICTED OF CERTAIN OFFENSES. The board may suspend or revoke the certificate or permit held by a person under this subchapter, impose other sanctions against the person, or refuse to issue a certificate or permit to a person under this subchapter if the person has been convicted of a felony or misdemeanor offense relating to the duties and responsibilities of the education profession, including:

(1) an offense involving moral turpitude;

(2) an offense involving a form of sexual or physical abuse of a minor or student or other illegal conduct in which the victim is

a minor or student;

(3) a felony offense involving the possession, transfer, sale, or distribution of or conspiracy to possess, transfer, sell, or distribute a controlled substance, as defined by Chapter 481, Health and Safety Code, or by 21 U.S.C. Section 801 et seq.;

(4) an offense involving the illegal transfer, appropriation, or use of school district funds or other district property; or

(5) an offense involving an attempt by fraudulent or unauthorized means to obtain or alter a professional certificate or license issued under this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 5, eff. June 15, 2007.

Sec. 21.061. REVIEW AND UPDATING OF EDUCATOR PREPARATION PROGRAMS. The board shall, after consulting with appropriate higher education faculty and public school teachers and administrators and soliciting advice from other interested persons with relevant knowledge and experience, develop and carry out a process for reviewing and, as necessary, updating standards and requirements for educator preparation programs.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1292 (H.B. 2318), Sec. 3, eff. June 14, 2013.

Sec. 21.062. ISSUANCE OF SUBPOENAS. (a) During an investigation by the commissioner of an educator for an alleged incident of misconduct, the commissioner may issue a subpoena to compel the production, for inspection or copying, of relevant evidence that is located in this state.

(b) A subpoena may be served personally or by certified mail.

(c) If a person fails to comply with a subpoena, the commissioner, acting through the attorney general, may file suit to enforce the subpoena in a district court in this state. On finding that good cause exists for issuing the subpoena, the court shall order the person to comply with the subpoena. The court may punish a person who fails to obey the court order.

(d) All information and materials subpoenaed or compiled in

connection with an investigation described by Subsection (a) are confidential and not subject to disclosure under Chapter 552, Government Code.

(e) Except as provided by a protective order, and notwithstanding Subsection (d), all information and materials subpoenaed or compiled in connection with an investigation described by Subsection (a) may be used in a disciplinary proceeding against an educator based on an alleged incident of misconduct.

Added by Acts 2015, 84th Leg., R.S., Ch. 931 (H.B. 2205), Sec. 13, eff. September 1, 2015.

SUBCHAPTER C. PROBATIONARY CONTRACTS

Sec. 21.101. DEFINITION. In this subchapter, "teacher" means a principal, supervisor, classroom teacher, school counselor, or other full-time professional employee who is required to hold a certificate issued under Subchapter B or a nurse. The term does not include a superintendent or a person who is not entitled to a probationary, continuing, or term contract under Section 21.002, an existing contract, or district policy.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 9, eff. June 14, 2013.

Sec. 21.102. PROBATIONARY CONTRACT. (a) Except as provided by Section 21.202(b), a person who is employed as a teacher by a school district for the first time, or who has not been employed by the district for two consecutive school years subsequent to August 28, 1967, shall be employed under a probationary contract. A person who previously was employed as a teacher by a district and, after at least a two-year lapse in district employment returns to district employment, may be employed under a probationary contract.

(a-1) A person who voluntarily accepts an assignment in a new professional capacity that requires a different class of certificate under Subchapter B than the class of certificate held by the person in the professional capacity in which the person was previously employed may be employed under a probationary contract. This

subsection does not apply to a person who is returned by a school district to a professional capacity in which the person was employed by the district before the district employed the person in the new professional capacity as described by this subsection. A person described by this subsection who is returned to a previous professional capacity is entitled to be employed in the original professional capacity under the same contractual status as the status held by the person during the previous employment by the district in that capacity.

(b) A probationary contract may not be for a term exceeding one school year. The probationary contract may be renewed for two additional one-year periods, for a maximum permissible probationary contract period of three school years, except that the probationary period may not exceed one year for a person who has been employed as a teacher in public education for at least five of the eight years preceding employment by the district.

(c) An employment contract may not extend the probationary contract period beyond the end of the third consecutive school year of the teacher's employment by the school district unless, during the third year of a teacher's probationary contract, the board of trustees determines that it is doubtful whether the teacher should be given a continuing contract or a term contract. If the board makes that determination, the district may make a probationary contract with the teacher for a term ending with the fourth consecutive school year of the teacher's employment with the district, at which time the district shall:

(1) terminate the employment of the teacher; or

(2) employ the teacher under a continuing contract or a term contract as provided by Subchapter D or E, according to district policy.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 440, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1232, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 5.002, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1010 (H.B. 2380), Sec. 1, eff. June 17, 2011.

Sec. 21.103. PROBATIONARY CONTRACT: TERMINATION. (a) The board of trustees of a school district may terminate the employment of a teacher employed under a probationary contract at the end of the contract period if in the board's judgment the best interests of the district will be served by terminating the employment. The board of trustees must give notice of its decision to terminate the employment to the teacher not later than the 10th day before the last day of instruction required under the contract. The notice must be delivered personally by hand delivery to the teacher on the campus at which the teacher is employed, except that if the teacher is not present on the campus on the date that hand delivery is attempted, the notice must be mailed by prepaid certified mail or delivered by express delivery service to the teacher's address of record with the district. Notice that is postmarked on or before the 10th day before the last day of instruction is considered timely given under this subsection. The board's decision is final and may not be appealed.

(b) If the board of trustees fails to give the notice of its decision to terminate the teacher's employment within the time prescribed by Subsection (a), the board must employ the probationary teacher in the same capacity under:

(1) a probationary contract for the following school year, if the teacher has been employed by the district under a probationary contract for less than three consecutive school years; or

(2) a continuing or term contract, according to district policy, if the teacher has been employed by the district under a probationary contract for three consecutive school years.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.05, eff. Sept. 1, 1999.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 3, eff. September 28, 2011.

Sec. 21.104. DISCHARGE DURING YEAR OR SUSPENSION WITHOUT PAY UNDER PROBATIONARY CONTRACT. (a) A teacher employed under a probationary contract may be discharged at any time for good cause as determined by the board of trustees, good cause being the failure to meet the accepted standards of conduct for the profession as

generally recognized and applied in similarly situated school districts in this state.

(b) In lieu of discharge or pending discharge, a school district may suspend a teacher without pay for good cause as specified by Subsection (a) for a period not to extend beyond the end of the current school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 4, eff. September 28, 2011.

Sec. 21.1041. HEARING UNDER PROBATIONARY CONTRACT. A teacher is entitled to:

(1) a hearing as provided by Subchapter F, if the teacher is protesting proposed action under Section 21.104; or

(2) a hearing in a manner provided under Section 21.207 for nonrenewal of a term contract or a hearing provided by Subchapter F, as determined by the board of trustees of the district, if the teacher is protesting proposed action to terminate a probationary contract before the end of the contract period on the basis of a financial exigency declared under Section 44.011 that requires a reduction in personnel.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 5, eff. September 28, 2011.

Sec. 21.105. RESIGNATIONS UNDER PROBATIONARY CONTRACT. (a) A teacher employed under a probationary contract for the following school year may relinquish the position and leave the employment of the district at the end of a school year without penalty by filing with the board of trustees or its designee a written resignation not later than the 45th day before the first day of instruction of the following school year. A written resignation mailed by prepaid certified or registered mail to the president of the board of trustees or the board's designee at the post office address of the district is considered filed at the time of mailing.

(b) A teacher employed under a probationary contract may resign, with the consent of the board of trustees or the board's

designee, at any other time.

(c) On written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher employed under a probationary contract who:

(1) resigns;

(2) fails without good cause to comply with Subsection (a) or (b); and

(3) fails to perform the contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.106. RETURN TO PROBATIONARY STATUS. (a) In lieu of discharging a teacher employed under a continuing contract, terminating a teacher employed under a term contract, or not renewing a teacher's term contract, a school district may, with the written consent of the teacher, return the teacher to probationary contract status.

(b) Except as provided by Subsection (d), a teacher may agree to be returned to probationary contract status only after receiving written notice that the board of trustees of the school district has proposed discharge, termination, or nonrenewal.

(c) A teacher returned to probationary contract status must serve a new probationary contract period as provided by Section 21.102 as if the teacher were employed by the district for the first time.

(d) A teacher may agree to be returned to probationary contract status after receiving written notice of the superintendent's intent to recommend discharge, termination, or nonrenewal. Notice under this subsection must inform the teacher of the school district's offer to return the teacher to probationary contract status, the period during which the teacher may consider the offer, and the teacher's right to seek counsel. The district must provide the teacher at least three business days after the date the teacher receives notice under this subsection to agree to be returned to probationary contract status. This subsection does not require a superintendent to provide notice of an intent to recommend discharge, termination, or nonrenewal.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 507, Sec. 1, eff. Sept. 1, 2003.

SUBCHAPTER D. CONTINUING CONTRACTS

Sec. 21.151. DEFINITION. In this subchapter, "teacher" has the meaning assigned by Section 21.101.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.152. CONTINUING CONTRACT. A continuing contract must be in writing and must include the terms of employment prescribed by this subchapter and any other appropriate provisions consistent with this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.153. CONVERSION OF PROBATIONARY CONTRACT TO CONTINUING CONTRACT. (a) A school district that employs a teacher under a probationary contract for the third or, if permitted, fourth consecutive year of service and that elects to employ the teacher in future years under a continuing contract shall notify the teacher in writing of the teacher's election to continuing contract status. The teacher must, not later than the 30th day after the date of notification, file with the superintendent of the school district written notification of the teacher's acceptance of the continuing contract, beginning with the school year following the conclusion of the teacher's period of probationary contract employment.

(b) If the teacher fails to accept the contract within the period prescribed by Subsection (a), the teacher is considered to have refused to accept the contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.154. STATUS UNDER CONTINUING CONTRACT. Each teacher employed under a continuing contract is entitled to continue in the teacher's position or a position with the school district for future school years without the necessity for annual nomination or reappointment until the person:

(1) resigns;

(2) retires under the Teacher Retirement System of Texas;

(3) is released from employment by the school district at the end of a school year because of necessary reduction of personnel as provided by Section 21.157;

(4) is discharged for good cause as defined by Section 21.156 and in accordance with the procedures provided by this chapter;

(5) is discharged for a reason stated in the teacher's contract that existed on or before September 1, 1995, and in accordance with the procedures prescribed by this chapter; or

(6) is returned to probationary status, as authorized by Section 21.106.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.155. ADMINISTRATIVE PERSONNEL UNDER CONTINUING CONTRACT. The district may grant to a person who has served as principal or in another administrative position for which certification is required, at the completion of the person's service in that capacity, a continuing contract to serve as a teacher if the person qualifies for that position under criteria adopted by the board of trustees. The period of service in an administrative capacity is construed as contract service as a teacher within the meaning of this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.156. DISCHARGE OR SUSPENSION WITHOUT PAY UNDER CONTINUING CONTRACT. (a) A teacher employed under a continuing contract may be discharged at any time for good cause as determined by the board of trustees, good cause being the failure to meet the accepted standards of conduct for the profession as generally recognized and applied in similarly situated school districts in this state.

(b) In lieu of discharge or pending discharge, a school district may suspend a teacher without pay for good cause as specified by Subsection (a) for a period not to extend beyond the end of the current school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 6, eff. September 28, 2011.

Sec. 21.157. NECESSARY REDUCTION OF PERSONNEL. A teacher employed under a continuing contract may be released at the end of a school year and the teacher's employment with the school district terminated at that time because of a necessary reduction of personnel by the school district, with those reductions made primarily based upon teacher appraisals administered under Section 21.352 in the specific teaching fields and other criteria as determined by the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 7, eff. September 28, 2011.

Sec. 21.158. NOTICE UNDER CONTINUING CONTRACT. (a) Before a teacher employed under a continuing contract may be discharged, suspended without pay, or released because of a necessary reduction of personnel, the board of trustees must notify the teacher in writing of the proposed action and the grounds for the action.

(b) A teacher who is discharged or suspended without pay for actions related to the inability or failure of the teacher to perform assigned duties is entitled, as a matter of right, to a copy of each evaluation report or any other written memorandum that concerns the fitness or conduct of the teacher, by requesting in writing a copy of those documents.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.159. HEARING UNDER CONTINUING CONTRACT. (a) If the teacher desires to protest the proposed action under Section 21.156 or 21.157, the teacher must notify the board of trustees in writing not later than the 10th day after the date the teacher receives the notice under Section 21.158.

(b) A teacher who notifies the board of trustees within the time prescribed by Subsection (a) is entitled to:

(1) a hearing as provided by Subchapter F, if the teacher is protesting proposed action under Section 21.156; or

(2) a hearing in a manner provided under Section 21.207 for nonrenewal of a term contract or a hearing provided by Subchapter F, as determined by the board, if the teacher is protesting proposed action under Section 21.157 or proposed action to terminate a term contract at any time on the basis of a financial exigency declared under Section 44.011 that requires a reduction in personnel.

(c) If the teacher does not request a hearing within the time prescribed by Subsection (a), the board of trustees shall:

(1) take the appropriate action; and

(2) notify the teacher in writing of the action not later than the 30th day after the date the board sent the notice of the proposed action under Section 21.158.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 8, eff. September 28, 2011.

Sec. 21.160. RESIGNATION UNDER CONTINUING CONTRACT. (a) A teacher employed under a continuing contract may relinquish the position and leave the employment of the district at the end of a school year without penalty by filing with the board of trustees or its designee a written resignation not later than the 45th day before the first day of instruction of the following school year. A written resignation mailed by prepaid certified or registered mail to the president of the board of trustees or the board's designee at the post office address of the district is considered filed at time of mailing.

(b) A teacher employed under a continuing contract may resign, with the consent of the board of trustees or the board's designee, at any other time.

(c) On written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher who is employed under a continuing contract that obligates the district to employ the person for the following school year and

who:

(1) resigns;

(2) fails without good cause to comply with Subsection (a) or (b); and

(3) fails to perform the contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER E. TERM CONTRACTS

Sec. 21.201. DEFINITIONS. In this subchapter:

(1) "Teacher" means a superintendent, principal, supervisor, classroom teacher, school counselor, or other full-time professional employee who is required to hold a certificate issued under Subchapter B or a nurse. The term does not include a person who is not entitled to a probationary, continuing, or term contract under Section 21.002, an existing contract, or district policy.

(2) "School district" means any public school district in this state.

(3) "Term contract" means any contract of employment for a fixed term between a school district and a teacher.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 10, eff. June 14, 2013.

Sec. 21.202. PROBATIONARY CONTRACT REQUIRED. (a) Except as provided by Subsection (b), before a teacher may be employed under a term contract, the teacher must be employed under a probationary contract for the period provided by Subchapter C.

(b) A school district may employ a person as a principal or classroom teacher under a term contract if the person has experience as a public school principal or classroom teacher, respectively, regardless of whether the person is being employed by the school district for the first time or whether a probationary contract would otherwise be required under Section 21.102.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1232, Sec. 2, eff. Sept. 1,

2003.

Sec. 21.203. EMPLOYMENT POLICIES. (a) Except as provided by Section 21.352(c), the employment policies adopted by a board of trustees must require a written evaluation of each teacher at annual or more frequent intervals. The board must consider the most recent evaluations before making a decision not to renew a teacher's contract if the evaluations are relevant to the reason for the board's action.

(b) The employment policies must include reasons for not renewing a teacher's contract at the end of a school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 244, Sec. 1, eff. June 18, 2003.

Sec. 21.204. TERM CONTRACT. (a) A term contract must be in writing and must include the terms of employment prescribed by this subchapter.

(b) The board of trustees may include in the contract other provisions that are consistent with this subchapter.

(c) Each contract under this subchapter is subject to approval by the board of trustees.

(d) The board of trustees shall provide each teacher with a copy of the teacher's contract with the school district and, on the teacher's request, a copy of the board's employment policies. If the district has an Internet website, the district shall place the board's employment policies on that website. At each school in the district, the board shall make a copy of the board's employment policies available for inspection at a reasonable time on request.

(e) A teacher does not have a property interest in a contract beyond its term.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 484, Sec. 1, eff. Sept. 1, 2003.

Sec. 21.205. TERM OF CONTRACT. Once a teacher has completed the probationary contract period, the term of a contract under this subchapter may not exceed five school years.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.206. NOTICE OF CONTRACT RENEWAL OR NONRENEWAL. (a) Not later than the 10th day before the last day of instruction in a school year, the board of trustees shall notify in writing each teacher whose contract is about to expire whether the board proposes to renew or not renew the contract. The notice must be delivered personally by hand delivery to the teacher on the campus at which the teacher is employed, except that if the teacher is not present on the campus on the date that hand delivery is attempted, the notice must be mailed by prepaid certified mail or delivered by express delivery service to the teacher's address of record with the district. Notice that is postmarked on or before the 10th day before the last day of instruction is considered timely given under this subsection.

(b) The board's failure to give the notice required by Subsection (a) within the time specified constitutes an election to employ the teacher in the same professional capacity for the following school year.

(c) This section does not apply to a term contract with a superintendent.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 9, eff. September 28, 2011.

Sec. 21.207. HEARING UNDER TERM CONTRACT. (a) If the teacher desires a hearing after receiving notice of the proposed nonrenewal, the teacher shall notify the board of trustees in writing not later than the 15th day after the date the teacher receives hand delivery of the notice of the proposed action, or if the notice is mailed by prepaid certified mail or delivered by express delivery service, not later than the 15th day after the date the notice is delivered to the teacher's address of record with the district. The board shall provide for a hearing to be held not later than the 15th day after the date the board receives the request for a hearing unless the parties agree in writing to a different date. The hearing must be closed unless the teacher requests an open hearing.

(b) The hearing must be conducted in accordance with rules adopted by the board. The board may use the process established under Subchapter F.

(b-1) Notwithstanding any other provision of this code, this subsection applies only to a school district with an enrollment of at least 5,000 students. The board of trustees may designate an attorney licensed to practice law in this state to hold the hearing on behalf of the board, to create a hearing record for the board's consideration and action, and to recommend an action to the board. The attorney serving as the board's designee may not be employed by a school district and neither the designee nor a law firm with which the designee is associated may be serving as an agent or representative of a school district, of a teacher in a dispute between a district and a teacher, or of an organization of school employees, school administrators, or school boards of trustees. Not later than the 15th day after the completion of the hearing under this subsection, the board's designee shall provide to the board a record of the hearing and the designee's recommendation of whether the contract should be renewed or not renewed. The board shall consider the record of the hearing and the designee's recommendation at the first board meeting for which notice can be posted in compliance with Chapter 551, Government Code, following the receipt of the record and recommendation from the board's designee, unless the parties agree in writing to a different date. At the meeting, the board shall consider the hearing record and the designee's recommendation and allow each party to present an oral argument to the board. The board by written policy may limit the amount of time for oral argument. The policy must provide equal time for each party. The board may obtain advice concerning legal matters from an attorney who has not been involved in the proceedings. The board may accept, reject, or modify the designee's recommendation. The board shall notify the teacher in writing of the board's decision not later than the 15th day after the date of the meeting.

(c) At the hearing before the board or the board's designee, the teacher may:

(1) be represented by a representative of the teacher's choice;

(2) hear the evidence supporting the reason for nonrenewal;

(3) cross-examine adverse witnesses; and

(4) present evidence.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 10, eff. September 28, 2011.

Sec. 21.208. DECISION OF BOARD. (a) If the teacher does not request a hearing, the board of trustees shall:

(1) take the appropriate action to renew or not renew the teacher's contract; and

(2) notify the teacher in writing of that action not later than the 30th day after the date the notice of proposed nonrenewal was sent to the teacher.

(b) If the teacher requests a hearing, following the hearing the board of trustees shall:

(1) take the appropriate action to renew or not renew the teacher's contract; and

(2) notify the teacher in writing of that action not later than the 15th day after the date on which the hearing is concluded.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.209. APPEAL. A teacher who is aggrieved by a decision of a board of trustees on the nonrenewal of the teacher's term contract may appeal to the commissioner for a review of the decision of the board of trustees in accordance with the provisions of Subchapter G. The commissioner may not substitute the commissioner's judgment for that of the board of trustees unless the board's decision was arbitrary, capricious, unlawful, or not supported by substantial evidence.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.210. RESIGNATION UNDER TERM CONTRACT. (a) A teacher employed under a term contract with a school district may relinquish the teaching position and leave the employment of the district at the end of a school year without penalty by filing a written resignation with the board of trustees or the board's designee not later than the 45th day before the first day of instruction of the following school

year. A written resignation mailed by prepaid certified or registered mail to the president of the board of trustees or the board's designee at the post office address of the district is considered filed at the time of mailing.

(b) A teacher employed under a term contract may resign, with the consent of the board of trustees or the board's designee, at any other time.

(c) On written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher who is employed under a term contract that obligates the district to employ the person for the following school year and who:

(1) resigns;

(2) fails without good cause to comply with Subsection (a) or (b); and

(3) fails to perform the contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.211. TERMINATION OR SUSPENSION. (a) The board of trustees may terminate a term contract and discharge a teacher at any time for:

(1) good cause as determined by the board; or

(2) a financial exigency that requires a reduction in personnel.

(b) For a good cause, as determined by the board, the board of trustees may suspend a teacher without pay for a period not to extend beyond the end of the school year:

(1) pending discharge of the teacher; or

(2) in lieu of terminating the teacher.

(c) A teacher who is not discharged after being suspended without pay pending discharge is entitled to back pay for the period of suspension.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.212. APPLICABILITY OF SUBCHAPTER TO SUPERINTENDENTS. (a) The board of trustees of a school district may choose to not renew the employment of a superintendent employed under a term contract, effective at the end of the contract period. If a majority

of the board of trustees determines that the term contract of the superintendent should be considered for nonrenewal, the board shall give the superintendent written notice, containing reasonable notice of the reason for the proposed nonrenewal, not later than the 30th day before the last day of the contract term.

(b) If the board of trustees fails to give notice of the proposed nonrenewal within the time specified by Subsection (a), the board of trustees shall employ the superintendent in the same professional capacity for the following school year.

(c) If the superintendent, not later than the 15th day after receiving notice of the board's proposed action, does not request a hearing with the board of trustees under Section 21.207, the board of trustees shall:

(1) take the appropriate action; and

(2) notify the superintendent in writing of the action not later than the 30th day after the date the board sends the notice of the proposed nonrenewal.

(d) The board of trustees shall adopt policies that establish reasons for nonrenewal. This section does not prohibit a board of trustees from discharging a superintendent for good cause during the term of a contract.

(e) A superintendent employed under a term contract may leave the employment of the district at the end of a school year without penalty by filing a written resignation with the board of trustees. The resignation must be addressed to the board and filed not later than the 45th day before the first day of instruction of the following school year. A superintendent may resign, with the consent of the board of trustees, at any other time.

(f) On the basis of a financial exigency declared under Section 44.011 that requires a reduction in personnel, the board of trustees of a school district may choose to amend the terms of the contract of a superintendent employed under a term contract. A superintendent whose contract is amended under this subsection may resign without penalty by providing reasonable notice to the board and may continue employment for that notice period under the prior contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 11, eff. September 28, 2011.

Sec. 21.213. NONAPPLICABILITY OF SUBCHAPTER. Except as provided by Section 21.202, this subchapter does not apply to a teacher employed under a probationary contract in accordance with Subchapter C or a continuing contract in accordance with Subchapter D.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER F. HEARINGS BEFORE HEARING EXAMINERS

Sec. 21.251. APPLICABILITY. (a) This subchapter applies if a teacher requests a hearing after receiving notice of the proposed decision to:

(1) terminate the teacher's continuing contract at any time, except as provided by Subsection (b)(3);

(2) terminate the teacher's probationary or term contract before the end of the contract period, except as provided by Subsection (b)(3); or

(3) suspend the teacher without pay.

(b) This subchapter does not apply to:

(1) a decision to terminate a teacher's employment at the end of a probationary contract;

(2) a decision not to renew a teacher's term contract, unless the board of trustees of the employing district has decided to use the process prescribed by this subchapter for that purpose; or

(3) a decision, on the basis of a financial exigency declared under Section 44.011 that requires a reduction in personnel, to terminate a probationary or term contract before the end of the contract period or to terminate a continuing contract at any time, unless the board of trustees has decided to use the process prescribed by this subchapter for that purpose.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 12, eff. September 28, 2011.

Sec. 21.252. CERTIFICATION OF HEARING EXAMINERS. (a) The

State Board of Education, in consultation with the State Office of Administrative Hearings, by rule shall establish criteria for the certification of hearing examiners eligible to conduct hearings under this subchapter. A hearing examiner certified under this subchapter must be licensed to practice law in this state.

(b) The commissioner shall certify hearing examiners according to the criteria established under Subsection (a). A person certified as a hearing examiner or the law firm with which the person is associated may not serve as an agent or representative of:

(1) a school district;

(2) a teacher in any dispute with a school district; or

(3) an organization of school employees, school administrators, or school boards.

(c) The commissioner shall set hourly rates of compensation for a hearing examiner and shall set a maximum amount of compensation a hearing examiner may receive for a hearing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.253. REQUEST FOR HEARING. (a) A teacher must file a written request for a hearing under this subchapter with the commissioner not later than the 15th day after the date the teacher receives written notice of the proposed action. The teacher must provide the district with a copy of the request and must provide the commissioner with a copy of the notice.

(b) The parties may agree in writing to extend by not more than 10 days the deadline for requesting a hearing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 12, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 902, Sec. 1, eff. June 20, 2003.

Sec. 21.254. ASSIGNMENT OF HEARING EXAMINER. (a) The commissioner shall maintain a list of the names of all persons who have been certified as hearing examiners. The list shall be initially prepared in a random order, and subsequent additions to the list shall be added chronologically.

(b) The commissioner shall assign the hearing examiner for a particular case by selecting the next person named on the list who

resides within reasonable proximity to the district as determined by the commissioner. The commissioner may not change the order of names once the order is established under this section, except that once each hearing examiner on the list has been assigned to a case, the names shall be randomly reordered.

(c) If a hearing examiner is not selected by the parties to a pending case under Subsection (e), the commissioner shall assign a hearing examiner to the case not earlier than the sixth business day and not later than the 10th business day after the date on which the commissioner receives the request for a hearing. When a hearing examiner has been assigned to a case, the commissioner shall immediately notify the parties.

(d) The parties may agree to reject a hearing examiner for any reason and either party is entitled to reject the assigned hearing examiner for cause. A rejection must be in writing and filed with the commissioner not later than the third day after the date of notification of the hearing examiner's assignment. If the parties agree to reject the hearing examiner or if the commissioner determines that one party has good cause to reject the hearing examiner, the commissioner shall assign another hearing examiner as provided by Subsection (b). If neither party makes a timely rejection, the assignment is final.

(e) After the teacher receives the notice of the proposed action, the parties by agreement may select a hearing examiner from the list maintained by the commissioner under Subsection (a) or a person who is not certified to serve as a hearing examiner. A person who is not a certified hearing examiner may be selected only if the person is licensed to practice law in this state. If the parties agree on a hearing examiner, the parties shall, before the date the commissioner is permitted to assign a hearing examiner, notify the commissioner in writing of the agreement, including the name of the hearing examiner selected.

(f) After the teacher receives the notice of the proposed action, the teacher and the district may agree in writing that the decision of the hearing examiner will be final and nonappealable on all or some issues.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 13, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 902, Sec. 2, eff. June 20, 2003.

Sec. 21.255. HEARINGS BEFORE HEARING EXAMINER. (a) The hearing examiner may issue subpoenas at the request of either party for the attendance of witnesses and the production of documents at the hearing and may administer oaths, rule on motions and the admissibility of evidence, maintain decorum by closing the hearing or taking other appropriate action, schedule and recess the proceedings, and make any other orders as provided by rules adopted by the commissioner. The hearing examiner may issue a subpoena for the attendance of a person who is not an employee of the district only if the party requesting the issuance of the subpoena shows good cause for the subpoena. The hearing must be held within the geographical boundaries of the school district or at the regional education service center that serves the district.

(b) A hearing examiner may allow either party to take one or more depositions or to use other means of discovery before the hearing. The hearing examiner, at the request of either party, may issue subpoenas for the attendance of witnesses and the production of documents at the deposition. The hearing examiner may issue a subpoena for the deposition of any person who is not an employee of the district only if the party requesting the issuance of the subpoena shows good cause for the subpoena. The deposition must be held within the geographical boundaries of the school district or at the regional education service center that serves the district.

(c) A procedure specified in this section may be changed or eliminated by written agreement of the teacher and the school district after the teacher receives the written notice of the proposed action.

(d) If the hearing examiner is unable to continue presiding over a case at any time before issuing a recommendation or decision, the parties shall request the assignment of another hearing examiner under Section 21.254 who, after a review of the record, shall perform any remaining functions without the necessity of repeating any previous proceedings.

(e) The school district shall bear the cost of the services of the hearing examiner and certified shorthand reporter at the hearing and the production of any original hearing transcript. Each party shall bear its respective costs, including the cost of discovery, if any, and attorney's fees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.256. CONDUCT OF HEARING. (a) A hearing under this subchapter must be private unless the teacher requests in writing that the hearing be public, except that a hearing examiner may close a hearing if necessary to maintain decorum.

(b) The hearing is not subject to Chapter 2001, Government Code.

(c) At the hearing, a teacher has the right to:

(1) be represented by a representative of the teacher's choice;

(2) hear the evidence on which the charges are based;

(3) cross-examine each adverse witness; and

(4) present evidence.

(d) The Texas Rules of Evidence apply at the hearing. A certified shorthand reporter shall record the hearing.

(e) The hearing shall be conducted in the same manner as a trial without a jury in a district court of this state. The hearing examiner's findings of fact and conclusions of law shall be presumed to be based only on admissible evidence.

(f) To protect the privacy of a witness who is a child, the hearing examiner may:

(1) close the hearing to receive the testimony of the witness; or

(2) order that the testimony or a statement of the witness be presented using the procedures prescribed by Article 38.071, Code of Criminal Procedure.

(g) An evaluation or appraisal of the teacher is presumed to be admissible at the hearing.

(h) At the hearing, the school district has the burden of proof by a preponderance of the evidence.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 5.003, eff. September 1, 2005.

Sec. 21.257. RECOMMENDATION OF HEARING EXAMINER. (a) Not

later than the 60th day after the date on which the commissioner receives a teacher's written request for a hearing, the hearing examiner shall complete the hearing and make a written recommendation that:

(1) includes proposed findings of fact and conclusions of law; and

(2) may include a proposal for granting relief.

(a-1) A determination by the hearing examiner regarding good cause for the suspension of a teacher without pay or the termination of a probationary, continuing, or term contract is a conclusion of law and may be adopted, rejected, or changed by the board of trustees or board subcommittee as provided by Section 21.259(b).

(b) The proposed relief under Subsection (a)(2) may include reinstatement, back pay, or employment benefits but may not include attorney's fees or other costs associated with the hearing or appeals from the hearing.

(c) The parties may agree in writing to extend by not more than 45 days the right to a recommendation by the date prescribed by Subsection (a). A hearing under this section may not be held on a Saturday, Sunday, or a state or federal holiday, unless all parties agree.

(d) The hearing examiner shall send a copy of the recommendation to each party, the president of the board of trustees, and the commissioner.

(e) A hearing examiner who fails to timely issue a written recommendation or decision may not be assigned by the commissioner to conduct additional hearings for a period not to exceed one year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 14, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 902, Sec. 3, eff. June 20, 2003. Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 13, eff. September 28, 2011.

Sec. 21.258. CONSIDERATION OF RECOMMENDATION BY BOARD OF TRUSTEES OR BOARD SUBCOMMITTEE. (a) The board of trustees or a subcommittee designated by the board shall consider the recommendation and record of the hearing examiner at the first board

meeting for which notice can be posted in compliance with Chapter 551, Government Code, following the issuance of the recommendation. The meeting must be held not later than the 20th day after the date that the president of the board receives the hearing examiner's recommendation and the record of the hearing.

(b) At the meeting, the board of trustees or board subcommittee shall consider the hearing examiner's recommendation and shall allow each party to present an oral argument to the board or subcommittee. The board by written policy may limit the amount of time for oral argument. The policy must provide equal time for each party.

(c) The board of trustees or board subcommittee may obtain advice concerning legal matters from an attorney who has not been involved in the proceedings.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.259. DECISION OF BOARD OF TRUSTEES OR BOARD SUBCOMMITTEE. (a) Not later than the 10th day after the date of the board meeting under Section 21.258, the board of trustees or board subcommittee shall announce a decision that:

(1) includes findings of fact and conclusions of law; and

(2) may include a grant of relief.

(b) The board of trustees or board subcommittee may adopt, reject, or change the hearing examiner's:

(1) conclusions of law, including a determination regarding good cause for suspension without pay or termination; or

(2) proposal for granting relief.

(c) The board of trustees or board subcommittee may reject or change a finding of fact made by the hearing examiner only after reviewing the record of the proceedings before the hearing examiner and only if the finding of fact is not supported by substantial evidence.

(d) The board of trustees or board subcommittee shall state in writing the reason and legal basis for a change or rejection made under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 14, eff. September 28, 2011.

Sec. 21.260. RECORDING OF BOARD MEETING AND ANNOUNCEMENT. A certified shorthand reporter shall record the oral argument under Section 21.258 and the announcement of the decision under Section 21.259. The school district shall bear the cost of the services of the certified shorthand reporter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. APPEALS TO COMMISSIONER OF EDUCATION

Sec. 21.301. APPEAL TO COMMISSIONER. (a) Not later than the 20th day after the date the board of trustees or board subcommittee announces its decision under Section 21.259 or the board advises the teacher of its decision not to renew the teacher's contract under Section 21.208, the teacher may appeal the decision by filing a petition for review with the commissioner.

(b) The school district must file a response not later than the 20th day after the date the petition for review is filed. The record of the local hearing must be filed with the district's response or be filed alone within the period for a response if the district does not file a response. A school district's filing of the record with the commissioner under this subsection is not an offense under Section 551.146, Government Code.

(c) The commissioner shall review the record of the hearing before the hearing examiner and the oral argument before the board of trustees or board subcommittee. Except as provided in Section 21.302, the commissioner shall consider the appeal solely on the basis of the local record and may not consider any additional evidence or issue. The commissioner, on the motion of a party or on the commissioner's motion, may hear oral argument. The commissioner shall accept written argument.

(d) In conducting a hearing under this section, the commissioner has the same authority relating to discovery and conduct of a hearing as a hearing examiner has under Subchapter F.

(e) The commissioner may adopt rules governing the conduct of an appeal to the commissioner. An appeal to the commissioner under this section is not subject to Chapter 2001, Government Code.

(f) The commissioner may obtain advice concerning legal matters

from the chief legal officer of the agency if the chief legal officer has not been involved in the proceedings.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 895, Sec. 2, eff. June 14, 2001.

Sec. 21.302. EVIDENTIARY HEARING BEFORE COMMISSIONER. (a) If a party alleges that procedural irregularities that are not reflected in the local record occurred at the hearing before the hearing examiner, the commissioner may hold a hearing for the presentation of evidence on that issue. The party alleging that procedural irregularities occurred shall identify the specific alleged defect and its claimed effect on the board's or board subcommittee's decision. The commissioner may make appropriate orders consistent with rules adopted by the commissioner. The commissioner's determination on any alleged procedural irregularities is final and may not be appealed.

(b) A hearing under this section shall be recorded by a certified shorthand reporter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.303. DETERMINATION BY COMMISSIONER. (a) If the board of trustees decided not to renew a teacher's term contract, the commissioner may not substitute the commissioner's judgment for that of the board of trustees unless the decision was arbitrary, capricious, or unlawful or is not supported by substantial evidence.

(b) If the board of trustees terminated a teacher's probationary, continuing, or term contract during the contract term or suspended a teacher without pay, the commissioner may not substitute the commissioner's judgment for that of the board unless:

(1) if the board accepted the hearing examiner's findings of fact without modification, the decision is arbitrary, capricious, or unlawful or is not supported by substantial evidence; or

(2) if the board modified the hearing examiner's findings of fact, the decision is arbitrary, capricious, or unlawful or the hearing examiner's original findings of fact are not supported by substantial evidence.

(c) The commissioner may not reverse a decision of a board of

trustees based on a procedural irregularity or error by a hearing examiner, the board of trustees, or a board subcommittee unless the commissioner determines that the irregularity or error was likely to have led to an erroneous decision by the board or board subcommittee.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.304. DECISION OF COMMISSIONER. (a) The commissioner's decision must be in writing and must include findings of fact and conclusions of law. The commissioner may adopt by reference and incorporate findings of fact or conclusions of law from the local record.

(b) The commissioner must issue a decision not later than the 30th day after the last day on which a response to the petition for review may be filed under Section 21.301(b). If the commissioner fails to issue a decision within that time, the decision of the board is affirmed.

(c) The commissioner shall send a copy of the decision to each party or the party's representative by certified mail. The commissioner shall keep a record of the mailing. A party is presumed to be notified of the decision on the date the decision is received, as indicated by the certified mail return receipt.

(d) The commissioner shall maintain and index decisions of the commissioner issued under this section with the recommendations or decisions of the hearing examiner.

(e) If the commissioner reverses the action of the board of trustees, the commissioner shall order the school district to reinstate the teacher and to pay the teacher any back pay and employment benefits from the time of discharge or suspension to reinstatement.

(f) Instead of reinstating a teacher under Subsection (e), the school district may pay the teacher one year's salary to which the teacher would have been entitled from the date on which the teacher would have been reinstated.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.3041. REHEARING BY COMMISSIONER. (a) Not later than the 20th day after the date the party or the party's representative

receives notice of the commissioner's decision under Section 21.304, the party may file a request for rehearing.

(b) A request for rehearing is not required for a party to appeal the commissioner's decision under Section 21.307.

(c) A request for rehearing is denied by operation of law if the commissioner does not issue an order before the 45th day after the date the party or the party's representative receives notice of the commissioner's decision.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 15, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 902, Sec. 4, eff. June 20, 2003.

Sec. 21.305. COSTS ON APPEAL TO COMMISSIONER. (a) If a teacher appeals the decision of the board of trustees or board subcommittee, the school district shall bear the cost of preparing the original transcripts of:

(1) the hearing before the hearing examiner; and

(2) the oral argument before the board of trustees or board subcommittee.

(b) Each party shall bear the cost of any copy of the transcript requested by that party.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.306. EX PARTE COMMUNICATIONS PROHIBITED. The commissioner and the staff of the agency may not communicate with any party or any party's representative in connection with any issue of fact or law except on notice and opportunity for each party to participate.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.307. JUDICIAL APPEALS. (a) Either party may appeal the commissioner's decision to:

(1) a district court in the county in which the district's central administrative offices are located; or

(2) if agreed by all parties, a district court in Travis County.

(b) An appeal under this section must be perfected not later than the 30th day after:

(1) the date the party or the party's representative receives notice of the commissioner's decision or the date on which the decision of the board of trustees is affirmed by operation of law if the commissioner fails to issue a decision within the required period; or

(2) if a request for rehearing is filed under Section 21.3041, the date on which the request is denied by order of the commissioner or by operation of law under Section 21.3041(c).

(c) The commissioner and each party to the appeal to the commissioner must be made a party to an appeal under this section.

(d) The perfection of an appeal under this section does not affect the enforcement of the commissioner's decision.

(e) The court shall, under the substantial evidence rule, review the evidence on the evidentiary record made at the local level and any evidence taken by the commissioner but may not take additional evidence.

(f) The court may not reverse the decision of the commissioner unless the decision was not supported by substantial evidence or unless the commissioner's conclusions of law are erroneous.

(g) The court may not reverse a decision of the commissioner based on a procedural irregularity or error by a hearing examiner, a board of trustees or board subcommittee, or the commissioner unless the court determines that the irregularity or error was likely to have led to an erroneous decision by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 16, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 902, Sec. 5, eff. June 20, 2003.

SUBCHAPTER H. APPRAISALS AND INCENTIVES

Sec. 21.351. RECOMMENDED APPRAISAL PROCESS AND PERFORMANCE CRITERIA. (a) The commissioner shall adopt a recommended appraisal process and criteria on which to appraise the performance of teachers. The criteria must be based on observable, job-related behavior, including:

(1) teachers' implementation of discipline management procedures; and

(2) the performance of teachers' students.

(b) The commissioner shall solicit and consider the advice of teachers in developing the recommended appraisal process and performance criteria.

(c) Under the recommended appraisal process, an appraiser must be the teacher's supervisor or a person approved by the board of trustees. An appraiser who is a classroom teacher may not appraise the performance of another classroom teacher who teaches at the same school campus at which the appraiser teaches, unless it is impractical because of the number of campuses or unless the appraiser is the chair of a department or grade level whose job description includes classroom observation responsibilities.

(d) Under the recommended appraisal process, appraisal for teachers must be detailed by category of professional skill and characteristic and must provide for separate ratings for each category. The appraisal process shall guarantee a conference between the teacher and the appraiser. The conference shall be diagnostic and prescriptive with regard to remediation needed in overall performance and by category.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.352. LOCAL ROLE. (a) In appraising teachers, each school district shall use:

(1) the appraisal process and performance criteria developed by the commissioner; or

(2) an appraisal process and performance criteria:

(A) developed by the district- and campus-level committees established under Section 11.251;

(B) containing the items described by Sections 21.351(a)(1) and (2); and

(C) adopted by the board of trustees.

(b) The board of trustees may reject an appraisal process and performance criteria developed by the district- and campus-level committees but may not modify the process or criteria.

(c) Except as otherwise provided by this subsection, appraisal must be done at least once during each school year. A teacher may be appraised less frequently if the teacher agrees in writing and the teacher's most recent evaluation rated the teacher as at least

proficient, or the equivalent, and did not identify any area of deficiency. A teacher who is appraised less frequently than annually must be appraised at least once during each period of five school years. The district shall maintain a written copy of the evaluation of each teacher's performance in the teacher's personnel file. Each teacher is entitled to receive a written copy of the evaluation promptly on its completion. After receiving a written copy of the evaluation, a teacher is entitled to a second appraisal by a different appraiser or to submit a written rebuttal to the evaluation to be attached to the evaluation in the teacher's personnel file. The evaluation and any rebuttal may be given to another school district at which the teacher has applied for employment at the request of that district.

(c-1) In addition to conducting a complete appraisal as frequently as required by Subsection (c), a school district shall require that appropriate components of the appraisal process, such as classroom observations and walk-throughs, occur more frequently as necessary to ensure that a teacher receives adequate evaluation and guidance. A school district shall give priority to conducting appropriate components more frequently for inexperienced teachers or experienced teachers with identified areas of deficiency.

(d) A teacher may be given advance notice of the date or time of an appraisal, but advance notice is not required.

(e) A district shall use a teacher's consecutive appraisals from more than one year, if available, in making the district's employment decisions and developing career recommendations for the teacher.

(f) The district shall notify a teacher of the results of any appraisal of the teacher in a timely manner so that the appraisal may be used as a developmental tool by the district and the teacher to improve the overall performance of the teacher.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 244, Sec. 2, eff. June 18, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 6, eff. September 1, 2013.

Sec. 21.353. APPRAISAL ON BASIS OF CLASSROOM TEACHING

PERFORMANCE. A teacher who directs extracurricular activities in addition to performing classroom teaching duties shall be appraised only on the basis of classroom teaching performance and not on performance in connection with the extracurricular activities.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.354. APPRAISAL OF CERTAIN ADMINISTRATORS. (a) The commissioner shall adopt a recommended appraisal process and criteria on which to appraise the performance of various classifications of school administrators. The criteria must be based on job-related performance.

(a-1) This section does not apply to the appraisal of the performance of a principal.

(b) The commissioner may solicit and consider the advice of teachers and administrators in developing the appraisal process and performance criteria.

(c) Each school district shall appraise each administrator annually using either:

(1) the commissioner's recommended appraisal process and performance criteria; or

(2) an appraisal process and performance criteria:

(A) developed by the district in consultation with the district- and campus-level committees established under Section 11.251; and

(B) adopted by the board of trustees.

(d) Funds of a school district may not be used to pay an administrator who has not been appraised under this section in the preceding 15 months.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1093, Sec. 5, eff. June 17, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 21, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1093 (S.B. 1383), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1093 (S.B. 1383), Sec. 2, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1093 (S.B. 1383), Sec. 5, eff. June 17, 2011.

Sec. 21.3541. APPRAISAL AND PROFESSIONAL DEVELOPMENT SYSTEM FOR PRINCIPALS. (a) The commissioner by rule shall establish and shall administer a comprehensive appraisal and professional development system for principals.

(b) The commissioner may establish a consortium of nationally recognized experts on educational leadership and policy to:

(1) assist the commissioner in effectively researching and developing the comprehensive appraisal and professional development system described by Subsection (a); and

(2) evaluate relevant research and practices and make recommendations to the commissioner to improve the quality of the training, appraisal, professional development, and compensation of principals.

(c) If the commissioner establishes the consortium, the commissioner shall select a presiding officer of the consortium. The presiding officer:

(1) must be an expert on educational leadership and policy;

(2) must have a demonstrated ability to lead a statewide school leadership reform initiative; and

(3) may not be employed by a school district in this state.

(d) The commissioner shall establish school leadership standards and a set of indicators of successful school leadership to align with the training, appraisal, and professional development of principals.

(e) In carrying out the commissioner's powers and duties under this section, the commissioner may use only money available from private sources that may be used for that purpose.

(f) In appraising principals, each school district shall use either:

(1) the appraisal system and school leadership standards and indicators developed or established by the commissioner under this section; or

(2) an appraisal process and performance criteria:

(A) developed by the district in consultation with the district-level and campus-level committees established under Section 11.251; and

(B) adopted by the board of trustees.

(g) Each school district shall appraise each principal annually.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1093 (S.B. 1383), Sec. 3, eff. June 17, 2011.

Sec. 21.355. CONFIDENTIALITY. (a) A document evaluating the performance of a teacher or administrator is confidential.

(b) Subsection (a) applies to a teacher or administrator employed by an open-enrollment charter school regardless of whether the teacher or administrator is certified under Subchapter B.

(c) At the request of a school district or open-enrollment charter school at which a teacher or administrator has applied for employment, an open-enrollment charter school may give the requesting district or school a document evaluating the performance of a teacher or administrator employed by the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1305 (H.B. 2971), Sec. 1, eff. June 17, 2011.

Sec. 21.356. EVALUATION OF SCHOOL COUNSELORS. The commissioner shall develop and periodically update a job description and an evaluation form for use by school districts in evaluating school counselors. The commissioner shall consult with state guidance counselor associations in the development and modification of the job description and the evaluation form.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.357. PERFORMANCE INCENTIVES. (a) The commissioner shall design an objective system to evaluate principals that:

(1) is based on types of information available as of January 1, 1995, through the Public Education Information Management System (PEIMS) and the state's public school accountability system;

(2) focuses on gain at a principal's campus and includes a

statistical analysis comparing current campus performance to previous performance; and

(3) does not include subjective items.

(b) From funds appropriated for that purpose, the commissioner may award performance incentives to principals identified through the evaluation system as high-performing. Based on available appropriations, for each fiscal year, a performance incentive may not exceed:

(1) $5,000, for a principal ranked in the top quartile; or

(2) $2,500, for a principal ranked in the second quartile.

(c) A performance incentive awarded to a principal under this section must be distributed to the principal's school and used in the manner determined by the campus-level committee established under Section 11.253 in accordance with the requirements of Section 39.264(a).

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(8), eff. June 17, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 824, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 22, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(8), eff. June 17, 2011.

SUBCHAPTER I. DUTIES AND BENEFITS

Sec. 21.401. MINIMUM SERVICE REQUIRED. (a) A contract between a school district and an educator must be for a minimum of 10 months' service.

(a-1) to (a-4) Expired.

(b) An educator employed under a 10-month contract must provide a minimum of 187 days of service.

(c) The commissioner, as provided by Section 25.081(b), may reduce the number of days of service required by this section. A reduction by the commissioner does not reduce an educator's salary.

(d) Subsections (a) and (b) do not apply to a contract between a school district and an educational diagnostician.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 1997, 75th Leg., ch. 592, Sec. 1.05, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 949, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.30, eff. Sept. 1, 1999.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 82 (S.B. 158), Sec. 2, eff. September 1, 2007.

Sec. 21.402. MINIMUM SALARY SCHEDULE FOR CERTAIN PROFESSIONAL STAFF.

Text of subsection effective on September 1, 2017

(a) Except as provided by Subsection (e-1) or (f), a school district must pay each classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, or full-time school nurse not less than the minimum monthly salary, based on the employee's level of experience in addition to other factors, as determined by commissioner rule, determined by the following formula:

$$MS = SF \times FS$$

where:

"MS" is the minimum monthly salary;

"SF" is the applicable salary factor specified by Subsection (c); and

"FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 42.101(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 42.101(a).

Text of subsection effective until September 1, 2017

(a) Except as provided by Subsection (f), a school district must pay each classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, or full-time school nurse not less than the minimum monthly salary, based on the employee's level of experience in addition to other factors, as determined by commissioner rule, determined by the following formula:

$$MS = SF \times FS$$

where:

"MS" is the minimum monthly salary;

"SF" is the applicable salary factor specified by Subsection

(c); and

"FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 42.101(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 42.101(a).

(b) Not later than June 1 of each year, the commissioner shall determine the basic allotment and resulting monthly salaries to be paid by school districts as provided by Subsection (a).

(c) The salary factors per step are as follows:

Years Experience	0	1	2	3	4
Salary Factor	.546484	.558269	.569806	.581604	.606064

Years Experience	5	6	7	8	9
Salary Factor	.631202	.656000	.679008	.700008	.721004

Years Experience	10	11	12	13	14
Salary Factor	.740808	.759208	.776808	.793006	.808006

Years Experience	15	16	17	18	19
Salary Factor	.823202	.837202	.850202	.862606	.874004

Years Experience	20 and over
Salary Factor	.885 4

(c-1) Notwithstanding Subsections (a) and (b), each school district shall pay a monthly salary to each classroom teacher, full-time speech pathologist, full-time librarian, full-time school counselor certified under Subchapter B, and full-time school nurse

that is at least equal to the following monthly salary or the monthly salary determined by the commissioner under Subsections (a) and (b), whichever is greater:

Years of Experience	Monthly Salary
0	2,732
1	2,791
2	2,849
3	2,908
4	3,032
5	3,156
6	3,280
7	3,395
8	3,504
9	3,607
10	3,704
11	3,796
12	3,884
13	3,965
14	4,043
15	4,116
16	4,186
17	4,251
18	4,313
19	4,372
20 & Over	4,427

(c-2) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.31(1), eff. September 28, 2011.

(d) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 8, Sec. 21(2), eff. September 28, 2011.

(c-3) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.31(1), eff. September 28, 2011.

(e) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.31(1), eff. September 28, 2011.

Text of subsection effective on September 1, 2017

(e-1) If the minimum monthly salary determined under Subsection (a) for a particular level of experience is less than the minimum monthly salary for that level of experience in the preceding year, the minimum monthly salary is the minimum monthly salary for the

preceding year.

(f) Notwithstanding Subsection (a), a teacher or librarian who received a career ladder supplement on August 31, 1993, is entitled to at least the same gross monthly salary the teacher or librarian received for the 1994-1995 school year as long as the teacher or librarian is employed by the same district.

(g) The commissioner may adopt rules to govern the application of this section, including rules that:

(1) require the payment of a minimum salary under this section to a person employed in more than one capacity for which a minimum salary is provided and whose combined employment in those capacities constitutes full-time employment; and

(2) specify the credentials a person must hold to be considered a speech pathologist or school nurse under this section.

(h) In this section, "gross monthly salary" must include the amount a teacher or librarian received that represented a career ladder salary supplement under Section 16.057, as that section existed January 1, 1993.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 592, Sec. 1.06, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.30, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1156, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1187, Sec. 2.01, eff. Sept. 1, 2001.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.05, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 9, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.04, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.05, eff. September 1, 2017.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.31(1), eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 15, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 21(2), eff. September 28, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 11, eff.

June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 12, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 13, eff. June 14, 2013.

Sec. 21.4021. FURLOUGHS. (a) Notwithstanding Section 21.401 and subject to Section 21.4022, the board of trustees of a school district may, in accordance with district policy, implement a furlough program and reduce the number of days of service otherwise required under Section 21.401 by not more than six days of service during a school year if the commissioner certifies in accordance with Section 42.009 that the district will be provided with less state and local funding for that year than was provided to the district for the 2010-2011 school year.

(b) Notwithstanding Section 21.402, the board of trustees may reduce the salary of an employee who is furloughed in proportion to the number of days by which service is reduced, provided that the furlough program is implemented in compliance with this section.

(b-1) A furlough program must subject all contract personnel to the same number of furlough days.

(c) An educator may not be furloughed on a day that is included in the number of days of instruction required under Section 25.081.

(d) An educator may not use personal, sick, or any other paid leave while the educator is on a furlough.

(e) A furlough imposed under this section does not constitute a break in service for purposes of the Teacher Retirement System of Texas. A furlough day does not constitute a day of service for purposes of the Teacher Retirement System of Texas.

(f) Implementation of a furlough program may not result in an increase in the number of required teacher workdays.

(g) If a board of trustees adopts a furlough program after the date by which a teacher must give notice of resignation under Section 21.105, 21.160, or 21.210, as applicable, a teacher who subsequently resigns is not subject to sanctions imposed by the State Board for Educator Certification as otherwise authorized by those sections.

(h) A decision by the board of trustees to implement a furlough program:

(1) is final and may not be appealed; and

(2) does not create a cause of action or require collective bargaining.

(i) Any reduction under this section in the amount of the annual salary paid to an employee must be equally distributed over the course of the employee's current contract with the school district.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 16, eff. September 28, 2011.

Sec. 21.4022. REQUIRED PROCESS FOR DEVELOPMENT OF FURLOUGH PROGRAM OR OTHER SALARY REDUCTION PROPOSAL. (a) The board of trustees of a school district may not implement a furlough program under Section 21.4021 or reduce salaries until the district has complied with this section.

(b) A school district must use a process to develop a furlough program or other salary reduction proposal, as applicable, that:

(1) includes the involvement of the district's professional staff; and

(2) provides district employees with the opportunity to express opinions regarding the furlough program or salary reduction proposal, as applicable, at the public meeting required by Subsection (c).

(c) The board of trustees must hold a public meeting at which the board and school district administration present:

(1) information regarding the options considered for managing the district's available resources, including consideration of a tax rate increase and use of the district's available fund balance;

(2) an explanation of how the district intends, through implementation of a furlough program under Section 21.4021 or through other salary reductions, as applicable, to limit the number of district employees who will be discharged or whose contracts will not be renewed; and

(3) information regarding the local option residence homestead exemption.

(d) Any explanation of a furlough program under Subsection (c)(2) must state the specific number of furlough days proposed to be required.

(e) The public and school district employees must be provided with an opportunity to comment at the public meeting required under Subsection (c).

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 16, eff. September 28, 2011.

Sec. 21.403. PLACEMENT ON MINIMUM SALARY SCHEDULE. (a) A teacher, librarian, school counselor, or nurse shall advance one step on the minimum salary schedule under Section 21.402 for each year of experience as a teacher, librarian, school counselor, or nurse until step 20 is reached.

(b) For each year of work experience required for certification in a career or technological field, up to a maximum of two years, a certified career or technology education teacher is entitled to salary step credit as if the work experience were teaching experience.

(c) The commissioner shall adopt rules for determining the experience for which a teacher, librarian, school counselor, or nurse is to be given credit in placing the teacher, librarian, school counselor, or nurse on the minimum salary schedule. A district shall credit the teacher, librarian, school counselor, or nurse for each year of experience without regard to whether the years are consecutive.

(d) As long as a teacher or librarian who received a career ladder supplement is employed by the same school district, the teacher or librarian is entitled to:

(1) placement on the minimum salary schedule at the step above the step on which the teacher would otherwise be placed, if the teacher or librarian received a career ladder supplement for level two of the career ladder on August 31, 1993; or

(2) placement on the minimum salary schedule at the step two steps above the step on which the teacher would otherwise be placed, if the teacher or librarian received a career ladder supplement for level three of the career ladder on August 31, 1993.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 921, Sec. 1, eff. June 18, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.31, eff. Sept. 1, 1999. Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 14, eff. June 14, 2013.

Sec. 21.4031. PROFESSIONAL STAFF SERVICE RECORDS. (a) In this section:

(1) "Salary schedule" means the minimum salary schedule under Section 21.402 or a comparable salary schedule used by a school district that specifies salary amounts based on an employee's level of experience.

(2) "Service record" means a school district document that indicates the total years of service provided to the district by a classroom teacher, librarian, school counselor, or nurse.

(b) On request by a classroom teacher, librarian, school counselor, or nurse or by the school district employing one of those individuals, a school district that previously employed the individual shall provide a copy of the individual's service record to the school district employing the individual. The district must provide the copy not later than the 30th day after the later of:

(1) the date the request is made; or

(2) the date of the last day of the individual's service to the district.

(c) If a school district fails to provide an individual's service record as required by Subsection (b), the agency shall, to the extent that information is available to the agency, provide the employing school district with information sufficient to enable the district to determine proper placement of the individual on the district's salary schedule.

Added by Acts 2009, 81st Leg., R.S., Ch. 370 (H.B. 1365), Sec. 1, eff. June 19, 2009.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 15, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 16, eff. June 14, 2013.

Sec. 21.4032. REDUCTIONS IN SALARIES OF CLASSROOM TEACHERS AND ADMINISTRATORS. (a) This section applies only to a widespread

reduction in the amount of the annual salaries paid to school district classroom teachers based primarily on district financial conditions rather than on teacher performance.

(b) For any school year in which a school district has reduced the amount of the annual salaries paid to district classroom teachers from the amount paid for the preceding school year, the district shall reduce the amount of the annual salary paid to each district administrator or other professional employee by a percent or fraction of a percent that is equal to the average percent or fraction of a percent by which teacher salaries have been reduced.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 16, eff. September 28, 2011.

Sec. 21.404. PLANNING AND PREPARATION TIME. Each classroom teacher is entitled to at least 450 minutes within each two-week period for instructional preparation, including parent-teacher conferences, evaluating students' work, and planning. A planning and preparation period under this section may not be less than 45 minutes within the instructional day. During a planning and preparation period, a classroom teacher may not be required to participate in any other activity.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.405. DUTY-FREE LUNCH. (a) Except as provided by Subsection (c), each classroom teacher or full-time librarian is entitled to at least a 30-minute lunch period free from all duties and responsibilities connected with the instruction and supervision of students. Each school district may set flexible or rotating schedules for each classroom teacher or full-time librarian in the district for the implementation of the duty-free lunch period.

(b) The implementation of this section may not result in a lengthened school day.

(c) If necessary because of a personnel shortage, extreme economic conditions, or an unavoidable or unforeseen circumstance, a school district may require a classroom teacher or librarian entitled to a duty-free lunch to supervise students during lunch. A classroom teacher or librarian may not be required to supervise students under

this subsection more than one day in any school week. The commissioner by rule shall prescribe guidelines for determining what constitutes a personnel shortage, extreme economic conditions, or an unavoidable or unforeseen circumstance for purposes of this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.406. DENIAL OF COMPENSATION BASED ON ABSENCE FOR RELIGIOUS OBSERVANCE PROHIBITED. A school district may not deny an educator a salary bonus or similar compensation given in whole or in part on the basis of educator attendance because of the educator's absence from school for observance of a holy day observed by a religion whose places of worship are exempt from property taxation under Section 11.20, Tax Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.407. REQUIRING OR COERCING TEACHERS TO JOIN GROUPS, CLUBS, COMMITTEES, OR ORGANIZATIONS: POLITICAL AFFAIRS. (a) A school district board of trustees or school district employee may not directly or indirectly require or coerce any teacher to join any group, club, committee, organization, or association.

(b) A school district board of trustees or school district employee may not directly or indirectly coerce any teacher to refrain from participating in political affairs in the teacher's community, state, or nation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.408. RIGHT TO JOIN OR NOT TO JOIN PROFESSIONAL ASSOCIATION. This chapter does not abridge the right of an educator to join any professional association or organization or refuse to join any professional association or organization.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.409. LEAVE OF ABSENCE FOR TEMPORARY DISABILITY. (a) Each full-time educator employed by a school district shall be given a leave of absence for temporary disability at any time the educator's condition interferes with the performance of regular duties. The contract or employment of the educator may not be terminated by the school district while the educator is on a leave of absence for temporary disability. "Temporary disability" in this section includes the condition of pregnancy.

(b) A request for a leave of absence for temporary disability must be made to the superintendent of the school district. The request must be accompanied by a physician's statement confirming inability to work and must state the date requested by the educator for the leave to begin and the probable date of return as certified by the physician.

(c) The board of trustees of a school district may adopt a policy providing for placing an educator on leave of absence for temporary disability if, in the board's judgment and in consultation with a physician who has performed a thorough medical examination of the educator, the educator's condition interferes with the performance of regular duties. A policy adopted under this subsection must reserve to the educator the right to present to the board testimony or other information relevant to the educator's fitness to continue the performance of regular duties.

(d) The educator must notify the superintendent of the desire to return to active duty not later than the 30th day before the expected date of return. The notice must be accompanied by a physician's statement indicating the educator's physical fitness for the resumption of regular duties.

(e) An educator returning to active duty after a leave of absence for temporary disability is entitled to an assignment at the school where the educator formerly taught, subject to the availability of an appropriate teaching position. In any event, the educator must be placed on active duty not later than the beginning of the next term.

(f) The length of a leave of absence for temporary disability shall be granted by the superintendent as required by the individual educator. The board of trustees of a school district may establish a maximum length for a leave of absence for temporary disability, but the maximum length may not be less than 180 days.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.410. MASTER READING TEACHER GRANT PROGRAM. (a) The commissioner shall establish a master reading teacher grant program to encourage teachers to:

(1) become certified as master reading teachers; and

(2) work with other teachers and with students in order to improve student reading performance.

(b) From funds appropriated for the purpose, the commissioner shall make grants to school districts as provided by this section to pay stipends to selected certified master reading teachers who teach at high-need campuses.

(c) The commissioner shall annually identify each high-need campus in a school district using criteria established by the commissioner by rule, including performance on the reading assessment instrument administered under Section 39.023. The commissioner shall also use the criteria to rank campuses in order of greatest need.

(d) A school district may apply to the commissioner for grants for each high-need campus identified by the commissioner to be used to pay stipends to certified master reading teachers in accordance with this section. Unless reduced under Subsection (g) or (i), each grant is in the amount of $5,000. The commissioner shall approve the application if the district:

(1) applies within the period and in the manner required by rule adopted by the commissioner; and

(2) agrees to use each grant only for the purpose of paying a year-end stipend to a master reading teacher:

(A) who holds a certificate issued under Section 21.0481;

(B) who teaches in a position prescribed by the district at a high-need campus identified by the commissioner;

(C) whose primary duties include:

(i) teaching reading; and

(ii) serving as a reading teaching mentor to other teachers for the amount of time and in the manner established by the district and by rule adopted by the commissioner; and

(D) who satisfies any other requirements established by rule adopted by the commissioner.

(e) Unless reduced under Subsection (g) or (i), a stipend under

Subsection (d)(2) is in the amount of $5,000.

(f) The commissioner shall adopt rules for the distribution of grants to school districts following the year of the initial grant. A district that has been approved for a grant to pay a stipend to a certified master reading teacher is not required to reapply for a grant for two consecutive school years following the year of the intitial grant if the district:

(1) continues to pay a stipend as provided by Subsection (g); and

(2) notifies the commissioner in writing, within the period and in the manner prescribed by the commissioner, that the circumstances on which the grant was based have not changed.

(g) The commissioner shall reduce payments to a school district proportionately to the extent a teacher does not meet the requirements under Subsection (d)(2) for the entire school year. A district that employs more certified master reading teachers than the number of grants available under this section shall select the certified master reading teachers to whom to pay stipends based on a policy adopted by the board of trustees of the district, except that a district shall pay a stipend for two additional consecutive school years to a teacher the district has selected for and paid a stipend for a school year, who remains eligible for a stipend under Subsection (d)(2), and for whom the district receives a grant under this section for those years. A decision of the district under this subsection is final and may not be appealed. The district may not apportion among teachers a stipend paid for with a grant the district receives under this section. The district may use local money to pay additional stipends in amounts determined by the district.

(h) A grant a school district receives under this section is in addition to any funding the district receives under Chapter 42. The commissioner shall distribute funds under this section with the Foundation School Program payment to which the district is entitled as soon as practicable after the end of the school year as determined by the commissioner. A district to which Chapter 41 applies is entitled to the grants paid under this section. The commissioner shall determine the timing of the distribution of grants to a district that does not receive Foundation School Program payments.

(i) This section does not create a property right to a grant or stipend. A school district is entitled to a grant to carry out the purposes of this section only to the extent the commissioner makes

the grant in accordance with this section and only to the extent sufficient state funds are appropriated for those purposes. If state funds are appropriated but are insufficient to fully fund a grant, the commissioner shall reduce the grant paid to each district and the district shall reduce the stipend the district pays to each teacher under this section proportionately so that each selected teacher receives the same amount of money.

(j) A decision of the commissioner concerning the amount of money to which a school district is entitled under this section is final and may not be appealed. Each district shall, in the manner and at the time prescribed by the commissioner, provide to the commissioner proof acceptable to the commissioner of the master reading teacher certification of a teacher to whom the district is paying a stipend under this section.

(k) The commissioner may audit the expenditure of money appropriated for purposes of this section. A district's use of the money appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

(l) A stipend a teacher receives under this section is not considered in determining whether the district is paying the teacher the minimum monthly salary under Section 21.402.

(m) The commissioner may adopt other rules as necessary to implement this section.

Added by Acts 1999, 76th Leg., ch. 931, Sec. 1, eff. Aug. 30, 1999.

Sec. 21.411. MASTER MATHEMATICS TEACHER GRANT PROGRAM. (a) The commissioner shall establish a master mathematics teacher grant program to encourage teachers to:

(1) become certified as master mathematics teachers; and

(2) work with other teachers and with students in order to improve student mathematics performance.

(b) From funds appropriated for the purpose, the commissioner shall make grants to school districts as provided by this section to pay stipends to selected certified master mathematics teachers who teach at high-need campuses.

(c) The commissioner shall annually identify each high-need campus in a school district using criteria established by the commissioner by rule, including performance on the mathematics

assessment instrument administered under Section 39.023. The commissioner shall also use the criteria to rank campuses in order of greatest need.

(d) A school district may apply to the commissioner for grants for each high-need campus identified by the commissioner to be used to pay stipends to certified master mathematics teachers in accordance with this section. Unless reduced under Subsection (g) or (i), each grant is in the amount of $5,000. The commissioner shall approve the application if the district:

(1) applies within the period and in the manner required by rule adopted by the commissioner; and

(2) agrees to use each grant only for the purpose of paying a year-end stipend to a master mathematics teacher:

(A) who holds the appropriate certificate issued under Section 21.0482;

(B) who teaches in a position prescribed by the district at a high-need campus identified by the commissioner;

(C) whose primary duties include:

(i) teaching mathematics; and

(ii) serving as a mathematics teaching mentor to other teachers for the amount of time and in the manner established by the district and by rule adopted by the commissioner; and

(D) who satisfies any other requirements established by rule adopted by the commissioner.

(e) Unless reduced under Subsection (g) or (i), a stipend under Subsection (d)(2) is in the amount of $5,000.

(f) The commissioner shall adopt rules for the distribution of grants to school districts following the year of the initial grant. A district that has been approved for a grant to pay a stipend to a certified master mathematics teacher is not required to reapply for a grant for two consecutive school years following the year of the initial grant if the district:

(1) continues to pay a stipend as provided by Subsection (g); and

(2) notifies the commissioner in writing, within the period and in the manner prescribed by the commissioner, that the circumstances on which the grant was based have not changed.

(g) The commissioner shall reduce payments to a school district proportionately to the extent a teacher does not meet the requirements under Subsection (d)(2) for the entire school year. A

district that employs more certified master mathematics teachers than the number of grants available under this section shall select the certified master mathematics teachers to whom to pay stipends based on a policy adopted by the board of trustees of the district, except that a district shall pay a stipend for two additional consecutive school years to a teacher the district has selected for and paid a stipend for a school year, who remains eligible for a stipend under Subsection (d)(2), and for whom the district receives a grant under this section for those years. A decision of the district under this subsection is final and may not be appealed. The district may not apportion among teachers a stipend paid for with a grant the district receives under this section. The district may use local money to pay additional stipends in amounts determined by the district.

(h) A grant a school district receives under this section is in addition to any funding the district receives under Chapter 42. The commissioner shall distribute funds under this section with the Foundation School Program payment to which the district is entitled as soon as practicable after the end of the school year as determined by the commissioner. A district to which Chapter 41 applies is entitled to the grants paid under this section. The commissioner shall determine the timing of the distribution of grants to a district that does not receive Foundation School Program payments.

(i) This section does not create a property right to a grant or stipend. A school district is entitled to a grant to carry out the purposes of this section only to the extent the commissioner makes the grant in accordance with this section and only to the extent sufficient state funds are appropriated for those purposes. If state funds are appropriated but are insufficient to fully fund a grant, the commissioner shall reduce the grant paid to each district and the district shall reduce the stipend the district pays to each teacher under this section proportionately so that each selected teacher receives the same amount of money.

(j) A decision of the commissioner concerning the amount of money to which a school district is entitled under this section is final and may not be appealed. Each district shall, in the manner and at the time prescribed by the commissioner, provide to the commissioner proof acceptable to the commissioner of the master mathematics teacher certification of a teacher to whom the district is paying a stipend under this section.

(k) The commissioner may audit the expenditure of money

appropriated for purposes of this section. A district's use of the money appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

(l) A stipend a teacher receives under this section is not considered in determining whether the district is paying the teacher the minimum monthly salary under Section 21.402.

(m) The commissioner may adopt other rules as necessary to implement this section.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 5, eff. Sept. 1, 2001.

Sec. 21.412. MASTER TECHNOLOGY TEACHER GRANT PROGRAM. (a) The commissioner shall establish a master technology teacher grant program to encourage teachers to:

(1) become certified as master technology teachers; and

(2) work with other teachers and with students in order to increase the use of technology in each classroom.

(b) From funds appropriated for the purpose, the commissioner shall make grants to school districts as provided by this section to pay stipends to selected certified master technology teachers. The commissioner shall give preference to teachers who teach at high-need campuses.

(c) The commissioner shall annually identify each high-need campus in a school district using criteria established by the commissioner by rule. The commissioner shall also use the criteria to rank campuses in order of greatest need.

(d) A school district may apply to the commissioner for grants to be used to pay stipends to certified master technology teachers in accordance with this section. Unless reduced under Subsection (g) or (i), each grant is in the amount of $5,000. The commissioner shall approve the application if the district:

(1) applies within the period and in the manner required by rule adopted by the commissioner; and

(2) agrees to use each grant only for the purpose of paying a year-end stipend to a master technology teacher:

(A) who holds a certificate issued under Section 21.0483;

(B) who teaches in a position prescribed by the district;

(C) whose primary duties include serving as a technology training mentor to other teachers for the amount of time and in the manner established by the district and by rule adopted by the commissioner; and

(D) who satisfies any other requirements established by rule adopted by the commissioner.

(e) Unless reduced under Subsection (g) or (i), a stipend under Subsection (d)(2) is in the amount of $5,000.

(f) The commissioner shall adopt rules for the distribution of grants to school districts in years following the year of the initial grant. A district that has been approved for a grant to pay a stipend to a certified master technology teacher is not required to reapply for a grant for two consecutive school years following the year of the initial grant if the district:

(1) continues to pay a stipend as provided by Subsection (g); and

(2) notifies the commissioner in writing, within the period and in the manner prescribed by the commissioner, that the circumstances on which the grant was based have not changed.

(g) The commissioner shall reduce payments to a school district proportionately to the extent a teacher does not meet the requirements under Subsection (d)(2) for the entire school year. A district that employs more certified master technology teachers than the number of grants available under this section shall select the certified master technology teachers to whom to pay stipends based on a policy adopted by the board of trustees of the district, except that a district shall pay a stipend for two additional consecutive school years to a teacher the district has selected for and paid a stipend for a school year, who remains eligible for a stipend under Subsection (d)(2), and for whom the district receives a grant under this section for those years. A decision of the district under this subsection is final and may not be appealed. The district may not apportion among teachers a stipend paid for with a grant the district receives under this section. The district may use local money to pay additional stipends in amounts determined by the district.

(h) A grant a school district receives under this section is in addition to any funding the district receives under Chapter 42. The commissioner shall distribute funds under this section with the Foundation School Program payment to which the district is entitled as soon as practicable after the end of the school year as determined

by the commissioner. A district to which Chapter 41 applies is entitled to the grants paid under this section. The commissioner shall determine the timing of the distribution of grants to a district that does not receive Foundation School Program payments.

(i) This section does not create a property right to a grant or stipend. A school district is entitled to a grant to carry out the purposes of this section only to the extent the commissioner makes the grant in accordance with this section and only to the extent sufficient state funds are appropriated for those purposes. If state funds are appropriated but are insufficient to fully fund a grant, the commissioner shall determine the method of distributing the funds.

(j) A decision of the commissioner concerning the amount of money to which a school district is entitled under this section is final and may not be appealed. Each district shall, in the manner and at the time prescribed by the commissioner, provide to the commissioner proof acceptable to the commissioner of the master technology teacher certification of a teacher to whom the district is paying a stipend under this section.

(k) The commissioner may audit the expenditure of money appropriated for purposes of this section. A district's use of the money appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

(l) A stipend a teacher receives under this section is not considered in determining whether the district is paying the teacher the minimum monthly salary under Section 21.402.

(m) The commissioner may adopt other rules as necessary to implement this section.

Added by Acts 2001, 77th Leg., ch. 1301, Sec. 1, eff. June 16, 2001. Renumbered from Education Code Sec. 21.411 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(13), 3(5), eff. Sept. 1, 2003.

Sec. 21.413. MASTER SCIENCE TEACHER GRANT PROGRAM. (a) The commissioner shall establish a master science teacher grant program to encourage teachers to:

(1) become certified as master science teachers; and

(2) work with other teachers and with students in order to improve student science performance.

(b) From funds appropriated for the purpose, the commissioner shall make grants to school districts as provided by this section to pay stipends to selected certified master science teachers who teach at high-need campuses.

(c) The commissioner shall annually identify each high-need campus in a school district using criteria established by the commissioner by rule, including performance on the science assessment instrument administered under Section 39.023. The commissioner shall also use the criteria to rank campuses in order of greatest need.

(d) A school district may apply to the commissioner for grants for each high-need campus identified by the commissioner to be used to pay stipends to certified master science teachers in accordance with this section. Unless reduced under Subsection (g) or (i), each grant is in the amount of $5,000. The commissioner shall approve the application if the district:

(1) applies within the period and in the manner required by rule adopted by the commissioner; and

(2) agrees to use each grant only for the purpose of paying a year-end stipend to a master science teacher:

(A) who holds the appropriate certificate issued under Section 21.0484;

(B) who teaches in a position prescribed by the district at a high-need campus identified by the commissioner;

(C) whose primary duties include:

(i) teaching science; and

(ii) serving as a science teaching mentor to other teachers for the amount of time and in the manner established by the district and by rule adopted by the commissioner; and

(D) who satisfies any other requirements established by rule adopted by the commissioner.

(e) Unless reduced under Subsection (g) or (i), a stipend under Subsection (d)(2) is in the amount of $5,000.

(f) The commissioner shall adopt rules for the distribution of grants to school districts following the year of the initial grant. A district that has been approved for a grant to pay a stipend to a certified master science teacher is not required to reapply for a grant for two consecutive school years following the year of the initial grant if the district:

(1) continues to pay a stipend as provided by Subsection (g); and

(2) notifies the commissioner in writing, within the period and in the manner prescribed by the commissioner, that the circumstances on which the grant was based have not changed.

(g) The commissioner shall reduce payments to a school district proportionately to the extent a teacher does not meet the requirements under Subsection (d)(2) for the entire school year. A district that employs more certified master science teachers than the number of grants available under this section shall select the certified master science teachers to whom to pay stipends based on a policy adopted by the board of trustees of the district, except that a district shall pay a stipend for two additional consecutive school years to a teacher the district has selected for and paid a stipend for a school year, who remains eligible for a stipend under Subsection (d)(2), and for whom the district receives a grant under this section for those years. A decision of the district under this subsection is final and may not be appealed. The district may not apportion among teachers a stipend paid for with a grant the district receives under this section. The district may use local money to pay additional stipends in amounts determined by the district.

(h) A grant a school district receives under this section is in addition to any funding the district receives under Chapter 42. The commissioner shall distribute funds under this section with the Foundation School Program payment to which the district is entitled as soon as practicable after the end of the school year as determined by the commissioner. A district to which Chapter 41 applies is entitled to the grants paid under this section. The commissioner shall determine the timing of the distribution of grants to a district that does not receive Foundation School Program payments.

(i) This section does not create a property right to a grant or stipend. A school district is entitled to a grant to carry out the purposes of this section only to the extent the commissioner makes the grant in accordance with this section and only to the extent sufficient state funds are appropriated for those purposes. If state funds are appropriated but are insufficient to fully fund a grant, the commissioner shall reduce the grant paid to each district and the district shall reduce the stipend the district pays to each teacher under this section proportionately so that each selected teacher receives the same amount of money.

(j) A decision of the commissioner concerning the amount of money to which a school district is entitled under this section is

final and may not be appealed. Each district shall, in the manner and at the time prescribed by the commissioner, provide to the commissioner proof acceptable to the commissioner of the master science teacher certification of a teacher to whom the district is paying a stipend under this section.

(k) The commissioner may audit the expenditure of money appropriated for purposes of this section. A district's use of the money appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

(l) A stipend a teacher receives under this section is not considered in determining whether the district is paying the teacher the minimum monthly salary under Section 21.402.

(m) The commissioner may adopt other rules as necessary to implement this section.

Added by Acts 2003, 78th Leg., ch. 430, Sec. 2, eff. Sept. 1, 2003.

Sec. 21.414. CLASSROOM SUPPLY REIMBURSEMENT PROGRAM. (a) The commissioner shall establish a reimbursement program under which the commissioner provides funds to a school district for the purpose of reimbursing classroom teachers in the district who expend personal funds on classroom supplies. A school district must match any funds provided to the district under the reimbursement program with local funds to be used for the same purpose.

(b) The commissioner shall adopt rules for the local allocation of funds provided to a school district under the reimbursement program. A school district shall allow each classroom teacher in the district who is reimbursed under the reimbursement program to use the funds in the teacher's discretion, except that the funds must be used for the benefit of the district's students. A school district may not use funds received under the reimbursement program to replace local funds used by the district for the same purpose.

(c) The commissioner shall identify state and federal funds available for use under the reimbursement program, including funds subject to the Education Flexibility Partnership Act of 1999 (20 U.S.C. Section 5891a et seq.), and its subsequent amendments, as well as consolidated administrative funds.

(d) The commissioner shall establish the reimbursement program for implementation beginning not later than the 2005-2006 school

year. The commissioner may implement the reimbursement program only if funds are specifically appropriated by the legislature for the program or if the commissioner identifies available funds, other than general revenue funds, that may be used for the program.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 17, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 263, Sec. 1, eff. June 18, 2003.
Renumbered from Education Code, Section 21.413 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(12), eff. September 1, 2005.

Sec. 21.415. EMPLOYMENT CONTRACTS. (a) A school district shall provide in employment contracts that qualifying employees may receive an incentive payment under an awards program established under Subchapter O if the district participates in the program.

(b) The district shall indicate that any incentive payment distributed is considered a payment for performance and not an entitlement as part of an employee's salary.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.06, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 10, eff. September 1, 2009.

SUBCHAPTER J. STAFF DEVELOPMENT

Sec. 21.451. STAFF DEVELOPMENT REQUIREMENTS. (a) The staff development provided by a school district to an educator other than a principal must be:

(1) conducted in accordance with standards developed by the district; and

(2) designed to improve education in the district.

(a-1) Section 21.3541 and rules adopted under that section govern the professional development provided to a principal.

(b) The staff development described by Subsection (a) must be predominantly campus-based, related to achieving campus performance objectives established under Section 11.253, and developed and approved by the campus-level committee established under Section 11.251.

(c) For staff development under Subsection (a), a school

district may use district-wide staff development developed and approved through the district-level decision process under Section 11.251.

(d) The staff development:

(1) may include training in:

(A) technology;

(B) conflict resolution;

(C) discipline strategies, including classroom management, district discipline policies, and the student code of conduct adopted under Section 37.001 and Chapter 37; and

(D) preventing, identifying, responding to, and reporting incidents of bullying;

(2) subject to Subsection (e) and to Section 21.3541 and rules adopted under that section, must include training based on scientifically based research, as defined by Section 9101, No Child Left Behind Act of 2001 (20 U.S.C. Section 7801), that:

(A) relates to instruction of students with disabilities; and

(B) is designed for educators who work primarily outside the area of special education; and

(3) must include suicide prevention training that must be provided:

(A) on an annual basis, as part of a new employee orientation, to all new school district and open-enrollment charter school educators; and

(B) to existing school district and open-enrollment charter school educators on a schedule adopted by the agency by rule.

(d-1) The suicide prevention training required by Subsection (d)(3) must use a best practice-based program recommended by the Department of State Health Services in coordination with the agency under Section 161.325, Health and Safety Code.

(d-2) The suicide prevention training required by Subsection (d)(3) may be satisfied through independent review of suicide prevention training material that:

(1) complies with the guidelines developed by the agency; and

(2) is offered online.

(e) A school district is required to provide the training described by Subsection (d)(2) to an educator who works primarily outside the area of special education only if the educator does not

possess the knowledge and skills necessary to implement the individualized education program developed for a student receiving instruction from the educator. A district may determine the time and place at which the training is delivered.

(f) In developing or maintaining the training required by Subsection (d)(2), a school district must consult with persons with expertise in research-based practices for students with disabilities. Persons who may be consulted under this subsection include colleges, universities, private and nonprofit organizations, regional education service centers, qualified district personnel, and any other persons identified as qualified by the district. This subsection applies to all training required by Subsection (d)(2), regardless of whether the training is provided at the campus or district level.

(g) The staff development may include instruction as to what is permissible under law, including opinions of the United States Supreme Court, regarding prayer in public school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.06, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 766, Sec. 1, eff. June 13, 2001; Acts 2003, 78th Leg., ch. 495, Sec. 1.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 740 (S.B. 451), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1093 (S.B. 1383), Sec. 4, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1064 (H.B. 2186), Sec. 2, eff. June 19, 2015.

Sec. 21.4511. PROFESSIONAL DEVELOPMENT ACTIVITIES FOR TEACHERS AND ADMINISTRATORS. (a) From funds appropriated for that purpose in an amount not to exceed $2.5 million each year, the commissioner may develop and award grants to school districts, regional education service centers, nonprofit organizations, and institutions of higher education for establishing and providing technical assistance and professional development activities in the staff development training of public school teachers and administrators.

(b) The training under this section shall include training relating to implementing curriculum and instruction that is aligned with the foundation curriculum described by Section 28.002(a)(1) and standards and expectations for college readiness, as determined by State Board of Education rule under Section 28.008(d).

(c) The commissioner may give preference to a school district, regional education service center, or institution of higher education conducting professional development activities under this section that applies for a grant in partnership with a state or national organization that has demonstrated success in the development and implementation of high school reform strategies.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 4, eff. June 15, 2007.

Sec. 21.4513. PROFESSIONAL DEVELOPMENT REQUIREMENTS AUDIT. (a) Using only available funds and resources from public or private sources, the agency shall periodically conduct an audit of the professional development requirements applicable to educators in this state, including state and federal requirements and requirements imposed by school districts.

(b) Based on audit results, the agency shall seek to eliminate conflicting requirements and consolidate duplicative requirements through the following methods, as appropriate:

(1) taking administrative action;

(2) encouraging school districts to make appropriate changes to district policies; or

(3) recommending statutory changes to the legislature.

(c) The agency shall provide guidance to school districts regarding high-quality professional development and the outcomes expected to result from providing that caliber of professional development.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 7, eff. September 1, 2013.

Sec. 21.452. DEVELOPMENTAL LEAVES OF ABSENCE. (a) The board of trustees of a school district may grant a developmental leave of absence for study, research, travel, or another suitable purpose to

an employee who:

(1) is employed in a position requiring a permanent teaching certificate; and

(2) has served in the same school district at least five consecutive school years.

(b) The board may grant a developmental leave of absence for one school year at one-half salary or for one-half of a school year at full salary paid to the employee in the same manner, on the same schedule, and with the same deductions as if the employee were on full-time duty.

(c) An employee on developmental leave continues to be a member of the Teacher Retirement System of Texas and is entitled to participate in programs, hold memberships, and receive benefits afforded by employment in the school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 21.453. STAFF DEVELOPMENT ACCOUNT. (a) The staff development account is an account in the general revenue fund. The account consists of gifts, grants, donations, appropriations for the purpose of staff development under this subchapter, and any other money transferred by law to the account. Funds in the account may be used only as provided by this section.

(b) The commissioner may allocate funds from the account to regional education service centers to provide staff development resources to school districts that:

(1) are rated academically unacceptable;

(2) have one or more campuses rated as academically unacceptable; or

(3) are otherwise in need of assistance as indicated by the academic performance of students, as determined by the commissioner.

(c) A school district that receives resources under this section must pay to the commissioner for deposit in the account an amount equal to one-half of the cost of the resources provided to the district.

(d) The commissioner may adopt rules governing the allocation and use of funds under this section.

Added by Acts 1999, 76th Leg., ch. 931, Sec. 3, eff. Aug. 30, 1999.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.04, eff. May 31, 2006.

Sec. 21.454. MATHEMATICS TRAINING. (a) The commissioner shall develop training materials and other teacher training resources for a school district to use in assisting mathematics teachers in developing:

(1) expertise in the appropriate mathematics curriculum; and

(2) comprehension of the instructional approaches that, through scientific testing, have been proven effective in improving student mathematics skills.

(b) The commissioner shall develop materials and resources under this section in consultation with appropriate faculty members at institutions of higher education.

(c) The commissioner shall make the training materials and other teacher training resources required under Subsection (a) available to mathematics teachers through a variety of mechanisms, including distance learning, mentoring programs, small group inquiries, computer-assisted training, and mechanisms based on trainer-of-trainer models.

(d) The commissioner shall use funds appropriated for the purpose to administer this section.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 6, eff. Sept. 1, 2001.

Sec. 21.4541. MATHEMATICS INSTRUCTIONAL COACHES PILOT PROGRAM. (a) From funds appropriated for that purpose, the commissioner by rule shall establish a pilot program under which participating school districts and campuses receive grants to provide assistance in developing the content knowledge and instructional expertise of teachers who instruct students in mathematics at the middle school, junior high school, or high school level.

(b) A school district or campus is eligible to participate in the pilot program under this section if the district or campus meets the eligibility criteria established as provided by Section 39.408.

(c) A grant awarded under this section may be used to support intensive instructional coaching and professional development from a

service provider approved by the commissioner. Approved service providers may include:

(1) academies and training centers established in conjunction with a Texas Science, Technology, Engineering, and Mathematics (T-STEM) center;

(2) regional education service centers;

(3) institutions of higher education; and

(4) private organizations with significant experience in providing mathematics instruction, as determined by the commissioner.

(d) An instructional coaching or professional development program supported by a grant under this section must demonstrate significant past effectiveness in improving mathematics instruction in middle schools, junior high schools, and high schools serving a significant number of students identified as students at risk of dropping out of school, as described by Section 29.081(d). An instructional coaching or professional development program may include:

(1) providing classes to teachers on effective mathematics instruction;

(2) providing tutoring or mentoring to teachers regarding effective mathematics instruction;

(3) providing incentives to teachers to participate in the program; or

(4) engaging in any other activities determined by the commissioner as likely to improve the instructional skills of teachers providing mathematics instruction.

(e) The commissioner shall adopt rules necessary to implement the pilot program.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 4, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 23, eff. June 19, 2009.

Sec. 21.455. PROFESSIONAL DEVELOPMENT INSTITUTES IN MATHEMATICS. (a) The commissioner shall develop and make available professional development institutes for teachers who provide instruction in mathematics to students at the fifth through eighth

grade levels.

(b) A professional development institute developed under this section must address:

(1) the underlying mathematical skills required to be taught at the relevant grade levels; and

(2) mathematical instruction techniques that, through scientific testing, have been proven effective.

(c) The commissioner shall develop professional development institutes under this section in consultation with mathematics and science faculty members at institutions of higher education.

(d) The commissioner shall adopt criteria for selection of teachers authorized to attend a professional development institute developed under this section.

(e) From funds appropriated for the purpose, the commissioner shall pay a stipend to each teacher who completes a professional development institute developed under this section. The commissioner shall determine the amount of the stipend paid under this subsection.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 6, eff. Sept. 1, 2001.

Sec. 21.4551. TEACHER READING ACADEMIES. (a) The commissioner shall develop and make available reading academies for teachers who provide instruction to students at the sixth through eighth grade levels.

(b) A reading academy developed under this section must include training in:

(1) for a teacher providing instruction in reading to students at the seventh or eighth grade level:

(A) administration of the reading instrument required by Section 28.006(c-1); and

(B) interpretation of the results of the reading instrument required by Section 28.006(c-1) and strategies, based on scientific research regarding effective reading instruction, for long-term intensive intervention to target identified student needs in word recognition, vocabulary, fluency, and comprehension;

(2) for a teacher providing instruction in reading to students at the sixth, seventh, or eighth grade level:

(A) strategies to be implemented in English language arts and other subject areas for multisyllable word reading,

vocabulary development, and comprehension of expository and narrative text;

(B) an adaptation framework that enables teachers to respond to differing student strengths and needs, including adaptations for students of limited English proficiency or students receiving special education services under Subchapter A, Chapter 29;

(C) collaborative strategies to increase active student involvement and motivation to read; and

(D) other areas identified by the commissioner as essential components of reading instruction; and

(3) for a teacher providing instruction in mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level:

(A) strategies for incorporating reading instruction into the curriculum for the subject area taught by the teacher; and

(B) other areas identified by the commissioner.

(c) The commissioner by rule shall require a teacher to attend a reading academy if the teacher provides instruction in reading, mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level at a campus that fails to satisfy any standard under Section 39.054(e) on the basis of student performance on the reading assessment instrument administered under Section 39.023(a) to students in any grade level at the campus.

(d) The commissioner shall adopt criteria for selection of teachers, other than teachers described by Subsection (c), who may attend a reading academy.

(e) From funds appropriated for that purpose, a teacher who attends a reading academy is entitled to receive a stipend in the amount determined by the commissioner. A stipend received under this subsection is not considered in determining whether a district is paying the teacher the minimum monthly salary under Section 21.402.

(f) On request of the commissioner, regional education service centers shall assist the commissioner and agency with training and other activities relating to the development and operation of reading academies. The commissioner may seek additional assistance from other public and private providers.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 4, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 24, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.003, eff. September 1, 2011.

For expiration of this section, see Subsection (f).

Sec. 21.4552. TEACHER LITERACY ACHIEVEMENT ACADEMIES. (a) The commissioner shall develop and make available literacy achievement academies for teachers who provide reading instruction to students at the kindergarten or first, second, or third grade level.

(b) A literacy achievement academy developed under this section:

(1) must include training in:

(A) effective and systematic instructional practices in reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension; and

(B) the use of empirically validated instructional methods that are appropriate for struggling readers; and

(2) may include training in effective instructional practices in writing.

(c) The commissioner shall adopt criteria for selecting teachers who may attend a literacy achievement academy. In adopting selection criteria under this subsection, the commissioner shall:

(1) require granting a priority to teachers employed by a school district at a campus at which 50 percent or more of the students enrolled are educationally disadvantaged; and

(2) provide a process through which a teacher not employed at a campus described by Subdivision (1) may attend the academy if the academy has available space and the school district employing the teacher pays the costs of the teacher's attendance.

(d) From funds appropriated for that purpose, a teacher who attends a literacy achievement academy is entitled to receive a stipend in the amount determined by the commissioner. A stipend received under this subsection is not considered in determining whether a school district is paying the teacher the minimum monthly salary under Section 21.402.

(e) On request of the commissioner, regional education service centers shall assist the commissioner and agency with training and other activities relating to the development and operation of

literacy achievement academies.

(f) This section expires September 1, 2027.

Added by Acts 2015, 84th Leg., R.S., Ch. 55 (S.B. 925), Sec. 1, eff. May 21, 2015.

For expiration of this section, see Subsection (f).

Sec. 21.4553. TEACHER MATHEMATICS ACHIEVEMENT ACADEMIES. (a) The commissioner shall develop and make available mathematics achievement academies for teachers who provide mathematics instruction to students at the kindergarten or first, second, or third grade level.

(b) A mathematics achievement academy developed under this section must include training in effective and systematic instructional practices in mathematics, including problem solving, the place value system, whole number operations, and fractions.

(c) The commissioner shall adopt criteria for selecting teachers who may attend a mathematics achievement academy. In adopting selection criteria under this subsection, the commissioner shall:

(1) require granting a priority to teachers employed by a school district at a campus at which 50 percent or more of the students enrolled are educationally disadvantaged; and

(2) provide a process through which a teacher not employed at a campus described by Subdivision (1) may attend the academy if the academy has available space and the school district employing the teacher pays the costs of the teacher's attendance.

(d) From funds appropriated for that purpose, a teacher who attends a mathematics achievement academy is entitled to receive a stipend in the amount determined by the commissioner. A stipend received under this subsection is not considered in determining whether a district is paying the teacher the minimum monthly salary under Section 21.402.

(e) On request of the commissioner, regional education service centers shall assist the commissioner and agency with training and other activities relating to the development and operation of mathematics achievement academies.

(f) This section expires September 1, 2027.

Added by Acts 2015, 84th Leg., R.S., Ch. 202 (S.B. 934), Sec. 1, eff. May 28, 2015.

For expiration of this section, see Subsection (f).

Sec. 21.4554. READING-TO-LEARN ACADEMIES. (a) The commissioner shall develop and make available reading-to-learn academies for teachers who provide reading comprehension instruction to students at the fourth or fifth grade level.

(b) A reading-to-learn academy developed under this section:

(1) must include effective instructional practices that promote student development of reading comprehension and inferential and critical thinking;

(2) must provide training in the use of empirically validated instructional methods that are appropriate for struggling readers;

(3) may include material on writing instruction; and

(4) must provide participating teachers with access to the academy training materials through the Internet after the teachers attend the academy.

(c) The commissioner shall adopt criteria for selecting teachers who may attend a reading-to-learn academy. In adopting selection criteria under this subsection, the commissioner shall:

(1) require granting a priority to teachers employed by a school district at a campus at which 50 percent or more of the students enrolled are educationally disadvantaged; and

(2) provide a process through which a teacher not employed at a campus described by Subdivision (1) may attend the academy if the academy has available space and the school district employing the teacher pays the costs of the teacher's attendance.

(d) From funds appropriated for that purpose, a teacher who attends a reading-to-learn academy is entitled to receive a stipend in the amount determined by the commissioner. A stipend received under this subsection is not considered in determining whether a district is paying the teacher the minimum monthly salary under Section 21.402.

(e) On request of the commissioner, regional education service centers shall assist the commissioner and agency with training and other activities relating to the development and operation of reading-to-learn academies.

(f) This section expires September 1, 2027.

Added by Acts 2015, 84th Leg., R.S., Ch. 204 (S.B. 972), Sec. 1, eff. May 28, 2015.

Sec. 21.456. SCIENCE TRAINING. (a) The commissioner shall develop and have approved by the board training materials and other teacher training resources for a school district to use in assisting science teachers in developing:

(1) expertise in the appropriate science curriculum; and

(2) comprehension of the instructional approaches that, through scientific testing, have been proven effective in improving student science skills.

(b) To the extent practicable, the training materials and other teacher training resources required under Subsection (a) shall address instructional approaches designed to reduce any identified disparities in student science performance between groups of students.

(c) The commissioner shall develop materials and resources under this section in consultation with appropriate faculty members at institutions of higher education.

(d) The commissioner shall make the training materials and other teacher training resources required under Subsection (a) available to science teachers through a variety of mechanisms, including distance learning, mentoring programs, small group inquiries, computer-assisted training, and mechanisms based on trainer-of-trainer models.

(e) The commissioner shall use funds appropriated for the purpose to administer this section.

Added by Acts 2003, 78th Leg., ch. 430, Sec. 3, eff. Sept. 1, 2003.

Sec. 21.457. TRAINING FOR TEACHERS OF STUDENTS OF LIMITED ENGLISH PROFICIENCY. The commissioner shall develop and make available training materials and other teacher training resources to assist teachers in developing the expertise required to enable students of limited English proficiency to meet state performance expectations.

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 6, eff. June 20, 2003. Renumbered from Education Code, Section 21.456 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(13), eff. September 1, 2005.

Sec. 21.458. MENTORS. (a) Each school district may assign a mentor teacher to each classroom teacher who has less than two years of teaching experience in the subject or grade level to which the teacher is assigned. A teacher assigned as a mentor must:

(1) to the extent practicable, teach in the same school;

(2) to the extent practicable, teach the same subject or grade level, as applicable; and

(3) meet the qualifications prescribed by commissioner rules adopted under Subsection (b).

(b) The commissioner shall adopt rules necessary to administer this section, including rules concerning the duties and qualifications of a teacher who serves as a mentor. The rules concerning qualifications must require that to serve as a mentor a teacher must:

(1) complete a research-based mentor and induction training program approved by the commissioner;

(2) complete a mentor training program provided by the district; and

(3) have at least three complete years of teaching experience with a superior record of assisting students, as a whole, in achieving improvement in student performance.

(c) From the funds appropriated to the agency for purposes of this section, the commissioner shall adopt rules and provide funding to school districts that assign mentor teachers under this section. Funding provided to districts under this section may be used only for providing:

(1) mentor teacher stipends;

(2) scheduled release time for mentor teachers and the classroom teachers to whom they are assigned for meeting and engaging in mentoring activities; and

(3) mentoring support through providers of mentor training.

(d) In adopting rules under Subsection (c), the commissioner shall rely on research-based mentoring programs that, through external evaluation, have demonstrated success.

(e) Each year the commissioner shall report to the legislature

regarding the effectiveness of school district mentoring programs.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.07, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 796 (S.B. 1290), Sec. 1, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 1282 (H.B. 2012), Sec. 8, eff. September 1, 2013.

Sec. 21.459. BIBLE COURSE TRAINING. (a) The commissioner shall develop and make available training materials and other teacher training resources for a school district to use in assisting teachers of elective Bible courses in developing:

(1) expertise in the appropriate Bible course curriculum;

(2) understanding of applicable supreme court rulings and current constitutional law regarding how Bible courses are to be taught in public schools objectively as a part of a secular program of education;

(3) understanding of how to present the Bible in an objective, academic manner that neither promotes nor disparages religion, nor is taught from a particular sectarian point of view;

(4) proficiency in instructional approaches that present course material in a manner that respects all faiths and religious traditions, while favoring none; and

(5) expertise in how to avoid devotional content or proselytizing in the classroom.

(b) The commissioner shall develop materials and resources under this section in consultation with appropriate faculty members at institutions of higher education.

(c) The commissioner shall make the training materials and other teacher training resources required under Subsection (a) available to Bible course teachers through access to in-service training.

(d) The commissioner shall use funds appropriated for the purpose to administer this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 856 (H.B. 1287), Sec. 2, eff. June 15, 2007.

Sec. 21.463. RESOURCES FOR TEACHERS OF STUDENTS WITH SPECIAL HEALTH NEEDS. The agency, in coordination with the Health and Human Services Commission, shall establish and maintain an Internet website to provide resources for teachers who teach students with special health needs. The agency shall include on the website information about:

(1) the treatment and management of chronic illnesses and how such illnesses impact a student's well-being or ability to succeed in school; and

(2) food allergies that are common among students, including information about preventing exposure to a specific food when necessary to protect a student's health and information about treating a student suffering from an allergic reaction to a food.

Added by Acts 2009, 81st Leg., R.S., Ch. 628 (H.B. 1322), Sec. 1, eff. June 19, 2009.

Sec. 21.464. PREKINDERGARTEN TEACHER TRAINING COURSE. (a) The commissioner shall develop a prekindergarten teacher training course to be offered to prekindergarten teachers employed by a school district or open-enrollment charter school.

(b) A course provided under this section shall provide instruction in the development and operation of effective prekindergarten classes, including training in:

(1) the prekindergarten guidelines established by the agency;

(2) effective and systematic instructional techniques for teaching prekindergarten students using the prekindergarten guidelines; and

(3) designing and implementing a comprehensive curriculum in the classroom.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 8, eff. May 28, 2015.

SUBCHAPTER K. TEXAS TROOPS TO TEACHERS PROGRAM

Sec. 21.501. DEFINITION. In this subchapter, "program" means the Texas Troops to Teachers Program.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.502. ESTABLISHMENT OF PROGRAM. The agency shall establish a program to:

(1) assist persons who have served in the armed forces of the United States and are separated from active duty to obtain certification as an elementary or secondary school teacher in this state; and

(2) facilitate the employment of those persons by school districts that have a shortage of teachers.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.503. ELIGIBILITY. A person is eligible for the program if the person:

(1) has served in the armed forces of the United States;

(2) is honorably discharged, retired, or released from active duty on or after October 1, 1990, after at least six years of continuous active duty service immediately before the discharge, retirement, or release;

(3) has received a baccalaureate or advanced degree from a public or private institution of higher education accredited by a regional accrediting agency or group that is recognized by a nationally recognized accreditation board; and

(4) satisfies any other criteria for selection jointly prescribed by the agency and the State Board for Educator Certification.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.504. INFORMATION AND APPLICATIONS. (a) The agency shall develop an application for the program.

(b) The agency and the State Board for Educator Certification shall distribute the applications and information regarding the program.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.505. SELECTION OF PARTICIPANTS. (a) The agency shall select persons to participate in the program on the basis of applications submitted to the agency.

(b) Each application must be submitted:

(1) in the form and contain the information the agency requires; and

(2) in a timely manner.

(c) An application is considered to be submitted in a timely manner for purposes of Subsection (b)(2) if the application is submitted:

(1) not later than October 5, 1999, in the case of an applicant discharged, retired, or released from active duty before January 19, 1999; or

(2) except as provided by Subdivision (1), not later than the first anniversary of the date of the applicant's discharge, retirement, or release from active duty.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.506. LIMITATION ON IMPLEMENTATION. The agency may not select a person to participate in the program unless the agency has sufficient state appropriations to pay the stipend provided by Section 21.509 at the time of the selection.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.507. PREFERENCES. (a) In selecting persons to participate in the program, the agency shall give preference to a person who:

(1) has significant educational or military experience in science, mathematics, or engineering and agrees to seek employment as a teacher in one of those subjects in a public elementary or secondary school in this state; or

(2) has significant educational or military experience in a field other than science, mathematics, or engineering identified by the agency as a field important for state educational objectives and agrees to seek employment as a teacher in a subject related to that field in a public elementary or secondary school in this state.

(b) The commissioner shall determine the level of experience considered significant for purposes of this section.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.508. AGREEMENT. A person selected to participate in the program must enter into a written agreement with the agency under which the person agrees to:

(1) obtain, within the period the agency by rule requires, certification as an elementary or secondary school teacher in this state; and

(2) accept, during the first school year that begins after the date the person becomes certified, an offer of full-time employment as an elementary or secondary school teacher with a school district in this state.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.509. STIPEND. The agency shall pay to each participant in the program a stipend of $5,000.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.510. REIMBURSEMENT. (a) A participant in the program who fails to obtain certification or employment as required in the agreement under Section 21.508 or who voluntarily leaves or is terminated for cause from the employment after teaching in a public elementary or secondary school in this state for less than five school years shall reimburse the agency for the portion of the stipend that bears the same ratio to the amount of the stipend as the

unserved portion of required service bears to the five years of required service.

(b) The obligation to reimburse the agency under this section is, for all purposes, a debt to the state. A discharge in bankruptcy under Title 11, United States Code, does not release a participant from the obligation to reimburse the agency. The amount owed bears interest at the rate equal to the highest rate being paid by the United States on the day the reimbursement is determined to be due for securities that have maturities of 90 days or less, and the interest accrues from the day the participant receives notice of the amount due.

(c) For purposes of this section, a participant in the program is not considered to be in violation of an agreement under Section 21.508 during any period in which the participant:

(1) is pursuing a full-time course of study related to the field of teaching at a public or private institution of higher education approved by the State Board for Educator Certification;

(2) is serving on active duty as a member of the armed forces of the United States;

(3) is temporarily totally disabled for a period not to exceed three years as established by sworn affidavit of a qualified physician;

(4) is unable to secure employment for a period not to exceed one year because of care required by a disabled spouse;

(5) is seeking and unable to find full-time employment as a teacher in a public elementary or secondary school for a single period not to exceed 27 months; or

(6) satisfies the provisions of any additional reimbursement exception adopted by the agency.

(d) A participant is excused from reimbursement under Subsection (a) if:

(1) the participant becomes permanently totally disabled as established by sworn affidavit of a qualified physician; or

(2) the agency waives reimbursement in the case of extreme hardship to the participant.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.

Sec. 21.511. RULES. The commissioner shall adopt rules to implement this subchapter.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.07(a), eff. Sept. 1, 1999.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.001, eff. September 1, 2009.

SUBCHAPTER L. TEACH FOR TEXAS PILOT PROGRAM RELATING TO ALTERNATIVE CERTIFICATION

Sec. 21.551. PURPOSES. The purposes of the alternative certification Teach for Texas Pilot Program are to:

(1) attract to the teaching profession persons who have expressed interest in teaching and to support the certification of those persons as teachers;

(2) recognize the importance of the certification process governed by the State Board for Educator Certification under Subchapter B, which requires verification of competence in subject area and professional knowledge and skills;

(3) encourage the creation and expansion of educator preparation programs that recognize the knowledge and skills gained through previous educational and work-related experiences and that are delivered in a manner that recognizes individual circumstances, including the need to remain employed full-time while enrolled in the Teach for Texas Pilot Program; and

(4) provide annual stipends to postbaccalaureate teacher certification candidates.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 8, eff. June 19, 1999.
Renumbered from Sec. 21.501 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(16), eff. Sept. 1, 2001.

Sec. 21.552. PROGRAM ESTABLISHED. The State Board for Educator Certification by rule shall establish the Teach for Texas Pilot Program consistent with the purposes provided by Section 21.551.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 8, eff. June 19, 1999.
Renumbered from Sec. 21.502 by Acts 2001, 77th Leg., ch. 1420, Sec.

21.001(16), eff. Sept. 1, 2001. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 21.002(4), eff. Sept. 1, 2001.

Sec. 21.553. FINANCIAL INCENTIVES. (a) The pilot program must offer to participants financial incentives, including tuition assistance and loan forgiveness. In offering a financial incentive, the State Board for Educator Certification shall:

(1) require a contract between each participant who accepts a financial incentive and the State Board for Educator Certification under which the participant is obligated to teach in a public school in this state for a stated period after certification;

(2) provide financial incentives in proportion to the length of the period the participant is obligated by contract to teach after certification; and

(3) give special financial incentives to a participant who agrees in the contract to teach in an underserved area.

(b) Financial incentives may be paid only from funds appropriated specifically for that purpose and from gifts, grants, and donations solicited or accepted by the State Board for Educator Certification for that purpose.

(c) The State Board for Educator Certification shall propose rules establishing criteria for awarding financial incentives under this section, including criteria for awarding financial incentives if there are more participants than funds available to provide the financial incentives.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 8, eff. June 19, 1999. Renumbered from Sec. 21.503 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(16), eff. Sept. 1, 2001.

SUBCHAPTER M. CAREERS TO CLASSROOMS PROGRAM

Sec. 21.601. DEFINITIONS. In this subchapter:

(1) "Institution of higher education" has the meaning assigned by 20 U.S.C. Section 1001 and its subsequent amendments.

(2) "Program" means the Careers to Classrooms Program.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.602. ESTABLISHMENT OF PROGRAM. The agency shall establish a program to:

(1) assist persons in obtaining certification in this state as elementary or secondary school teachers or educational aides; and

(2) facilitate the employment of those persons by school districts in this state that:

(A) receive grants under 20 U.S.C. Section 6311 et seq. and its subsequent amendments on the basis of having in the district concentrations of children who are educationally disadvantaged; and

(B) have a shortage of:

(i) qualified teachers, particularly science, mathematics, computer science, or engineering teachers; or

(ii) educational aides.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.603. ELIGIBILITY. A person is eligible for the program if:

(1) in the case of a person planning to become certified in this state as a public elementary or secondary school teacher, the person has received a baccalaureate or advanced degree from an institution of higher education; and

(2) in the case of a person planning to become certified in this state as an educational aide, the person has received an associate, baccalaureate, or advanced degree from an institution of higher education.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.604. INFORMATION AND APPLICATIONS. (a) The agency shall develop an application for the program.

(b) The agency and the State Board for Educator Certification shall distribute the applications and information regarding the program.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.605. SELECTION OF PARTICIPANTS. (a) The agency shall

select persons to participate in the program on the basis of applications submitted to the agency.

(b) Each application must be submitted:

(1) in the form and contain the information the agency requires; and

(2) in a timely manner.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.606. PREFERENCES. (a) In selecting persons to participate in the program who are planning to become certified in this state as teachers, the agency shall give preference to a person who:

(1) has substantial, demonstrated career experience in science, mathematics, computer science, or engineering and agrees to seek employment as a teacher in one of those subjects in a public elementary or secondary school in this state; or

(2) has substantial, demonstrated career experience in a field other than science, mathematics, computer science, or engineering that is identified by the agency as a field important for state educational objectives and agrees to seek employment as a teacher in a subject related to that field in a public elementary or secondary school in this state.

(b) The commissioner shall determine the level of experience considered substantial for purposes of this section.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.607. AGREEMENT. (a) A person selected to participate in the program who is planning to become certified as a teacher must enter into a written agreement with the agency under which the person agrees to:

(1) obtain, within the period the agency by rule requires, certification in this state as an elementary or secondary school teacher; and

(2) accept, during the first school year that begins after the date the person becomes certified, an offer of full-time employment for at least two school years as an elementary or secondary school teacher with a school district described by Sections

21.602(2)(A) and (B)(i).

(b) A person selected to participate in the program who is planning to become certified as an educational aide must enter into a written agreement with the agency under which the person agrees to:

(1) obtain, within the period the agency by rule requires, certification in this state as an educational aide; and

(2) accept, during the first school year that begins after the date the person becomes certified, an offer of full-time employment for at least two school years as an educational aide with a school district described by Sections 21.602(2)(A) and (B)(ii).

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.608. STIPEND. The agency shall pay to each participant in the program a stipend equal to the lesser of:

(1) $5,000; or

(2) an amount equal to the total costs of the type described by Paragraphs (1), (2), (3), (8), and (9), 20 U.S.C. Section 1087ll, and its subsequent amendments, incurred by the person while obtaining certification in this state as a teacher or educational aide and employment as a teacher or educational aide at a public elementary or secondary school in this state.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.609. REIMBURSEMENT. (a) A participant in the program who fails to obtain certification or employment as required by the agreement under Section 21.607 or who voluntarily leaves or is terminated for cause from employment after teaching in a public elementary or secondary school in this state for less than two school years shall reimburse the agency for the portion of the stipend that bears the same ratio to the amount of the stipend as the unserved portion of required service bears to the two school years of required service.

(b) The obligation to reimburse the agency under this section is, for all purposes, a debt to the state. A discharge in bankruptcy under Title 11, United States Code, does not release a participant from the obligation to reimburse the agency. The amount owed bears interest at the rate equal to the highest rate being paid by the

United States on the day the reimbursement is determined to be due for securities that have maturities of 90 days or less, and the interest accrues from the day the participant receives notice of the amount due.

(c) For purposes of this section, a participant in the program is not considered to be in violation of an agreement under Section 21.607 during any period in which the participant:

(1) is pursuing a full-time course of study related to the field of teaching at an institution of higher education approved by the State Board for Educator Certification;

(2) is serving on active duty as a member of the armed forces of the United States;

(3) is temporarily totally disabled for a period not to exceed three years as established by affidavit of a qualified physician;

(4) is unable to secure employment for a period not to exceed one year because of care required by a disabled spouse;

(5) is seeking and unable to find full-time employment as a teacher in a public elementary or secondary school for a single period not to exceed 27 months; or

(6) satisfies the provisions of any additional reimbursement exception adopted by the agency.

(d) A participant is excused from reimbursement under Subsection (a) if the participant becomes permanently totally disabled as established by affidavit of a qualified physician. The agency may waive reimbursement for some or all of the amount owed in the case of extreme hardship to the participant.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.610. GRANTS TO FACILITATE PLACEMENT. (a) The agency may enter into an agreement as prescribed by Subsection (b) with a school district described by Section 21.602(2) that first employs as a full-time elementary or secondary school teacher or educational aide after certification a person participating in the program.

(b) An agreement under this section must provide that:

(1) the school district agrees to employ the person full-time for at least two school years at a specified salary in a district school that:

(A) serves a concentration of children who are educationally disadvantaged; and

(B) has an exceptional need for teachers or educational aides, as applicable; and

(2) the state shall pay the district for that person $5,000 each year for not more than two years.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

Sec. 21.611. RULES. The commissioner shall adopt rules to implement this subchapter.

Added by Acts 2001, 77th Leg., ch. 808, Sec. 1, eff. Sept. 1, 2001.

SUBCHAPTER O. EDUCATOR EXCELLENCE INNOVATION PROGRAM

Sec. 21.701. DEFINITION. In this subchapter, "program" means the educator excellence innovation program.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.08, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 2, eff. June 14, 2013.

Sec. 21.7011. PURPOSES. The purposes of the educator excellence innovation program are to:

(1) systemically transform:

(A) educator quality and effectiveness through improved and innovative school district-level recruitment, preparation, hiring, induction, evaluation, professional development, strategic compensation, career pathways, and retention; and

(B) district administrative practices to improve quality, effectiveness, and efficiency; and

(2) use the enhanced educator and administrative quality and effectiveness to improve student learning and student academic performance, especially the learning and academic performance of students enrolled in districts that:

(A) receive federal funding under Title I of the

Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.); and

(B) have at a majority of district campuses a student enrollment of which at least 50 percent is educationally disadvantaged.

Added by Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 3, eff. June 14, 2013.

Sec. 21.702. EDUCATOR EXCELLENCE INNOVATION PROGRAM. (a) The commissioner by rule shall establish the program under which school districts, in accordance with local educator excellence innovation plans approved by the commissioner, receive competitive program grants from the agency for carrying out the purposes of the program as described by Section 21.7011.

(b) In establishing the program, the commissioner shall adopt program guidelines in accordance with this subchapter for a school district to follow in developing a local educator excellence innovation plan under Section 21.704.

(c) In adopting rules under this section, the commissioner shall include rules governing eligibility for and participation by an open-enrollment charter school in the program.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.08, eff. May 31, 2006.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 4, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 5, eff. June 14, 2013.

Sec. 21.703. AMOUNT OF GRANT AWARD. (a) Each state fiscal year, the agency shall provide each school district approved on a competitive basis under this subchapter with a grant in an amount determined by the agency in accordance with commissioner rule.

(b) Not later than April 1 of each state fiscal year, the agency shall provide written notice to each school district that will be provided a grant under this section that the district will be provided the grant and the amount of that grant.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.08, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 11, eff. September 1, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 6, eff. June 14, 2013.
Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 2, eff. September 1, 2015.

Sec. 21.704. LOCAL EDUCATOR EXCELLENCE INNOVATION PLANS. (a) In a school district that intends to participate in the program, the district-level planning and decision-making committee established under Subchapter F, Chapter 11, shall develop a local educator excellence innovation plan for the district. The local educator excellence innovation plan may provide for all campuses in the district to participate in the program or only certain campuses selected by the district-level committee.

(c) A school district must submit a local educator excellence innovation plan to the agency for approval.

(c-1) A local educator excellence innovation plan must be designed to carry out each purpose of the program as described by Section 21.7011.

(d) The agency may approve only a local educator excellence innovation plan that meets program guidelines adopted by the commissioner under Section 21.702 and that satisfies this section and Section 21.706. From among the local educator excellence innovation plans submitted and depending on the amount of money available for distribution in the educator excellence innovation fund, the agency shall approve plans that most comprehensively and innovatively address the purposes of the program as described by Section 21.7011 so that the effectiveness of various plans in achieving those purposes can be compared and evaluated.

(e) A school district whose local educator excellence innovation plan is approved by the agency to receive a program grant under this subchapter may renew the plan for three consecutive school years without resubmitting the plan to the agency for approval. A school district may amend a local educator excellence innovation plan for approval by the agency for each school year the district receives

a program grant.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.08, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 12, eff. September 1, 2009.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(2), eff. September 1, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 7, eff. June 14, 2013.

Sec. 21.706. INNOVATION PLAN PAYMENTS; AUTHORIZED GENERAL AND SPECIFIC USES. A school district may use grant funds awarded to the district under this subchapter only to carry out purposes of the program as described by Section 21.7011, in accordance with the district's local educator excellence innovation plan, which may include the following specific methods or procedures:

(1) implementation and administration of a high-quality mentoring program for teachers in a teacher's first three years of classroom teaching using mentors who meet the qualifications prescribed by Section 21.458(b);

(2) implementation of a teacher evaluation system using multiple measures that include:

(A) the results of classroom observation, which may include student comments;

(B) the degree of student educational growth and learning; and

(C) the results of teacher self-evaluation;

(3) to the extent permitted under Subchapter C, Chapter 25, restructuring of the school day or school year to provide for embedded and collaborative learning communities for the purpose of professional development;

(4) establishment of an alternative teacher compensation or retention system; and

(5) implementation of incentives designed to reduce teacher turnover.

Added by Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 8, eff. June 14, 2013.

Sec. 21.7061. IMPLEMENTATION FLEXIBILITY. (a) Notwithstanding any other provision of this code and subject to Subsection (b), a school district may apply to the commissioner in writing in accordance with commissioner rule for a waiver to exempt the district or one or more district campuses from Section 21.352(a)(2)(B), 21.353, 21.354(d), 21.3541(g), 21.451, or 21.458, as specified in the waiver application. The district's application for a waiver under this section must demonstrate that the waiver is necessary to carry out purposes of the program as described by Section 21.7011, in accordance with the district's local educator excellence innovation plan.

(b) Before an application for a waiver is submitted to the commissioner under Subsection (a), the application specifying the provision for which the waiver is sought must be approved by a vote of:

(1) a majority of the members of the school district board of trustees; and

(2) a majority of the educators employed at each campus for which the waiver is sought.

(b-1) Voting for purposes of Subsection (b) must be conducted:

(1) in accordance with commissioner rule;

(2) during the school year; and

(3) in a manner that ensures that all educators entitled to vote have a reasonable opportunity to participate in the voting.

(c) The commissioner shall grant or deny an application under this section based on standards adopted by commissioner rule. The commissioner shall notify in writing each district that applies for a waiver under this section whether the application has been granted or denied not later than April 1 of the year in which the application is submitted.

(d) Neither the board of trustees of a school district nor the district superintendent may compel a waiver of rights under this section.

(e) A waiver granted under this section expires when the waiver is no longer necessary to carry out the purposes of the program as described by Section 21.7011, in accordance with the district's local educator excellence innovation plan.

Added by Acts 2013, 83rd Leg., R.S., Ch. 948 (H.B. 1751), Sec. 8, eff. June 14, 2013.

Sec. 21.707. RULES. The commissioner shall adopt rules necessary to administer this subchapter.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.08, eff. May 31, 2006.

SUBCHAPTER Q. TEXAS TEACHER RESIDENCY PROGRAM

Sec. 21.801. ESTABLISHMENT OF PROGRAM. (a) Not later than March 1, 2014, the commissioner of higher education shall, through a competitive selection process, establish a Texas Teacher Residency Program at a public institution of higher education that has developed a commitment to investing in teacher education.

(b) The public institution of higher education shall form a partnership with an area school district or open-enrollment charter school to provide employment to residents in the program.

(c) The program must be designed to:

(1) award teaching residents participating in the program a master's degree; and

(2) lead to certification under Subchapter B for participating teaching residents who are not already certified teachers.

(d) The public institution of higher education shall:

(1) reward faculty instructing in the teacher residency program;

(2) identify faculty who can prepare teachers to impact student achievement in high-need schools;

(3) provide institutional support of faculty who work with the teacher residency program by providing time to teach the courses and valuing the faculty's contributions with rewards in the university tenure process; and

(4) develop and implement a program that acknowledges and elevates the significance and professional nature of teaching at the primary and secondary levels.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

Sec. 21.802. PROGRAM COMPONENTS. The teacher residency program shall include:

(1) competitive admission requirements with multiple criteria;

(2) integration of pedagogy and classroom practice;

(3) rigorous master's level course work, while undertaking a guided apprenticeship at the partner area school district or open-enrollment charter school;

(4) a team mentorship approach to expose teaching residents to a variety of teaching methods, philosophies, and classroom environments;

(5) clear criteria for the selection of mentor teachers based on measures of teacher effectiveness and the appropriate subject area knowledge;

(6) measures of appropriate progress through the program;

(7) the collaboration with one or more regional education service centers or local nonprofit education organizations to provide professional development or other structured learning experiences for teaching residents;

(8) a livable stipend for teaching residents;

(9) a post-completion commitment by teaching residents to serve four years at schools that are difficult to staff;

(10) job placement assistance for teaching residents;

(11) support for teaching residents for not less than one year following the resident's completion of the program through the provision of mentoring, professional development, and networking opportunities;

(12) demonstration of the integral role and responsibilities of the partner area school district or open-enrollment charter school in fulfilling the purpose of the program; and

(13) monetary or in-kind contributions provided by the public institution of higher education, partner area school district, or open-enrollment charter school to demonstrate that the program may be sustained in the absence of grant funds or state appropriations.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

Sec. 21.803. PROGRAM ELIGIBILITY. To be eligible to be admitted and hired as a teaching resident under the program, an individual must:

(1) have received the individual's initial teaching certificate not more than two years before applying for a residency and must have less than 18 months of full-time equivalency teaching experience as a certified teacher; or

(2) hold a bachelor's degree and:

(A) be a mid-career professional from outside the field of education, and have strong content knowledge or a record of achievement; or

(B) be a noncertified educator such as a substitute teacher or teaching assistant.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

Sec. 21.804. SELECTION OF PARTICIPANTS. The teaching residency program shall establish criteria for selection of individuals to participate in the program. The selection criteria must include:

(1) a demonstration of comprehensive subject area knowledge or a record of accomplishment in the field or subject area to be taught;

(2) strong verbal and written communication skills, which may be demonstrated by performance on appropriate tests; and

(3) attributes linked to effective teaching, which may be determined by interviews or performance assessments.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

Sec. 21.805. RULES. The commissioner of higher education shall adopt rules as necessary to implement this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

Sec. 21.806. AUTHORITY TO ACCEPT CERTAIN FUNDS. (a) The commissioner of higher education may solicit and accept gifts, grants, and donations from public and private entities to use for the purposes of this subchapter.

(b) The teacher residency program may be established and maintained only if sufficient funds are available under this section for that purpose.

Added by Acts 2013, 83rd Leg., R.S., Ch. 949 (H.B. 1752), Sec. 1, eff. September 1, 2013.

CHAPTER 22. SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS

SUBCHAPTER A. RIGHTS, DUTIES, AND BENEFITS

Sec. 22.001. SALARY DEDUCTIONS FOR PROFESSIONAL DUES. (a) A school district employee is entitled to have an amount deducted from the employee's salary for membership fees or dues to a professional organization. The employee must:

(1) file with the district a signed written request identifying the organization and specifying the number of pay periods per year the deductions are to be made; and

(2) inform the district of the total amount of the fees and dues for each year or have the organization notify the district of the amount.

(b) The district shall deduct the total amount of the fees or dues for a year in equal amounts per pay period for the number of periods specified by the employee. The deductions shall be made until the employee requests in writing that the deductions be discontinued.

(c) The school district may charge an administrative fee for making the deduction. A fee imposed for making a salary deduction under this section may not exceed either the actual administrative cost of making the deduction or the lowest fee the district charges for similar salary deductions, whichever is less.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.002. ASSIGNMENT, TRANSFER, OR PLEDGE OF COMPENSATION. (a) In this section, "school employee" means any person employed by a school district in an executive, administrative, or clerical

capacity or as a superintendent, principal, teacher, or instructor.

(b) Any school employee's assignment, pledge, or transfer, as security for indebtedness, of any interest in or part of the employee's salary or wages then due or that may become due under an existing contract of employment is enforceable only:

(1) if, before or at the time of execution, delivery, or acceptance of an assignment, pledge, or transfer, written approval is obtained in accordance with the policy of the employing school district; and

(2) to the extent that the indebtedness it secures is a valid and enforceable obligation.

(c) A school district shall honor an assignment, pledge, or transfer fulfilling the conditions of Subsection (b) without incurring any liability to the school employee executing the assignment, pledge, or transfer. Payment to any assignee, pledgee, or transferee in accordance with the terms of the instrument constitutes payment to or for the account of the assignor, pledgor, or transferor. An assignment, pledge, or transfer is enforceable only to the extent of salary due or that may become due during continuation of the assignor's employment as a school employee.

(d) Venue for any suit against the employer of a school employee to enforce an assignment, pledge, or transfer of salary is in the county where the employing school is located.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.003. MINIMUM PERSONAL LEAVE PROGRAM. (a) A state minimum personal leave program consisting of five days per year personal leave with no limit on accumulation and transferable among districts shall be provided for school district employees. School districts may provide additional personal leave beyond this minimum. The board of trustees of a school district may adopt a policy governing an employee's use of personal leave granted under this subsection, except that the policy may not restrict:

(1) the purposes for which the leave may be used; or

(2) the order in which an employee may use the state minimum personal leave and any additional personal leave provided by the school district.

(b) In addition to all other days of leave provided by this

section or by the school district, an employee of a school district who is physically assaulted during the performance of the employee's regular duties is entitled to the number of days of leave necessary to recuperate from all physical injuries sustained as a result of the assault. At the request of an employee, the school district must immediately assign an employee to assault leave and, on investigation of the claim, may change the assault leave status and charge the leave against the employee's accrued personal leave or against an employee's pay if insufficient accrued personal leave is available. Days of leave taken under this subsection may not be deducted from accrued personal leave. The period provided by this subsection may not extend more than two years beyond the date of the assault. Notwithstanding any other law, assault leave policy benefits due to an employee shall be coordinated with temporary income benefits due from workers' compensation so that the employee's total compensation from temporary income benefits and assault leave policy benefits equals 100 percent of the employee's weekly rate of pay.

(c) For purposes of Subsection (b), an employee of a school district is physically assaulted if the person engaging in the conduct causing injury to the employee:

(1) could be prosecuted for assault; or

(2) could not be prosecuted for assault only because the person's age or mental capacity makes the person a nonresponsible person for purposes of criminal liability.

(c-1) Any informational handbook a school district provides to employees in an electronic or paper form or makes available by posting on the district website must include notification of an employee's rights under Subsection (b) in the relevant section of the handbook. Any form used by a school district through which an employee may request leave under this section must include assault leave under Subsection (b) as an option.

(d) A school district employee with available personal leave under this section is entitled to use the leave for compensation during a term of active military service. This subsection applies to any personal or sick leave available under former law or provided by local policy of a school district, including a home-rule school district.

(e) A school district, including a home-rule school district, may adopt a policy providing for the paid leave of absence of employees taking leave for active military service as part of the

consideration of employment by the district.

(f) A public school employee who retains any sick leave accumulated under former Section 13.904(a), as that section existed on January 1, 1995, is entitled to use the sick leave provided under that section or the personal leave provided under Subsection (a) in any order to the extent that the leave the employee uses is appropriate to the purpose of the leave.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 936, Sec. 1, eff. June 18, 1997; Acts 2001, 77th Leg., ch. 1015, Sec. 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 971, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 19 (S.B. 522), Sec. 1, eff. May 12, 2009.

Acts 2009, 81st Leg., R.S., Ch. 379 (H.B. 1470), Sec. 1, eff. June 19, 2009.

Sec. 22.004. GROUP HEALTH BENEFITS FOR SCHOOL EMPLOYEES. (a) A district shall participate in the uniform group coverage program established under Chapter 1579, Insurance Code, as provided by Subchapter D of that chapter.

(b) A district that does not participate in the program described by Subsection (a) shall make available to its employees group health coverage provided by a risk pool established by one or more school districts under Chapter 172, Local Government Code, or under a policy of insurance or group contract issued by an insurer, a company subject to Chapter 842, Insurance Code, or a health maintenance organization under Chapter 843, Insurance Code. The coverage must meet the substantive coverage requirements of Chapter 1251, Subchapter A, Chapter 1364, and Subchapter A, Chapter 1366, Insurance Code, and any other law applicable to group health insurance policies or contracts issued in this state. The coverage must include major medical treatment but may exclude experimental procedures. In this subsection, "major medical treatment" means a medical, surgical, or diagnostic procedure for illness or injury. The coverage may include managed care or preventive care and must be comparable to the basic health coverage provided under Chapter 1551, Insurance Code. The board of trustees of the Teacher Retirement

System of Texas shall adopt rules to determine whether a school district's group health coverage is comparable to the basic health coverage specified by this subsection. The rules must provide for consideration of the following factors concerning the district's coverage in determining whether the district's coverage is comparable to the basic health coverage specified by this subsection:

(1) the deductible amount for service provided inside and outside of the network;

(2) the coinsurance percentages for service provided inside and outside of the network;

(3) the maximum amount of coinsurance payments a covered person is required to pay;

(4) the amount of the copayment for an office visit;

(5) the schedule of benefits and the scope of coverage;

(6) the lifetime maximum benefit amount; and

(7) verification that the coverage is issued by a provider licensed to do business in this state by the Texas Department of Insurance or is provided by a risk pool authorized under Chapter 172, Local Government Code, or that a district is capable of covering the assumed liabilities in the case of coverage provided through district self-insurance.

(c) The cost of the coverage provided under the program described by Subsection (a) shall be paid by the state, the district, and the employees in the manner provided by Subchapter F, Chapter 1579, Insurance Code. The cost of coverage provided under a plan adopted under Subsection (b) shall be shared by the employees and the district using the contributions by the state described by Subchapter F, Chapter 1579, Insurance Code, or Subchapter D.

(d) Each district shall report the district's compliance with this section to the executive director of the Teacher Retirement System of Texas not later than March 1 of each even-numbered year in the manner required by the board of trustees of the Teacher Retirement System of Texas. For a district that does not participate in the program described by Subsection (a), the report must be available for review, together with the policy or contract for the group health coverage plan, at the central administrative office of each campus in the district and be posted on the district's Internet website if the district maintains a website, must be based on the district group health coverage plan in effect during the current plan year, and must include:

(1) appropriate documentation of:

(A) the district's contract for group health coverage with a provider licensed to do business in this state by the Texas Department of Insurance or a risk pool authorized under Chapter 172, Local Government Code; or

(B) a resolution of the board of trustees of the district authorizing a self-insurance plan for district employees and of the district's review of district ability to cover the liability assumed;

(2) the schedule of benefits;

(3) the premium rate sheet, including the amount paid by the district and employee;

(4) the number of employees covered by the health coverage plan offered by the district;

(5) information concerning the ease of completing the report, as required by the executive director of the Teacher Retirement System of Texas; and

(6) any other information considered appropriate by the executive director of the Teacher Retirement System of Texas.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(1), eff. September 1, 2013.

(f) A school district that does not participate in the program described by Subsection (a) may not contract with an insurer, a company subject to Chapter 842, Insurance Code, or a health maintenance organization to issue a policy or contract under this section, or with any person to assist the school district in obtaining or managing the policy or contract unless, before the contract is entered into, the insurer, company, organization, or person provides the district with an audited financial statement showing the financial condition of the insurer, company, organization, or person.

(g) An insurer, a company subject to Chapter 842, Insurance Code, or a health maintenance organization that issues a policy or contract under this section and any person that assists the school district in obtaining or managing the policy or contract for compensation shall provide an annual audited financial statement to the school district showing the financial condition of the insurer, company, organization, or person.

(h) An audited financial statement provided under this section must be made in accordance with rules adopted by the commissioner of

insurance or with generally accepted accounting principles, as applicable.

(i) Notwithstanding any other provision of this section, a district participating in the uniform group coverage program established under Chapter 1579, Insurance Code, may not make group health coverage available to its employees under this section after the date on which the program of coverages provided under Chapter 1579, Insurance Code, is implemented.

(j) This section does not preclude a district that is participating in the uniform group coverage program established under Chapter 1579, Insurance Code, from entering into contracts to provide optional insurance coverages for the employees of the district.

(k) Notwithstanding any other law, an employee of a district participating in the uniform group coverage program under Subsection (a) or providing group health coverage under Subsection (b) whose resignation is effective after the last day of an instructional year is entitled to participate or be enrolled in the uniform group coverage plan or the group health coverage through the earlier of:

(1) the first anniversary of the date participation in or coverage under the uniform group coverage plan or the group health coverage was first made available to district employees for the last instructional year in which the employee was employed by the district; or

(2) the last calendar day before the first day of the instructional year immediately following the last instructional year in which the employee was employed by the district.

(l) If an employee's resignation is effective after the last day of an instructional year, the district may not diminish or eliminate the amount of a contribution available to the employee under Chapter 1581, Insurance Code, before the last date on which the employee is entitled to participation or enrollment under Subsection (k).

(m) Notwithstanding any other law, group health benefit coverage provided by or offered through a district to district employees under any law is subject to the requirements of Sections 1501.102-1501.105, Insurance Code. This section applies to all group health benefit coverage provided by or offered through a district to district employees, including:

(1) a standard health benefit plan issued under Chapter 1507, Insurance Code; and

(2) health and accident coverage provided through a risk pool established under Chapter 172, Local Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1416, Sec. 37, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1540, Sec. 28, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1187, Sec. 3.18, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 785, Sec. 56, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 10A.511, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 386 (S.B. 1448), Sec. 1, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 11.108, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.01, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 4, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 108 (H.B. 973), Sec. 1, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1230 (H.B. 2427), Sec. 14, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 103 (H.B. 1364), Sec. 1, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 370 (S.B. 155), Sec. 1, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 99(1), eff. September 1, 2013.

Sec. 22.005. HEALTH CARE PLAN AND FUND. (a) The board of trustees of a school district may establish a health care plan for employees of the district and dependents of employees.

(b) In implementing the health care plan, the board shall establish a fund to pay, as authorized under the plan, all or part of the actual costs for hospital, surgical, medical, dental, or related health care incurred by employees of the district or any dependent whose participation in the program is being supported by deductions from the salary of an employee. Under the plan, the fund also may be used to pay the costs of administering the fund. The fund consists

of money contributed by the school district and money deducted from salaries of employees for dependent or employee coverage. Money for the fund may not be deducted from the salary of a school district employee unless the employee authorizes the deduction in writing. The plan shall attempt to protect the school district against unanticipated catastrophic individual loss, or unexpectedly large aggregate loss, by securing individual stop-loss coverage, or aggregate stop-loss coverage, or both, from a commercial insurer.

(c) The board may amend or cancel the district's health care plan at any regular or special meeting of the board. If the plan is canceled, any valid claim against the fund for payment of health care costs resulting from illness or injury occurring during the time the plan was in effect shall be paid out of the fund. If the fund is insufficient to pay the claim, the costs shall be paid out of other available school district funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.006. DISCRIMINATION BASED ON JURY SERVICE PROHIBITED. (a) A school district may not discharge, discipline, reduce the salary of, or otherwise penalize or discriminate against a school district employee because of the employee's compliance with a summons to appear as a juror.

(b) For each regularly scheduled workday on which a nonsalaried employee serves in any phase of jury service, a school district shall pay the employee the employee's normal daily compensation.

(c) An employee's accumulated personal leave may not be reduced because of the employee's service in compliance with a summons to appear as a juror.

Added by Acts 1999, 76th Leg., ch. 656, Sec. 1, eff. Aug. 30, 1999.

Sec. 22.007. INCENTIVES FOR EARLY RETIREMENT. A district may not offer or provide a financial or other incentive to an employee of the district to encourage the employee to retire from the Teacher Retirement System of Texas.

Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 5, eff. September 1, 2005.

Sec. 22.011. REQUIRING OR COERCING EMPLOYEES TO MAKE CHARITABLE CONTRIBUTIONS. (a) A school district board of trustees or school district employee may not directly or indirectly require or coerce any school district employee to:

(1) make a contribution to a charitable organization or in response to a fund-raiser; or

(2) attend a meeting called for the purpose of soliciting charitable contributions.

(b) A school district board of trustees or school district employee may not directly or indirectly require or coerce any school district employee to refrain from:

(1) making a contribution to a charitable organization or in response to a fund-raiser; or

(2) attending a meeting called for the purpose of soliciting charitable contributions.

Added by Acts 2011, 82nd Leg., R.S., Ch. 284 (H.B. 1682), Sec. 1, eff. June 17, 2011.

SUBCHAPTER B. CIVIL IMMUNITY

Sec. 22.051. DEFINITION; OTHER IMMUNITY. (a) In this subchapter, "professional employee of a school district" includes:

(1) a superintendent, principal, teacher, including a substitute teacher, supervisor, social worker, school counselor, nurse, and teacher's aide employed by a school district;

(2) a teacher employed by a company that contracts with a school district to provide the teacher's services to the district;

(3) a student in an education preparation program participating in a field experience or internship;

(4) a school bus driver certified in accordance with standards and qualifications adopted by the Department of Public Safety of the State of Texas;

(5) a member of the board of trustees of an independent school district; and

(6) any other person employed by a school district whose employment requires certification and the exercise of discretion.

(b) The statutory immunity provided by this subchapter is in

addition to and does not preempt the common law doctrine of official and governmental immunity.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 17, eff. June 14, 2013.

Sec. 22.0511. IMMUNITY FROM LIABILITY. (a) A professional employee of a school district is not personally liable for any act that is incident to or within the scope of the duties of the employee's position of employment and that involves the exercise of judgment or discretion on the part of the employee, except in circumstances in which a professional employee uses excessive force in the discipline of students or negligence resulting in bodily injury to students.

(b) This section does not apply to the operation, use, or maintenance of any motor vehicle.

(c) In addition to the immunity provided under this section and under other provisions of state law, an individual is entitled to any immunity and any other protections afforded under the Paul D. Coverdell Teacher Protection Act of 2001 (20 U.S.C. Section 6731 et seq.), as amended. Nothing in this subsection shall be construed to limit or abridge any immunity or protection afforded an individual under state law. For purposes of this subsection, "individual" includes a person who provides services to private schools, to the extent provided by federal law.

(d) A school district may not by policy, contract, or administrative directive:

(1) require a district employee to waive immunity from liability for an act for which the employee is immune from liability under this section; or

(2) require a district employee who acts in good faith to pay for or replace property belonging to a student or other person that is or was in the possession of the employee because of an act that is incident to or within the scope of the duties of the employee's position of employment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Renumbered from Sec. 22.051 and amended by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 116 (S.B. 370), Sec. 1, eff. May 17, 2007.

Sec. 22.0512. IMMUNITY FROM DISCIPLINARY PROCEEDINGS FOR PROFESSIONAL EMPLOYEES. (a) A professional employee of a school district may not be subject to disciplinary proceedings for the employee's use of physical force against a student to the extent justified under Section 9.62, Penal Code.

(b) In this section, "disciplinary proceeding" means:

(1) an action brought by the school district employing a professional employee of a school district to discharge or suspend the employee or terminate or not renew the employee's term contract; or

(2) an action brought by the State Board for Educator Certification to enforce the educator's code of ethics adopted under Section 21.041(b)(8).

(c) This section does not prohibit a school district from:

(1) enforcing a policy relating to corporal punishment; or

(2) notwithstanding Subsection (a), bringing a disciplinary proceeding against a professional employee of the district who violates the district policy relating to corporal punishment.

Added by Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.0513. NOTICE OF CLAIM. (a) Not later than the 90th day before the date a person files a suit against a professional employee of a school district, the person must give written notice to the employee of the claim, reasonably describing the incident from which the claim arose.

(b) A professional employee of a school district against whom a suit is pending who does not receive written notice, as required by Subsection (a), may file a plea in abatement not later than the 30th day after the date the person files an original answer in the court in which the suit is pending.

(c) The court shall abate the suit if the court, after a hearing, finds that the person is entitled to an abatement because notice was not provided as required by this section.

(d) An abatement under Subsection (c) continues until the 90th day after the date that written notice is given to the professional employee of a school district as provided by Subsection (a).

Added by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.0514. EXHAUSTION OF REMEDIES. A person may not file suit against a professional employee of a school district unless the person has exhausted the remedies provided by the school district for resolving the complaint.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.0515. LIMITATION ON DAMAGES. The liability of a professional employee of a school district or of an individual that is entitled to any immunity and other protections afforded under the Paul D. Coverdell Teacher Protection Act of 2001 (20 U.S.C. Section 6731 et seq.), as amended, for an act incident to or within the scope of duties of the employee's position of employment may not exceed $100,000. The limitation on liability provided by this subsection does not apply to any attorney's fees or court costs that may be awarded against the professional employee under Section 22.0517.

Added by Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.0516. ALTERNATIVE DISPUTE RESOLUTION. A court in which a judicial proceeding is being brought against a professional employee of a school district may refer the case to an alternative dispute resolution procedure as described by Chapter 154, Civil Practice and Remedies Code.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.0517. RECOVERY OF ATTORNEY'S FEES IN ACTION AGAINST PROFESSIONAL EMPLOYEE. In an action against a professional employee of a school district involving an act that is incidental to or within the scope of duties of the employee's position of employment and brought against the employee in the employee's individual capacity, the employee is entitled to recover attorney's fees and court costs from the plaintiff if the employee is found immune from liability under this subchapter.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 15.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg. ch. 1197, Sec. 1, eff. Sept. 1, 2003.

Sec. 22.052. ADMINISTRATION OF MEDICATION BY SCHOOL DISTRICT EMPLOYEES OR VOLUNTEER PROFESSIONALS; IMMUNITY FROM LIABILITY. (a) On the adoption of policies concerning the administration of medication to students by school district employees, the school district, its board of trustees, and its employees are immune from civil liability from damages or injuries resulting from the administration of medication to a student if:

(1) the school district has received a written request to administer the medication from the parent, legal guardian, or other person having legal control of the student; and

(2) when administering prescription medication, the medication is administered either:

(A) from a container that appears to be:

(i) the original container; and

(ii) properly labeled; or

(B) from a properly labeled unit dosage container filled by a registered nurse or another qualified district employee, as determined by district policy, from a container described by Paragraph (A).

(b) The board of trustees may allow a licensed physician or registered nurse who provides volunteer services to the school district and for whom the district provides liability insurance to administer to a student:

(1) nonprescription medication; or

(2) medication currently prescribed for the student by the

student's personal physician.

(c) This section may not be construed as granting immunity from civil liability for injuries resulting from gross negligence.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 1197, Sec. 2, eff. Sept. 1, 2003.

Sec. 22.053. SCHOOL DISTRICT VOLUNTEERS. (a) A volunteer who is serving as a direct service volunteer of a school district is immune from civil liability to the same extent as a professional employee of a school district under Section 22.0511.

(b) In this section, "volunteer" means a person providing services for or on behalf of a school district, on the premises of the district or at a school-sponsored or school-related activity on or off school property, who does not receive compensation in excess of reimbursement for expenses.

(c) This section does not limit the liability of a person for intentional misconduct or gross negligence.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 204, Sec. 15.02, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 3, eff. Sept. 1, 2003.

Sec. 22.054. LIABILITY OF CERTAIN INSTITUTIONS OF HIGHER EDUCATION. (a) A private or independent institution of higher education is not liable for damages arising from an act or omission of a person associated with the institution, including an employee or student, arising in the course and scope of that person's activities as a volunteer in a primary or secondary school.

(b) A school district may agree to provide or pay for attorney services for the defense of a private or independent institution of higher education if:

(1) the institution is assisting in the provision of volunteer services to primary or secondary schools in the district;

(2) a claim for damages is brought against the institution in relation to those services; and

(3) the board of trustees of the school district reasonably believes that the institution is not liable for the claim under

Subsection (a).

(c) In this section:

(1) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(2) "Volunteer" means a person rendering services for or on behalf of a public school who does not receive compensation from the district in excess of reimbursement for expenses. The person may receive compensation from a person other than the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.055. FRIVOLOUS SUIT AGAINST EMPLOYEE. A court may award costs and reasonable attorney's fees to a school district employee acting under color of employment to the same extent that a court may award costs and attorney's fees to a school district or school district officer under Section 11.161.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. CRIMINAL HISTORY RECORDS

Sec. 22.081. DEFINITIONS. In this subchapter:

(1) "Department" means the Department of Public Safety.

(2) "National criminal history record information" means criminal history record information obtained from the department under Subchapter F, Chapter 411, Government Code, and from the Federal Bureau of Investigation under Section 411.087, Government Code.

(3) "Private school" means a school that:

(A) offers a course of instruction for students in one or more grades from prekindergarten through grade 12; and

(B) is not operated by a governmental entity.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 6, eff. June 15, 2007.

Sec. 22.082. ACCESS TO CRIMINAL HISTORY RECORDS BY STATE BOARD

FOR EDUCATOR CERTIFICATION. The State Board for Educator Certification shall subscribe to the criminal history clearinghouse as provided by Section 411.0845, Government Code, and may obtain from any law enforcement or criminal justice agency all criminal history record information and all records contained in any closed criminal investigation file that relate to a specific applicant for or holder of a certificate issued under Subchapter B, Chapter 21.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 6, eff. June 15, 2007.

Sec. 22.083. ACCESS TO CRIMINAL HISTORY RECORDS OF EMPLOYEES BY LOCAL AND REGIONAL EDUCATION AUTHORITIES. (a) A school district, open-enrollment charter school, or shared services arrangement shall obtain criminal history record information that relates to a person who is not subject to a national criminal history record information review under this subchapter and who is an employee of:

(1) the district or school; or

(2) a shared services arrangement, if the employee's duties are performed on school property or at another location where students are regularly present.

(a-1) A school district, open-enrollment charter school, or shared services arrangement may obtain the criminal history record information from:

(1) the department;

(2) a law enforcement or criminal justice agency; or

(3) a private entity that is a consumer reporting agency governed by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.).

(a-2) A shared services arrangement may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a person who is not subject to Subsection (a) and whom the shared services arrangement intends to employ in any capacity.

(b) A private school or regional education service center may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to:

(1) a person whom the school or service center intends to employ in any capacity; or

(2) an employee of or applicant for employment by a person that contracts with the school or service center to provide services, if:

(A) the employee or applicant has or will have continuing duties related to the contracted services; and

(B) the employee or applicant has or will have direct contact with students.

(c) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1372, Sec. 27, eff. June 15, 2007.

(d) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1372, Sec. 27, eff. June 15, 2007.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 20, eff. Sept. 1, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 7, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 8, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 27, eff. June 15, 2007.

Sec. 22.0831. NATIONAL CRIMINAL HISTORY RECORD INFORMATION REVIEW OF CERTIFIED EDUCATORS. (a) In this section, "board" means the State Board for Educator Certification.

(b) This section applies to a person who is an applicant for or holder of a certificate under Subchapter B, Chapter 21, and who is employed by or is an applicant for employment by a school district, open-enrollment charter school, or shared services arrangement.

(c) The board shall review the national criminal history record information of a person who has not previously submitted fingerprints to the department or been subject to a national criminal history record information review.

(d) The board shall place an educator's certificate on inactive status for failure to comply with a deadline for submitting information required under this section.

(e) The board may allow a person who is applying for a certificate under Subchapter B, Chapter 21, and who currently resides in another state to submit the person's fingerprints and other required information in a manner that does not impose an undue hardship on the person.

(f) The board may propose rules to implement this section, including rules establishing:

(1) deadlines for a person to submit fingerprints and photographs in compliance with this section; and

(2) sanctions for a person's failure to comply with the requirements of this section, including suspension or revocation of a certificate or refusal to issue a certificate.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.0832. NATIONAL CRIMINAL HISTORY RECORD INFORMATION REVIEW OF CERTAIN OPEN-ENROLLMENT CHARTER SCHOOL EMPLOYEES. (a) The agency shall review the national criminal history record information of an employee of an open-enrollment charter school to whom Section 12.1059 applies in the same manner as the State Board for Educator Certification reviews certified educators under Section 22.0831. If the agency determines that, based on information contained in an employee's criminal history record information, the employee would not be eligible for educator certification under Subchapter B, Chapter 21, the agency shall notify the open-enrollment charter school in writing that the person may not be employed by the school or serve in a capacity described by Section 12.1059.

(b) An open-enrollment charter school must provide the agency with any information requested by the agency to enable the agency to complete a review under Subsection (a). Failure of an open-enrollment charter school to provide information under this subsection is a material violation of the school's charter.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.0833. NATIONAL CRIMINAL HISTORY RECORD INFORMATION REVIEW OF NONCERTIFIED EMPLOYEES. (a) This section applies to a

person who is not an applicant for or holder of a certificate under Subchapter B, Chapter 21, and who on or after January 1, 2008, is offered employment by:

(1) a school district or open-enrollment charter school; or

(2) a shared services arrangement, if the employee's or applicant's duties are or will be performed on school property or at another location where students are regularly present.

(b) A person to whom this section applies must submit to a national criminal history record information review under this section before being employed or serving in a capacity described by Subsection (a).

(c) Before or immediately after employing or securing the services of a person to whom this section applies, a school district, open-enrollment charter school, or shared services arrangement shall send or ensure that the person sends to the department information that is required by the department for obtaining national criminal history record information, which may include fingerprints and photographs.

(d) The department shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Section 411.0845, Government Code.

(e) Each school district, open-enrollment charter school, and shared services arrangement shall obtain all criminal history record information that relates to a person to whom this section applies through the criminal history clearinghouse as provided by Section 411.0845, Government Code, and shall subscribe to the criminal history record information of the person.

(f) The school district, open-enrollment charter school, or shared services arrangement may require a person to pay any fees related to obtaining criminal history record information under this section.

(g) A school district, open-enrollment charter school, or shared services arrangement shall provide the agency with the name of a person to whom this section applies. The agency shall obtain all criminal history record information of the person through the criminal history clearinghouse as provided by Section 411.0845, Government Code. The agency shall examine the criminal history record information of the person and notify the district, school, or shared services arrangement if the person may not be hired or must be

discharged as provided by Section 22.085.

(h) The agency, the State Board for Educator Certification, school districts, open-enrollment charter schools, and shared services arrangements may coordinate as necessary to ensure that criminal history reviews authorized or required under this subchapter are not unnecessarily duplicated.

(i) The department in coordination with the commissioner may adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.0834. CRIMINAL HISTORY RECORD INFORMATION REVIEW OF CERTAIN CONTRACT EMPLOYEES. (a) This subsection applies to a person who is not an applicant for or holder of a certificate under Subchapter B, Chapter 21, and who on or after January 1, 2008, is offered employment by an entity that contracts with a school district, open-enrollment charter school, or shared services arrangement to provide services, if:

(1) the employee or applicant has or will have continuing duties related to the contracted services; and

(2) the employee or applicant has or will have direct contact with students.

(b) A person to whom Subsection (a) applies must submit to a national criminal history record information review under this section before being employed or serving in a capacity described by that subsection.

(c) Before or immediately after employing or securing the services of a person to whom Subsection (a) applies, the entity contracting with a school district, open-enrollment charter school, or shared services arrangement shall send or ensure that the person sends to the department information that is required by the department for obtaining national criminal history record information, which may include fingerprints and photographs. The department shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Section 411.0845, Government Code.

(d) An entity contracting with a school district, open-enrollment charter school, or shared services arrangement shall

obtain all criminal history record information that relates to a person to whom Subsection (a) applies through the criminal history clearinghouse as provided by Section 411.0845, Government Code. The entity shall certify to the school district that the entity has received all criminal history record information relating to a person to whom Subsection (a) applies.

(e) A school district, open-enrollment charter school, or shared services arrangement may obtain the criminal history record information of a person to whom this section applies through the criminal history clearinghouse as provided by Section 411.0845, Government Code.

(f) In the event of an emergency, a school district may allow a person to whom Subsection (a) or (g) applies to enter school district property if the person is accompanied by a district employee. A school district may adopt rules regarding an emergency situation under this subsection.

(g) An entity that contracts with a school district, open-enrollment charter school, or shared services arrangement to provide services shall obtain from any law enforcement or criminal justice agency or a private entity that is a consumer reporting agency governed by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.), all criminal history record information that relates to an employee of the entity who is employed before January 1, 2008, and who is not subject to a national criminal history record information review under Subsection (b) if:

(1) the employee has continuing duties related to the contracted services; and

(2) the employee has direct contact with students.

(h) A school district, open-enrollment charter school, or shared services arrangement may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a person to whom Subsection (g) applies.

(i) An entity shall certify to a school district that it has received all criminal history record information required by Subsection (g).

(j) The commissioner may adopt rules as necessary to implement this section.

(k) The requirements of this section apply to an entity that contracts directly with a school district, open-enrollment charter school, or shared services arrangement and any subcontractor of the

entity.

(l) A contracting entity shall require that a subcontracting entity obtain all criminal history record information that relates to an employee to whom Subsection (a) applies. If a contracting or subcontracting entity determines that Subsection (a) does not apply to an employee, the contracting or subcontracting entity shall make a reasonable effort to ensure that the conditions or precautions that resulted in the determination that Subsection (a) did not apply to the employee continue to exist throughout the time that the contracted services are provided.

(m) A contracting entity complies with the requirements of this section if the contracting entity obtains a written statement from each subcontracting entity certifying that the subcontracting entity has obtained the required criminal history record information for employees of the subcontracting entity and the subcontracting entity has obtained certification from each of the subcontracting entity's subcontractors.

(n) A subcontracting entity must certify to the school district, open-enrollment charter school, or shared services arrangement and the contracting entity that the subcontracting entity has obtained all criminal history record information that relates to an employee to whom Subsection (a) applies and has obtained similar written certifications from the subcontracting entity's subcontractors.

(o) A contracting or subcontracting entity may not permit an employee to whom Subsection (a) applies to provide services at a school if the employee has been convicted of a felony or misdemeanor offense that would prevent a person from being employed under Section 22.085(a).

(p) In this section:

(1) "Contracting entity" means an entity that contracts directly with a school district, open-enrollment charter school, or shared services arrangement to provide services to the school district, open-enrollment charter school, or shared services arrangement.

(2) "Subcontracting entity" means an entity that contracts with another entity that is not a school district, open-enrollment charter school, or shared services arrangement to provide services to a school district, open-enrollment charter school, or shared services arrangement.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1146 (H.B. 2730), Sec. 6.11, eff. September 1, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 649 (S.B. 1042), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 696 (H.B. 398), Sec. 1, eff. June 17, 2011.

Sec. 22.0835. ACCESS TO CRIMINAL HISTORY RECORDS OF STUDENT TEACHERS AND VOLUNTEERS BY LOCAL AND REGIONAL EDUCATION AUTHORITIES. (a) A school district, open-enrollment charter school, or shared services arrangement shall obtain from the department and may obtain from any other law enforcement or criminal justice agency or a private entity that is a consumer reporting agency governed by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.), all criminal history record information that relates to:

(1) a person participating in an internship consisting of student teaching to receive a teaching certificate; or

(2) a volunteer or person who has indicated, in writing, an intention to serve as a volunteer with the district, school, or shared services arrangement.

(b) A private school or regional education service center may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a person who volunteers or has indicated, in writing, an intention to serve as a volunteer with the school or service center.

(c) A person to whom Subsection (a) or (b) applies must provide to the school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement a driver's license or another form of identification containing the person's photograph issued by an entity of the United States government.

(d) A person to whom Subsection (a) applies may not perform any student teaching or volunteer duties until all requirements under Subsections (a) and (c) have been satisfied.

(e) Subsections (a) and (c) do not apply to a person who volunteers or is applying to volunteer with a school district, open-

enrollment charter school, or shared services arrangement if the person:

(1) is the parent, guardian, or grandparent of a child who is enrolled in the district or school for which the person volunteers or is applying to volunteer;

(2) will be accompanied by a school district employee while on a school campus; or

(3) is volunteering for a single event on the school campus.

(f) A school district, open-enrollment charter school, or shared services arrangement may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a person to whom Subsection (e) applies.

(g) A school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement may require a student teacher, volunteer, or volunteer applicant to pay any costs related to obtaining criminal history record information under this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.0836. NATIONAL CRIMINAL HISTORY RECORD INFORMATION REVIEW OF SUBSTITUTE TEACHERS. (a) This section applies to a person who is a substitute teacher for a school district, open-enrollment charter school, or shared services arrangement.

(b) A person to whom this section applies must submit to a national criminal history record information review under this section.

(c) A school district, open-enrollment charter school, or shared services arrangement shall send or ensure that a person to whom this section applies sends to the department information that is required by the department for obtaining national criminal history record information, which may include fingerprints and photographs.

(d) The department shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Section 411.0845, Government Code.

(e) Each school district, open-enrollment charter school, and

shared services arrangement shall obtain all criminal history record information that relates to a person to whom this section applies through the criminal history clearinghouse as provided by Section 411.0845, Government Code.

(f) The school district, open-enrollment charter school, or shared services arrangement may require a person to pay any fees related to obtaining criminal history record information under this section.

(g) A school district, open-enrollment charter school, or shared services arrangement shall provide the agency with the name of a person to whom this section applies. The agency shall obtain all criminal history record information of the person through the criminal history clearinghouse as provided by Section 411.0845, Government Code. The agency shall examine the criminal history record information and certification records of the person and notify the district, school, or shared services arrangement if the person:

(1) may not be hired or must be discharged as provided by Section 22.085; or

(2) may not be employed as a substitute teacher because the person's educator certification has been revoked or is suspended.

(h) The commissioner may adopt rules to implement this section, including rules establishing deadlines for a school district, open-enrollment charter school, or shared services arrangement to require a person to whom this section applies to submit fingerprints and photographs in compliance with this section and the circumstances under which a person may not continue to be employed as a substitute teacher.

(j) The department in coordination with the commissioner may adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.0837. FEE FOR NATIONAL CRIMINAL HISTORY RECORD INFORMATION. The agency by rule shall require a person submitting to a national criminal history record information review under Section 22.0832, 22.0833, or 22.0836 to pay a fee for the review in an amount not to exceed the amount of any fee imposed on an applicant for certification under Subchapter B, Chapter 21, for a national criminal

history record information review under Section 22.0831. The agency or the department may require an entity authorized to collect information for a national criminal history record information review to collect the fee required under this section and to remit the funds collected to the agency.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 9, eff. June 15, 2007.

Sec. 22.08391. CONFIDENTIALITY OF INFORMATION. (a) Information collected about a person to comply with this subchapter, including the person's name, address, phone number, social security number, driver's license number, other identification number, and fingerprint records:

(1) may not be released except:

(A) to comply with this subchapter;

(B) by court order; or

(C) with the consent of the person who is the subject of the information;

(2) is not subject to disclosure as provided by Chapter 552, Government Code; and

(3) shall be destroyed by the requestor or any subsequent holder of the information not later than the first anniversary of the date the information is received.

(b) Any criminal history record information received by the State Board for Educator Certification as provided by this subchapter is subject to Section 411.090(b), Government Code.

(c) Any criminal history record information received by the agency as provided by this subchapter is subject to Section 411.0901(b), Government Code.

(d) Any criminal history record information received by a school district, charter school, private school, regional education service center, commercial transportation company, or education shared services arrangement or an entity that contracts to provide services to a school district, charter school, or shared services arrangement as provided by this subchapter is subject to Section 411.097(d), Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1146 (H.B. 2730), Sec. 9A.05, eff. September 1, 2009.

Sec. 22.084. ACCESS TO CRIMINAL HISTORY RECORDS OF SCHOOL BUS DRIVERS, BUS MONITORS, AND BUS AIDES. (a) Except as provided by Subsections (c) and (d), a school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement that contracts with a person for transportation services shall obtain from any law enforcement or criminal justice agency all criminal history record information that relates to:

(1) a person employed by the person as a bus driver; or

(2) a person the person intends to employ as a bus driver.

(b) Except as provided by Subsections (c) and (d), a person that contracts with a school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement to provide transportation services shall submit to the district, school, service center, or shared services arrangement the name and other identification data required to obtain criminal history record information of each person described by Subsection (a). If the district, school, service center, or shared services arrangement obtains information that a person described by Subsection (a) has been convicted of a felony or a misdemeanor involving moral turpitude, the district, school, service center, or shared services arrangement shall inform the chief personnel officer of the person with whom the district, school, service center, or shared services arrangement has contracted, and the person may not employ that person to drive a bus on which students are transported without the permission of the board of trustees of the district or service center, the governing body of the open-enrollment charter school, or the chief executive officer of the private school or shared services arrangement.

(c) A commercial transportation company that contracts with a school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement to provide transportation services may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to:

(1) a person employed by the commercial transportation company as a bus driver, bus monitor, or bus aide; or

(2) a person the commercial transportation company intends to employ as a bus driver, bus monitor, or bus aide.

(d) If the commercial transportation company obtains information that a person employed or to be employed by the company has been convicted of a felony or a misdemeanor involving moral turpitude, the company may not employ that person to drive or to serve as a bus monitor or bus aide on a bus on which students are transported without the permission of the board of trustees of the district or service center, the governing body of the open-enrollment charter school, or the chief executive officer of the private school or shared services arrangement. Subsections (a) and (b) do not apply if information is obtained as provided by Subsection (c).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1438, Sec. 1, eff. Sept. 1, 1997.

Sec. 22.085. EMPLOYEES AND APPLICANTS CONVICTED OF CERTAIN OFFENSES. (a) A school district, open-enrollment charter school, or shared services arrangement shall discharge or refuse to hire an employee or applicant for employment if the district, school, or shared services arrangement obtains information through a criminal history record information review that:

(1) the employee or applicant has been convicted of:

(A) a felony offense under Title 5, Penal Code;

(B) an offense on conviction of which a defendant is required to register as a sex offender under Chapter 62, Code of Criminal Procedure; or

(C) an offense under the laws of another state or federal law that is equivalent to an offense under Paragraph (A) or (B); and

(2) at the time the offense occurred, the victim of the offense described by Subdivision (1) was under 18 years of age or was enrolled in a public school.

(b) Subsection (a) does not apply if the employee or applicant for employment committed an offense under Title 5, Penal Code and:

(1) the date of the offense is more than 30 years before:

(A) the effective date of S.B. No. 9, Acts of the 80th Legislature, Regular Session, 2007, in the case of a person employed by a school district, open-enrollment charter school, or shared services arrangement as of that date; or

(B) the date the person's employment will begin, in the case of a person applying for employment with a school district, open-enrollment charter school, or shared services arrangement after the effective date of S.B. No. 9, Acts of the 80th Legislature, Regular Session, 2007; and

(2) the employee or applicant for employment satisfied all terms of the court order entered on conviction.

(c) A school district, open-enrollment charter school, or shared services arrangement may not allow a person who is an employee of or applicant for employment by an entity that contracts with the district, school, or shared services arrangement to serve at the district or school or for the shared services arrangement if the district, school, or shared services arrangement obtains information described by Subsection (a) through a criminal history record information review concerning the employee or applicant. A school district, open-enrollment charter school, or shared services arrangement must ensure that an entity that the district, school, or shared services arrangement contracts with for services has obtained all criminal history record information as required by Section 22.0834.

(d) A school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement may discharge an employee if the district or school obtains information of the employee's conviction of a felony or of a misdemeanor involving moral turpitude that the employee did not disclose to the State Board for Educator Certification or the district, school, service center, or shared services arrangement. An employee discharged under this section is considered to have been discharged for misconduct for purposes of Section 207.044, Labor Code.

(e) The State Board for Educator Certification may impose a sanction on an educator who does not discharge an employee or refuse to hire an applicant if the educator knows or should have known, through a criminal history record information review, that the employee or applicant has been convicted of an offense described by Subsection (a).

(f) Each school year, the superintendent of a school district or chief operating officer of an open-enrollment charter school shall certify to the commissioner that the district or school has complied with this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 10, eff. June 15, 2007.

Sec. 22.086. LIABILITY FOR REPORTING OFFENSES. The State Board for Educator Certification, a school district, an open-enrollment charter school, a private school, a regional education service center, a shared services arrangement, or an employee of the board, district, school, service center, or shared services arrangement is not civilly or criminally liable for making a report required under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.087. NOTIFICATION TO STATE BOARD FOR EDUCATOR CERTIFICATION. The superintendent of a school district or the director of an open-enrollment charter school, private school, regional education service center, or shared services arrangement shall promptly notify the State Board for Educator Certification in writing if:

(1) the person obtains or has knowledge of information showing that an applicant for or holder of a certificate issued under Subchapter B, Chapter 21, has a reported criminal history; and

(2) the person obtained the information by a means other than the criminal history clearinghouse established under Section 411.0845, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 11, eff. June 15, 2007.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1043 (H.B. 1783), Sec. 3, eff. September 1, 2015.

SUBCHAPTER D. HEALTH CARE SUPPLEMENTATION

Sec. 22.101. DEFINITIONS. In this subchapter:

(1) "Cafeteria plan" means a plan as defined and authorized by Section 125, Internal Revenue Code of 1986.

(2) "Employee" means an active, contributing member of the Teacher Retirement System of Texas who:

(A) is employed by a district, other educational district whose employees are members of the Teacher Retirement System of Texas, participating charter school, or regional education service center;

(B) is not a retiree eligible for coverage under the program established under Chapter 1575, Insurance Code;

(C) is not eligible for coverage by a group insurance program under Chapter 1551 or 1601, Insurance Code; and

(D) is not an individual performing personal services for a district, other educational district that is a member of the Teacher Retirement System of Texas, participating charter school, or regional education service center as an independent contractor.

(3) "Participating charter school" means an open-enrollment charter school established under Subchapter D, Chapter 12, that participates in the program established under Chapter 1579, Insurance Code.

(4) "Regional education service center" means a regional education service center established under Chapter 8.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.102. AUTHORITY TO ADOPT RULES; OTHER AUTHORITY. (a) The agency may adopt rules to implement this subchapter.

(b) The agency may enter into interagency contracts with any other agency of this state for the purpose of assistance in implementing this subchapter.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.103. DESIGNATION OF COMPENSATION AS HEALTH CARE SUPPLEMENTATION. (a) An employee of a school district, other educational district that is a member of the Teacher Retirement System of Texas, participating charter school, or regional education service center may elect to designate a portion of the employee's compensation to be used as health care supplementation under this subchapter.

(b) The amount designated under this section may not exceed the amount permitted under applicable federal law.

(c) This section does not apply to an employee who is not covered by a cafeteria plan or who is not eligible to pay health care premiums through a premium conversion plan.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.104. FUNDS HELD IN TRUST. All funds received by a district, other educational district, participating charter school, or regional education service center under this subchapter are held in trust for the benefit of the employees on whose behalf the district, school, or service center received the funds.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.105. WRITTEN ELECTION REQUIRED. Each school year, an active employee must elect in writing whether to designate a portion of the employee's compensation to be used as health care supplementation under this subchapter. An election under this

section must be made at the same time at which the employee elects to participate in a cafeteria plan, if applicable.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.106. USE OF DESIGNATED COMPENSATION. An employee may use compensation designated for health care supplementation under this subchapter for any employee benefit, including depositing the designated amount into a cafeteria plan in which the employee is enrolled or using the designated amount for health care premiums through a premium conversion plan.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

Sec. 22.107. WAGE INCREASE FOR SUPPORT STAFF. (a) A school district shall pay each full-time district employee, other than an administrator or an employee subject to the minimum salary schedule under Section 21.402, an amount at least equal to $500.

(b) A school district shall pay each part-time district employee, other than an administrator, an amount at least equal to $250.

(c) A school district employee entitled to a wage increase under this section may elect to receive a portion of the person's annual wages as health care supplementation as provided by this subchapter.

(d) A payment under this section is in addition to wages the district would otherwise pay the employee during the school year.

Added by Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 18.02, eff.

September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1359 (S.B. 1691), Sec. 6, eff. September 1, 2005.
Reenacted and amended by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.09, eff. May 31, 2006.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 22.901. UNLAWFUL INQUIRY INTO RELIGIOUS AFFILIATION. (a) A person employed or maintained to obtain or aid in obtaining positions for public school employees may not directly or indirectly ask about, orally or in writing, the religion or religious affiliation of anyone applying for employment in the public schools of this state.

(b) A person who violates Subsection (a) is subject to a civil penalty of not less than $100 nor more than $500. The aggrieved applicant or the applicant's assignee may bring suit for imposition of the civil penalty in the county of plaintiff's or defendant's residence.

(c) A person who violates Subsection (a) commits an offense. An offense under this subsection is a Class B misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 22.902. INSTRUCTION RELATED TO CARDIOPULMONARY RESUSCITATION AND USE OF AUTOMATED EXTERNAL DEFIBRILLATOR. (a) A school district shall annually make available to district employees and volunteers instruction in the principles and techniques of cardiopulmonary resuscitation and the use of an automated external defibrillator, as defined by Section 779.001, Health and Safety Code.

(b) The instruction provided in the use of an automated external defibrillator must meet guidelines for automated external defibrillator training approved under Section 779.002, Health and Safety Code.

(c) Each school nurse, assistant school nurse, athletic coach or sponsor, physical education instructor, marching band director, cheerleading coach, and any other school employee specified by the commissioner and each student who serves as an athletic trainer must participate in the instruction in the use of an automated external

defibrillator. A person described by this subsection must receive and maintain certification in the use of an automated external defibrillator from the American Heart Association, the American Red Cross, or a similar nationally recognized association.

(d) The commissioner shall adopt rules as necessary to implement this section.

(e) This subsection applies only to a private school that receives an automated external defibrillator from the agency or receives funding from the agency to purchase or lease an automated external defibrillator. A private school shall adopt a policy under which the school makes available to school employees and volunteers instruction in the principles and techniques of cardiopulmonary resuscitation and the use of an automated external defibrillator. The policy must comply with the requirements prescribed by this section and commissioner rules adopted under this section, including the requirements prescribed by Subsection (c).

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 3, eff. June 15, 2007.

SUBTITLE E. STUDENTS AND PARENTS
CHAPTER 25. ADMISSION, TRANSFER, AND ATTENDANCE
SUBCHAPTER A. ADMISSION AND ENROLLMENT

Sec. 25.001. ADMISSION. (a) A person who, on the first day of September of any school year, is at least five years of age and under 21 years of age, or is at least 21 years of age and under 26 years of age and is admitted by a school district to complete the requirements for a high school diploma is entitled to the benefits of the available school fund for that year. Any other person enrolled in a prekindergarten class under Section 29.153 or Subchapter E-1, Chapter 29, is entitled to the benefits of the available school fund.

(b) The board of trustees of a school district or its designee shall admit into the public schools of the district free of tuition a person who is over five and younger than 21 years of age on the first day of September of the school year in which admission is sought, and may admit a person who is at least 21 years of age and under 26 years of age for the purpose of completing the requirements for a high school diploma, if:

(1) the person and either parent of the person reside in

the school district;

(2) the person does not reside in the school district but a parent of the person resides in the school district and that parent is a joint managing conservator or the sole managing conservator or possessory conservator of the person;

(3) the person and the person's guardian or other person having lawful control of the person under a court order reside within the school district;

(4) the person has established a separate residence under Subsection (d);

(5) the person is homeless, as defined by 42 U.S.C. Section 11302, regardless of the residence of the person, of either parent of the person, or of the person's guardian or other person having lawful control of the person;

(6) the person is a foreign exchange student placed with a host family that resides in the school district by a nationally recognized foreign exchange program, unless the school district has applied for and been granted a waiver by the commissioner under Subsection (e);

(7) the person resides at a residential facility located in the district;

(8) the person resides in the school district and is 18 years of age or older or the person's disabilities of minority have been removed; or

(9) the person does not reside in the school district but the grandparent of the person:

(A) resides in the school district; and

(B) provides a substantial amount of after-school care for the person as determined by the board.

(b-1) A person who is 21 years of age or older and is admitted by a school district for the purpose stated in Subsection (b) is not eligible for placement in a disciplinary alternative education program or a juvenile justice alternative education program if the person engages in conduct that would require or authorize such placement for a student under the age of 21. If the student engages in conduct that would otherwise require such placement, the district shall revoke admission of the student into the public schools of the district.

(b-2) A person who is 21 years of age or older who is admitted by a school district to complete the requirements for a high school

diploma and who has not attended school in the three preceding school years may not be placed with a student who is 18 years of age or younger in a classroom setting, a cafeteria, or another district-sanctioned school activity. Nothing in this subsection prevents a student described by this subsection from attending a school-sponsored event that is open to the public as a member of the public.

(c) The board of trustees of a school district or the board's designee may require evidence that a person is eligible to attend the public schools of the district at the time the board or its designee considers an application for admission of the person. The board of trustees or its designee shall establish minimum proof of residency acceptable to the district. The board of trustees or its designee may make reasonable inquiries to verify a person's eligibility for admission.

(d) For a person under the age of 18 years to establish a residence for the purpose of attending the public schools separate and apart from the person's parent, guardian, or other person having lawful control of the person under a court order, it must be established that the person's presence in the school district is not for the primary purpose of participation in extracurricular activities. The board of trustees shall determine whether an applicant for admission is a resident of the school district for purposes of attending the public schools and may adopt reasonable guidelines for making a determination as necessary to protect the best interests of students. The board of trustees is not required to admit a person under this subsection if the person:

(1) has engaged in conduct or misbehavior within the preceding year that has resulted in:

(A) removal to a disciplinary alternative education program; or

(B) expulsion;

(2) has engaged in delinquent conduct or conduct in need of supervision and is on probation or other conditional release for that conduct; or

(3) has been convicted of a criminal offense and is on probation or other conditional release.

(e) A school district may request that the commissioner waive the requirement that the district admit a foreign exchange student who meets the conditions of Subsection (b)(6). The commissioner shall respond to a district's request not later than the 60th day

after the date of receipt of the request. The commissioner shall grant the request and issue a waiver effective for a period not to exceed three years if the commissioner determines that admission of a foreign exchange student would:

(1) create a financial or staffing hardship for the district;

(2) diminish the district's ability to provide high quality educational services for the district's domestic students; or

(3) require domestic students to compete with foreign exchange students for educational resources.

(f) A child placed in foster care by an agency of the state or by a political subdivision shall be permitted to attend the public schools in the district in which the foster parents reside free of any charge to the foster parents or the agency. A durational residence requirement may not be used to prohibit that child from fully participating in any activity sponsored by the school district.

(g) A student who was enrolled in a primary or secondary public school before the student entered the conservatorship of the Department of Family and Protective Services and who is placed at a residence outside the attendance area for the school or outside the school district is entitled to continue to attend the school in which the student was enrolled immediately before entering conservatorship until the student successfully completes the highest grade level offered by the school at the time of placement without payment of tuition. The student is entitled to continue to attend the school regardless of whether the student remains in the conservatorship of the department for the duration of the student's enrollment in the school.

(g-1) If a student who is in the conservatorship of the department is enrolled in a primary or secondary public school, other than the school in which the student was enrolled at the time the student was placed in the conservatorship of the department, the student is entitled to continue to attend that school without payment of tuition until the student successfully completes the highest grade level offered by the school at the time of enrollment in the school, even if the child's placement is changed to a residence outside the attendance area for that school or outside the school district. The student is entitled to continue to attend the school regardless of whether the student remains in the conservatorship of the department for the duration of the student's enrollment in the school.

(h) In addition to the penalty provided by Section 37.10, Penal Code, a person who knowingly falsifies information on a form required for enrollment of a student in a school district is liable to the district if the student is not eligible for enrollment in the district but is enrolled on the basis of the false information. The person is liable, for the period during which the ineligible student is enrolled, for the greater of:

(1) the maximum tuition fee the district may charge under Section 25.038; or

(2) the amount the district has budgeted for each student as maintenance and operating expenses.

(i) A school district may include on an enrollment form notice of the penalties provided by Section 37.10, Penal Code, and of the liability provided by Subsection (h) for falsifying information on the form.

(j) For the purposes of this subchapter, the board of trustees of a school district by policy may allow a person showing evidence of legal responsibility for a child other than an order of a court to substitute for a guardian or other person having lawful control of the child under an order of a court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1019, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.08, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1055, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 2, eff. May 27, 2005.

Acts 2005, 79th Leg., Ch. 920 (H.B. 283), Sec. 1, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 850 (H.B. 1137), Sec. 1, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.002, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 688 (H.B. 2619), Sec. 9, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 3, eff. May 28, 2015.

Acts 2015, 84th Leg., R.S., Ch. 944 (S.B. 206), Sec. 1, eff. September 1, 2015.

Sec. 25.0011. CERTAIN INCARCERATED CHILDREN. (a) For purposes of Section 25.001, a person is not considered to reside in a school district if:

(1) the person is incarcerated in a private juvenile detention facility in the district as a result of the order of a court in another state; and

(2) the person resided in another state or country immediately before incarceration in the facility.

(b) A school district may provide educational services to a person described by Subsection (a) if the district is fully compensated for the cost of the services through payment of tuition for the person by the operator of the juvenile detention facility or other person having lawful control of the person in an amount equal to the actual cost of educating the person.

(c) For purposes of this section, "private juvenile detention facility" means a juvenile detention facility that is not operated by a governmental entity.

Added by Acts 1999, 76th Leg., ch. 1477, Sec. 30, eff. Sept. 1, 1999.

Sec. 25.002. REQUIREMENTS FOR ENROLLMENT. (a) If a parent or other person with legal control of a child under a court order enrolls the child in a public school, the parent or other person or the school district in which the child most recently attended school shall furnish to the school district:

(1) the child's birth certificate or another document suitable as proof of the child's identity;

(2) a copy of the child's records from the school the child most recently attended if the child has been previously enrolled in a school in this state or another state; and

(3) a record showing that the child has the immunizations as required under Section 38.001, in the case of a child required under that section to be immunized, proof as required by that section showing that the child is not required to be immunized, or proof that the child is entitled to provisional admission under that section and under rules adopted under that section.

(a-1) Information a school district furnishes under Subsections

(a)(1) and (2) must be furnished by the district not later than the 10th working day after the date a request for the information is received by the district. Information a parent or other person with legal control of a child under a court order furnishes under Subsections (a)(1) and (2) must be furnished by the parent or other person not later than the 30th day after the date a child is enrolled in a public school. If a parent or other person with legal control of a child under a court order requests that a district transfer a child's student records, the district to which the request is made shall notify the parent or other person as soon as practicable that the parent or other person may request and receive an unofficial copy of the records for delivery in person to a school in another district.

(b) If a child is enrolled under a name other than the child's name as it appears in the identifying document or records, the school district shall notify the missing children and missing persons information clearinghouse of the child's name as shown on the identifying document or records and the name under which the child is enrolled. The information in the notice is confidential and may be released only to a law enforcement agency.

(c) If the information required by Subsection (a) is not furnished to the district within the period provided by that subsection, the district shall notify the police department of the municipality or sheriff's department of the county in which the district is located and request a determination of whether the child has been reported as missing.

(d) When accepting a child for enrollment, the school district shall inform the parent or other person enrolling the child that presenting a false document or false records under this section is an offense under Section 37.10, Penal Code, and that enrollment of the child under false documents subjects the person to liability for tuition or costs under Section 25.001(h).

(e) A person commits an offense if the person enrolls a child in a public school and fails to furnish an identifying document or record relating to the child on the request of a law enforcement agency conducting an investigation in response to a notification under Subsection (c). An offense under this subsection is a Class B misdemeanor.

(f) Except as otherwise provided by this subsection, for a child to be enrolled in a public school, the child must be enrolled

by the child's parent or by the child's guardian or other person with legal control of the child under a court order. A school district shall record the name, address, and date of birth of the person enrolling a child.

(g) A school district shall accept a child for enrollment in a public school without the documentation required by Subsection (a) if the Department of Protective and Regulatory Services has taken possession of the child under Chapter 262, Family Code. The Department of Protective and Regulatory Services shall ensure that the documentation required by Subsection (a) is furnished to the school district not later than the 30th day after the date the child is enrolled in the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 575, Sec. 34, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1514, Sec. 1, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 234, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 3, eff. May 27, 2005.

Sec. 25.0021. USE OF LEGAL SURNAME. In each public school a student must be identified by the student's legal surname as that name appears:

(1) on the student's birth certificate or other document suitable as proof of the student's identity; or

(2) in a court order changing the student's name.

Added by Acts 2001, 77th Leg., ch. 1300, Sec. 1, eff. Sept. 1, 2001.

Sec. 25.0022. FOOD ALLERGY INFORMATION REQUESTED UPON ENROLLMENT. (a) In this section, "severe food allergy" means a dangerous or life-threatening reaction of the human body to a food-borne allergen introduced by inhalation, ingestion, or skin contact that requires immediate medical attention.

(b) On enrollment of a child in a public school, a school district shall request, by providing a form or otherwise, that a parent or other person with legal control of the child under a court order:

(1) disclose whether the child has a food allergy or a severe food allergy that, in the judgment of the parent or other person with legal control, should be disclosed to the district to enable the district to take any necessary precautions regarding the child's safety; and

(2) specify the food to which the child is allergic and the nature of the allergic reaction.

(c) A school district shall maintain the confidentiality of information provided under this section, and may disclose the information to teachers, school counselors, school nurses, and other appropriate school personnel only to the extent consistent with district policy under Section 38.009 and permissible under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(d) Except as provided by Subsections (e) and (f), information regarding a child's food allergy, regardless of how it is received by the school or school district, shall be retained in the child's student records but may not be placed in the health record maintained for the child by the school district.

(e) If the school receives documentation of a food allergy from a physician, that documentation shall be placed in the health record maintained for the child by the school district.

(f) A registered nurse may enter appropriate notes about a child's possible food allergy in the health record maintained for the child by the school district, including a notation that the child's student records indicate that a parent has notified the school district of the child's possible food allergy.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1276 (H.B. 742), Sec. 1, eff. June 17, 2011.

Sec. 25.003. TUITION FOR CERTAIN CHILDREN FROM OTHER STATES. (a) Notwithstanding any other provision of this code, a school district shall charge tuition for a child who resides at a residential facility and whose maintenance expenses are paid in whole or in part by another state or the United States.

(b) A tuition charge under this section must be submitted to the commissioner for approval.

(c) The attendance of the child is not counted for purposes of allocating state funds to the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.09, eff. Sept. 1, 1999.

Sec. 25.0031. TUITION FOR STUDENTS HOLDING CERTAIN STUDENT VISAS. (a) Notwithstanding any other provision of this code, if a student is required, as a condition of obtaining or holding the appropriate United States student visa, to pay tuition to the school district or open-enrollment charter school that the student attends to cover the cost of the student's education provided by the district or charter school, the district or charter school shall accept tuition for the student in an amount equal to the full unsubsidized per capita cost of providing the student's education for the period of the student's attendance at school in the district or at the charter school.

(b) The commissioner shall, for purposes of Subsection (a), develop guidelines for determining the amount of the full unsubsidized per capita cost of providing a student's education. A school district or open-enrollment charter school may not accept tuition in an amount greater than the amount computed under the commissioner's guidelines unless the commissioner approves a greater amount as a more accurate reflection of the cost of education to be provided by the district or charter school.

(c) Notwithstanding any other provision of this code, the attendance of a student for whom a school district or open-enrollment charter school accepts tuition under this section is not counted for purposes of allocating state funds to the district or charter school.

Added by Acts 2013, 83rd Leg., R.S., Ch. 523 (S.B. 453), Sec. 1, eff. June 14, 2013.

Sec. 25.004. TUITION FOR CERTAIN MILITARY DEPENDENTS PROHIBITED. A school district may not charge tuition for the attendance of a student who is domiciled in another state and resides in military housing that is located in the district but is exempt from taxation by the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 526, Sec. 1, eff. Sept. 11,

2001.

Sec. 25.005. RECIPROCITY AGREEMENTS REGARDING MILITARY PERSONNEL AND DEPENDENTS. (a) To facilitate the transfer of military personnel and their dependents to and from the public schools of this state, the agency shall pursue reciprocity agreements governing the terms of those transfers with other states that are not parties to the Interstate Compact on Educational Opportunity for Military Children adopted under Chapter 162.

(b) A reciprocity agreement must:

(1) address procedures for:

(A) transferring student records;

(B) awarding credit for completed course work; and

(C) permitting a student to satisfy the requirements of Section 39.025 through successful performance on comparable end-of-course or other exit-level assessment instruments administered in another state; and

(2) include appropriate criteria developed by the agency.

Added by Acts 2001, 77th Leg., ch. 1073, Sec. 1, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 149, Sec. 24, eff. May 27, 2003; Acts 2003, 78th Leg., ch. 445, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 3, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 2, eff. May 5, 2009.

Sec. 25.006. TRANSITION ASSISTANCE FOR MILITARY DEPENDENTS. (a) The legislature finds that:

(1) school-age dependents of military personnel are faced with numerous transitions during their formative years; and

(2) military dependents who move from one school to another during the high school years are faced with special challenges to learning and future achievement.

(b) In recognition of the challenges faced by military dependents and the importance of military families to our community and economy, the agency shall assist the transition of military

students from one school to another by:

(1) improving the timely transfer of student records;

(2) developing systems to ease student transition during the first two weeks of enrollment at a new school;

(3) promoting practices that foster student access to extracurricular programs;

(4) establishing procedures to lessen the adverse impact of student moves to a new school after the end of the student's junior year of high school;

(5) encouraging or maintaining partnerships between military bases and affected school districts;

(6) encouraging school districts to provide services for military students in transition when applying for admission to postsecondary study and when seeking sources of funding for postsecondary study; and

(7) providing other assistance as identified by the agency.

(c) The agency shall collect data each year from school districts and open-enrollment charter schools through the Public Education Information Management System (PEIMS) relating to the enrollment of military-connected students. The data relating to the enrollment of military-connected students under this section:

(1) must include the number of active duty military-connected students and the number of National Guard or reserve military-connected students enrolled in the school district or open-enrollment charter school on a date at the beginning of the school year specified by the agency and a date at the end of the school year specified by the agency; and

(2) may not be used for purposes of determining a campus or district performance rating under Section 39.054.

(d) In this section, "military-connected student" means a student enrolled in a school district or open-enrollment charter school who is a dependent of a member of:

(1) the United States military serving in the Army, Navy, Air Force, Marine Corps, or Coast Guard on active duty;

(2) the Texas National Guard; or

(3) a reserve force of the United States military.

Added by Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 1, eff. May 27, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 173 (H.B. 525), Sec. 1, eff. May 25, 2013.

Sec. 25.007. TRANSITION ASSISTANCE FOR STUDENTS WHO ARE HOMELESS OR IN SUBSTITUTE CARE. (a) The legislature finds that:

(1) students who are homeless or in substitute care are faced with numerous transitions during their formative years; and

(2) students who are homeless or in substitute care who move from one school to another are faced with special challenges to learning and future achievement.

(a-1) In this section, "students who are homeless" has the meaning assigned to the term "homeless children and youths" under 42 U.S.C. Section 11434a.

(b) In recognition of the challenges faced by students who are homeless or in substitute care, the agency shall assist the transition of students who are homeless or in substitute care from one school to another by:

(1) ensuring that school records for a student who is homeless or in substitute care are transferred to the student's new school not later than the 10th working day after the date the student begins enrollment at the school;

(2) developing systems to ease transition of a student who is homeless or in substitute care during the first two weeks of enrollment at a new school;

(3) developing procedures for awarding credit, including partial credit if appropriate, for course work, including electives, completed by a student who is homeless or in substitute care while enrolled at another school;

(4) promoting practices that facilitate access by a student who is homeless or in substitute care to extracurricular programs, summer programs, credit transfer services, electronic courses provided under Chapter 30A, and after-school tutoring programs at nominal or no cost;

(5) establishing procedures to lessen the adverse impact of the movement of a student who is homeless or in substitute care to a new school;

(6) entering into a memorandum of understanding with the Department of Family and Protective Services regarding the exchange of information as appropriate to facilitate the transition of

students in substitute care from one school to another;

(7) encouraging school districts and open-enrollment charter schools to provide services for a student who is homeless or in substitute care in transition when applying for admission to postsecondary study and when seeking sources of funding for postsecondary study;

(8) requiring school districts, campuses, and open-enrollment charter schools to accept a referral for special education services made for a student who is homeless or in substitute care by a school previously attended by the student;

(9) requiring school districts, campuses, and open-enrollment charter schools to provide notice to the child's educational decision-maker and caseworker regarding events that may significantly impact the education of a child, including:

(A) requests or referrals for an evaluation under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), or special education under Section 29.003;

(B) admission, review, and dismissal committee meetings;

(C) manifestation determination reviews required by Section 37.004(b);

(D) any disciplinary actions under Chapter 37 for which parental notice is required;

(E) citations issued for Class C misdemeanor offenses on school property or at school-sponsored activities;

(F) reports of restraint and seclusion required by Section 37.0021; and

(G) use of corporal punishment as provided by Section 37.0011;

(10) developing procedures for allowing a student who is homeless or in substitute care who was previously enrolled in a course required for graduation the opportunity, to the extent practicable, to complete the course, at no cost to the student, before the beginning of the next school year;

(11) ensuring that a student who is homeless or in substitute care who is not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade nine, as determined by the district, has the student's course credit accrual and personal graduation plan reviewed;

(12) ensuring that a student in substitute care who is in

grade 11 or 12 be provided information regarding tuition and fee exemptions under Section 54.366 for dual-credit or other courses provided by a public institution of higher education for which a high school student may earn joint high school and college credit;

Text of subdivision as amended by Acts 2015, 84th Leg., R.S., Ch. 746, Sec. 1, Ch 1206, Sec. 3, and Ch. 1236, Sec. 5.002

(13) providing other assistance as identified by the agency

Text of subdivision as amended by Acts 2015, 84th Leg., R.S., Ch. 822, Sec. 1

(13) designating at least one agency employee to act as a liaison officer regarding educational issues related to students in the conservatorship of the Department of Family and Protective Services; and

(14) providing other assistance as identified by the agency.

Added by Acts 2009, 81st Leg., R.S., Ch. 850 (S.B. 2248), Sec. 1, eff. June 19, 2009.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 688 (H.B. 2619), Sec. 10, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1354 (S.B. 1404), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 746 (H.B. 1804), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 822 (H.B. 3748), Sec. 1, eff. June 17, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1206 (S.B. 1494), Sec. 1, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1206 (S.B. 1494), Sec. 2, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1206 (S.B. 1494), Sec. 3, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.002, eff. September 1, 2015.

Sec. 25.008. ENROLLMENT IN SUMMER SCHOOL COURSE BY PERSON NOT ENROLLED IN DISTRICT. (a) Except as provided by Subsection (b), a school district shall permit a person who is eligible under Section

25.001 to attend school in the district but who is not enrolled in school in the district to enroll in a district summer school course on the same basis as a district student, including:

(1) satisfaction of any course eligibility requirement; and

(2) payment of any fee authorized under Section 11.158 that is charged in connection with the course.

(b) Subsection (a) does not apply to enrollment in a program under Section 29.088, 29.090, or 29.098 or in a similar intensive program.

Added by Acts 2013, 83rd Leg., R.S., Ch. 344 (H.B. 2137), Sec. 1, eff. June 14, 2013.

SUBCHAPTER B. ASSIGNMENTS AND TRANSFERS

Sec. 25.031. ASSIGNMENTS AND TRANSFERS IN DISCRETION OF GOVERNING BOARD. In conformity with this subchapter, the board of trustees of a school district or the board of county school trustees or a school employee designated by the board may assign and transfer any student from one school facility or classroom to another within its jurisdiction.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.032. BASIS FOR ASSIGNMENT OR TRANSFER. The board of trustees of a school district, the board of county school trustees, or the person acting for the board must make the decision concerning the assignment or transfer of a student on an individual basis and may not consider as a factor in its decision any matter relating to the national origin of the student or the student's ancestral language.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.033. ASSIGNMENT OR TRANSFER ON PETITION OF PARENT. The parent or person standing in parental relation to any student may by petition in writing either:

(1) request the assignment or transfer of the student to a

designated school or to a school to be designated by the board; or

(2) file objections to the assignment of the student to the school to which the student has been assigned.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.034. HEARING; ACTION ON PETITION; APPEAL. (a) On receiving a petition under Section 25.033, the board of trustees of the school district or the board of county school trustees shall:

(1) if a hearing is not requested, act on the petition not later than the 30th day after the date the petition is submitted and notify the petitioner of the board's conclusion; or

(2) if a hearing is requested, designate a time and place for holding a hearing not later than the 30th day after the date the petition is submitted.

(b) If a hearing is requested, it shall be conducted by the board in compliance with this section.

(c) The petitioner may present evidence relevant to the individual student.

(d) The board may conduct investigations as to the objection or request, examine any student involved, and employ agents, professional or otherwise, for the purpose of examinations and investigations.

(e) The board must grant the request made in the petition unless the board determines that there is a reasonable basis for denying the request. The decision of the board, either with or without hearing, is final unless the student, or the parent, guardian, or custodian of the student as next friend, files exception to the decision of the board as constituting a denial of any right of the student guaranteed under the United States Constitution.

(f) If an exception is filed under Subsection (e), the board may reconsider its decision. If the board has not ruled on the exception before the 16th day after the date of the filing, the exception is considered overruled. If the exception is overruled, an appeal of the board's decision may be filed in the district court of the county in which the board is located. The petition must:

(1) be filed not later than the 30th day after the date of the board's final decision; and

(2) state the facts relevant to the student that relate to

the alleged denial of the student's rights under the United States Constitution.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.0341. TRANSFER OF STUDENTS INVOLVED IN SEXUAL ASSAULT. (a) This section applies only to:

(1) a student:

(A) who has been convicted of continuous sexual abuse of young child or children under Section 21.02, Penal Code, or convicted of or placed on deferred adjudication for the offense of sexual assault under Section 22.011, Penal Code, or aggravated sexual assault under Section 22.021, Penal Code, committed against another student who, at the time the offense occurred, was assigned to the same campus as the student convicted or placed on deferred adjudication;

(B) who has been adjudicated under Section 54.03, Family Code, as having engaged in conduct described by Paragraph (A);

(C) whose prosecution under Section 53.03, Family Code, for engaging in conduct described by Paragraph (A) has been deferred; or

(D) who has been placed on probation under Section 54.04(d)(1), Family Code, for engaging in conduct described by Paragraph (A); and

(2) a student who is the victim of conduct described by Subdivision (1)(A).

(b) On the request of a parent or other person with authority to act on behalf of a student who is a victim to whom Subsection (a)(2) applies:

(1) the board of trustees of the school district shall transfer the student to:

(A) a district campus other than:

(i) the campus to which the student was assigned at the time the conduct occurred; or

(ii) the campus to which the student who engaged in the conduct is assigned, if the student who engaged in the conduct has been assigned to a different campus since the conduct occurred; or

(B) a neighboring school district, if there is only one

campus in the district serving the grade level in which the student is enrolled; or

(2) if the student does not wish to transfer to another campus or district, the board of trustees shall transfer the student who engaged in the conduct to:

(A) a district campus other than the campus to which the student who is the victim of the conduct is assigned; or

(B) the district's disciplinary alternative education program or juvenile justice alternative education program, if there is only one campus in the district serving the grade level in which the student who engaged in the conduct is enrolled.

(c) A transfer under Subsection (b)(1) must be to a campus or school district, as applicable, agreeable to the parent or other person with authority to act on the student's behalf.

(d) To the extent permitted under federal law, a school district shall notify the parent or other person with authority to act on behalf of a student who is a victim to whom Subsection (a)(2) applies of the campus or program to which the student who engaged in conduct described by Subsection (a)(1)(A) is assigned.

(e) This section applies regardless of whether the conduct occurred on or off of school property.

(f) Section 25.034 does not apply to a transfer under this section.

(g) A school district is not required to provide transportation to a student who transfers to another campus or school district under this section.

Added by Acts 2005, 79th Leg., Ch. 997 (H.B. 308), Sec. 1, eff. June 18, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 593 (H.B. 8), Sec. 3.25, eff. September 1, 2007.

Sec. 25.0342. TRANSFER OF STUDENTS WHO ARE VICTIMS OF OR HAVE ENGAGED IN BULLYING. (a) In this section, "bullying" has the meaning assigned by Section 37.0832.

(b) On the request of a parent or other person with authority to act on behalf of a student who is a victim of bullying, the board of trustees of a school district or the board's designee shall

transfer the victim to:

(1) another classroom at the campus to which the victim was assigned at the time the bullying occurred; or

(2) a campus in the school district other than the campus to which the victim was assigned at the time the bullying occurred.

(b-1) The board of trustees of a school district may transfer the student who engaged in bullying to:

(1) another classroom at the campus to which the victim was assigned at the time the bullying occurred; or

(2) a campus in the district other than the campus to which the victim was assigned at the time the bullying occurred, in consultation with a parent or other person with authority to act on behalf of the student who engaged in bullying.

(b-2) Section 37.004 applies to a transfer under Subsection (b-1) of a student with a disability who receives special education services.

(c) The board of trustees or the board's designee shall verify that a student has been a victim of bullying before transferring the student under this section.

(d) The board of trustees or the board's designee may consider past student behavior when identifying a bully.

(e) The determination by the board of trustees or the board's designee is final and may not be appealed.

(f) A school district is not required to provide transportation to a student who transfers to another campus under Subsection (b)(2).

(g) Section 25.034 does not apply to a transfer under this section.

Added by Acts 2005, 79th Leg., Ch. 920 (H.B. 283), Sec. 2, eff. June 18, 2005.
Renumbered from Education Code, Section 25.0341 by Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 17.001(12), eff. September 1, 2007.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 2, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 3, eff. June 17, 2011.

Sec. 25.0343. TRANSFER OF STUDENTS RESIDING IN HOUSEHOLD OF STUDENT RECEIVING SPECIAL EDUCATION SERVICES. (a) If, for the purpose of receiving special education services under Subchapter A, Chapter 29, a school district assigns a student to a district campus other than the campus the student would attend based on the student's residence, the district shall permit the student's parent, guardian, or other person standing in parental relation to the student to obtain a transfer to the assigned campus for any other student residing in the household of the student receiving special education services, provided that:

(1) the other student is entitled under Section 25.001 to attend school in the district; and

(2) the appropriate grade level for the other student is offered at the campus.

(b) A school district is not required to provide transportation to a student who transfers to another campus under this section. This subsection does not affect any transportation services provided by the district in accordance with other law for the student receiving special education services.

(c) Section 25.034 does not apply to a transfer under this section.

(d) This section does not apply if the student receiving special education services resides in a residential facility.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 12.01, eff. May 31, 2006.

Sec. 25.035. TRANSFERS BETWEEN DISTRICTS OR COUNTIES. The boards of trustees of two or more adjoining school districts or the boards of county school trustees of two or more adjoining counties may, by agreement and in accordance with Sections 25.032, 25.033, and 25.034, arrange for the transfer and assignment of any student from the jurisdiction of one board to that of another. In the case of the transfer and assignment of a student under this section, the participating governing boards shall also agree to the transfer of school funds or other payments proportionate to the transfer of attendance.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.036. TRANSFER OF STUDENT. (a) Any child, other than a high school graduate, who is younger than 21 years of age and eligible for enrollment on September 1 of any school year may transfer annually from the child's school district of residence to another district in this state if both the receiving district and the applicant parent or guardian or person having lawful control of the child jointly approve and timely agree in writing to the transfer.

(b) A transfer agreement under this section shall be filed and preserved as a receiving district record for audit purposes of the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.037. TRANSFER OF STATE FUNDS. On the timely filing with the agency of notice of a child's transfer and certification by the agency of the transfer, the state available school fund apportionment transfers with the child. For purposes of computing state allotments to school districts under the Foundation School Program, the attendance of the child before the date of transfer is counted by the transfer sending district and the attendance of the child after the date of transfer is counted by the transfer receiving district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.038. TUITION FEE FOR TRANSFER STUDENTS. The receiving school district may charge a tuition fee to the extent that the district's actual expenditure per student in average daily attendance, as determined by its board of trustees, exceeds the sum the district benefits from state aid sources as provided by Section 25.037. However, unless a tuition fee is prescribed and set out in a transfer agreement before its execution by the parties, an increase in tuition charge may not be made for the year of that transfer that exceeds the tuition charge, if any, of the preceding school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.039. CONTRACTS AND TUITION FOR EDUCATION OUTSIDE

DISTRICT. (a) A school district that does not offer each grade level from kindergarten through grade 12 may provide by contract for students residing in the district who are at grade levels not offered by the district to be educated at those grade levels in one or more other districts. In each contract, the districts also shall agree to the transfer of school funds or other payments proportionate to the transfer of attendance.

(b) The school district in which the students reside shall pay tuition to any district with which it has a contract under this section for each of its students attending school in that district at a grade level for which the district has contracted. The amount of the tuition paid may not exceed the greater of the amount provided for by Section 25.038 or an amount specified by commissioner rule.

(c) A school district is not required to pay tuition to any district with which it has not contracted for the attendance by any of its students at a grade level for which it has contracted under this section with another district.

(d) A contract under this section may not be for a period exceeding five years.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.32, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1069, Sec. 1, eff. Sept. 1, 2003.

Sec. 25.040. TRANSFER TO DISTRICT OF BORDERING STATE. Any child entitled to attend the public school of any school district situated on the border of Louisiana, Arkansas, Oklahoma, or New Mexico who finds it more convenient to attend the public school in a district in the contiguous state may have the apportionment of the state and county available school funds paid to the school district of the contiguous state and may have additional tuition, if necessary, paid by the district of the child's residence on terms agreed on by the trustees of the receiving district and the trustees of the residence district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.041. TRANSFER OF CHILDREN OR WARDS OF EMPLOYEES OF STATE SCHOOLS. A school-age child or ward of an employee of a state

school for the mentally retarded constituted as a school district who resides in the boundaries of the state school property but who is not a student at the state school is entitled to attend school in a district adjacent to the state school free of any charge to the child's or ward's parent or guardian provided the parent or guardian is required by the superintendent of the state school to live on the grounds of the state school for the convenience of this state. A tuition charge required by the admitting district shall be paid by the district constituting the state school out of funds allotted to it by the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.042. TRANSFER OF CHILDREN OF EMPLOYEES OF TEXAS JUVENILE JUSTICE DEPARTMENT FACILITIES. A school-age child of an employee of a facility of the Texas Juvenile Justice Department is entitled to attend school in a school district adjacent to the district in which the student resides free of any charge to the student's parents or guardian. Any tuition charge required by the admitting district shall be paid by the district from which the student transfers out of any funds appropriated to the facility.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 21, eff. September 1, 2015.

Sec. 25.043. CLASSROOM PLACEMENT OF MULTIPLE BIRTH SIBLINGS. (a) In this section:

(1) "Multiple birth sibling" means a twin, triplet, quadruplet, or other sibling resulting from a multiple birth.

(2) "Parent" includes a person standing in parental relation.

(b) The parent of multiple birth siblings who are assigned to the same grade level and school may request in writing, not later than the 14th day after the first day of enrollment, that the school place the siblings in the same classroom or in separate classrooms.

(c) Except as provided by Subsection (d) or (g), a school shall provide the multiple birth siblings with the classroom placement

requested by the parent.

(d) At the end of the first grading period following the multiple birth siblings' enrollment in the school, if the principal of the school, in consultation with the teacher of each classroom in which the multiple birth siblings are placed, determines that the requested classroom placement is disruptive to the school, the principal may determine the appropriate classroom placement for the siblings.

(e) A parent may appeal the principal's classroom placement of multiple birth siblings in the manner provided by school district policy. During an appeal, the multiple birth siblings shall remain in the classroom chosen by the parent.

(f) The school may recommend to a parent the appropriate classroom placement for the multiple birth siblings and may provide professional educational advice to assist the parent with the decision regarding appropriate classroom placement.

(g) A school district is not required to place multiple birth siblings in separate classrooms if the request would require the school district to add an additional class to the grade level of the multiple birth siblings.

(h) This section does not affect:

(1) a right or obligation under Subchapter A, Chapter 29, or under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) regarding the individual placement decisions of the school district admission, review, and dismissal committee; or

(2) the right of a school district or teacher to remove a student from a classroom under Chapter 37.

Added by Acts 2007, 80th Leg., R.S., Ch. 91 (H.B. 314), Sec. 1, eff. May 15, 2007.

SUBCHAPTER C. OPERATION OF SCHOOLS AND SCHOOL ATTENDANCE

Sec. 25.081. OPERATION OF SCHOOLS. (a) Except as authorized under Subsection (b) of this section, Section 25.084, or Section 29.0821, for each school year each school district must operate so that the district provides for at least 75,600 minutes of instruction, including intermissions and recesses, for students.

(b) The commissioner may approve the instruction of students for fewer than the number of minutes required under Subsection (a) if

disaster, flood, extreme weather conditions, fuel curtailment, or another calamity causes the closing of schools.

(c) If the commissioner does not approve reduced instruction time under Subsection (b), a school district may add additional minutes to the end of the district's normal school hours as necessary to compensate for minutes of instruction lost due to school closures caused by disaster, flood, extreme weather conditions, fuel curtailment, or another calamity.

(d) The commissioner may adopt rules for the application, on the basis of the minimum minutes of instruction required by Subsection (a), of any provision of this title that refers to a minimum number of days of instruction under this section.

(e) For purposes of this code, a reference to a day of instruction means 420 minutes of instruction.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 824, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1084 (H.B. 2610), Sec. 1, eff. June 19, 2015.

Sec. 25.0811. FIRST DAY OF INSTRUCTION. (a) Except as provided by this section, a school district may not begin instruction for students for a school year before the fourth Monday in August. A school district may:

(1) begin instruction for students for a school year before the fourth Monday in August if the district operates a year-round system under Section 25.084; or

(2) begin instruction for students for a school year on or after the first Monday in August at a campus or at not more than 20 percent of the campuses in the district if:

(A) the district has a student enrollment of 190,000 or more;

(B) the district at the beginning of the school year provides, financed with local funds, days of instruction for students at the campus or at each of the multiple campuses, in addition to the minimum number of days of instruction required under Section 25.081;

(C) the campus or each of the multiple campuses are undergoing comprehensive reform, as determined by the board of

trustees of the district; and

(D) a majority of the students at the campus or at each of the multiple campuses are educationally disadvantaged.

(b) Notwithstanding Subsection (a), a school district that does not offer each grade level from kindergarten through grade 12 and whose prospective or former students generally attend school in another state for the grade levels the district does not offer may start school on any date permitted under Subsection (a) or the law of the other state.

(c) Repealed by Acts 2006, 79th Leg., 3rd C.S., Ch. 5, Sec. 9.03, eff. May 31, 2006.

Added by Acts 2001, 77th Leg., ch. 909, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 9.02, eff. May 31, 2006.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 9.03, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 708 (H.B. 2171), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 277 (H.B. 1555), Sec. 1, eff. June 17, 2011.

Sec. 25.0812. LAST DAY OF SCHOOL. (a) Except as provided by Subsection (b), a school district may not schedule the last day of school for students for a school year before May 15.

(b) Notwithstanding Subsection (a), a school district that does not offer each grade level from kindergarten through grade 12 and whose prospective or former students generally attend school in another state for the grade levels the district does not offer may schedule the last day of school on any date permitted under Subsection (a) or the law of the other state.

Added by Acts 2015, 84th Leg., R.S., Ch. 1084 (H.B. 2610), Sec. 2, eff. June 19, 2015.

Sec. 25.082. SCHOOL DAY; PLEDGES OF ALLEGIANCE; MINUTE OF SILENCE. (a) A school day shall be at least seven hours each day, including intermissions and recesses.

(b) The board of trustees of each school district and the governing board of each open-enrollment charter school shall require students, once during each school day at each campus, to recite:

(1) the pledge of allegiance to the United States flag in accordance with 4 U.S.C. Section 4; and

(2) the pledge of allegiance to the state flag in accordance with Subchapter C, Chapter 3100, Government Code.

(b-1) The board of trustees of each school district and the governing board of each open-enrollment charter school shall require that the United States and Texas flags be prominently displayed in accordance with 4 U.S.C. Sections 5-10 and Chapter 3100, Government Code, in each campus classroom to which a student is assigned at the time the pledges of allegiance to those flags are recited. A district or school is not required to spend federal, state, or local district or school funds to acquire flags required under this subsection. A district or school may raise money or accept gifts, grants, and donations to acquire flags required under this subsection.

(c) On written request from a student's parent or guardian, a school district or open-enrollment charter school shall excuse the student from reciting a pledge of allegiance under Subsection (b).

(d) The board of trustees of each school district and the governing board of each open-enrollment charter school shall provide for the observance of one minute of silence at each campus following the recitation of the pledges of allegiance to the United States and Texas flags under Subsection (b). During the one-minute period, each student may, as the student chooses, reflect, pray, meditate, or engage in any other silent activity that is not likely to interfere with or distract another student. Each teacher or other school employee in charge of students during that period shall ensure that each of those students remains silent and does not act in a manner that is likely to interfere with or distract another student.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 126, Sec. 1, 2, eff. Sept. 1, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 881 (H.B. 773), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 42, eff.

September 1, 2013.

Sec. 25.0821. MINUTE OF SILENCE TO COMMEMORATE SEPTEMBER 11, 2001. (a) To commemorate the events of September 11, 2001, in each year that date falls on a regular school day, each public elementary or secondary school shall provide for the observance of one minute of silence at the beginning of the first class period of that day.

(b) Immediately before the period of observance required by this section, the class instructor shall make a statement of reference to the memory of individuals who died on September 11, 2001.

(c) The period of observance required by this section may be held in conjunction with the minute of silence required by Section 25.082.

Added by Acts 2013, 83rd Leg., R.S., Ch. 925 (H.B. 1501), Sec. 1, eff. June 14, 2013.

Sec. 25.083. SCHOOL DAY INTERRUPTIONS. (a) The board of trustees of each school district shall adopt and strictly enforce a policy limiting interruptions of classes during the school day for nonacademic activities such as announcements and sales promotions. At a minimum, the policy must limit announcements other than emergency announcements to once during the school day.

(b) The board of trustees of each school district shall adopt and strictly enforce a policy limiting the removal of students from class for remedial tutoring or test preparation. A district may not remove a student from a regularly scheduled class for remedial tutoring or test preparation if, as a result of the removal, the student would miss more than 10 percent of the school days on which the class is offered, unless the student's parent or another person standing in parental relation to the student provides to the district written consent for removal from class for such purpose.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 5(a), eff. June 10, 2013.

Sec. 25.084. YEAR-ROUND SYSTEM. (a) A school district may operate its schools year-round on either a single-track or a multitrack calendar. If a school district adopts a year-round system, the district may modify:

(1) the number of contract days of employees and the number of days of operation, including any time required for staff development, planning and preparation, and continuing education, otherwise required by law;

(2) testing dates, data reporting, and related matters;

(3) the date of the first day of instruction of the school year under Section 25.0811 for a school that was operating year-round for the 2000-2001 school year; and

(4) a student's eligibility to participate in extracurricular activities when the student's calendar track is not in session.

(b) The operation of schools year-round by a district does not affect the amount of state funds to which the district is entitled under Chapter 42.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 909, Sec. 2, eff. Sept. 1, 2001.

Sec. 25.085. COMPULSORY SCHOOL ATTENDANCE. (a) A child who is required to attend school under this section shall attend school each school day for the entire period the program of instruction is provided.

(b) Unless specifically exempted by Section 25.086, a child who is at least six years of age, or who is younger than six years of age and has previously been enrolled in first grade, and who has not yet reached the child's 19th birthday shall attend school.

(c) On enrollment in prekindergarten or kindergarten, a child shall attend school.

(d) Unless specifically exempted by Section 25.086, a student enrolled in a school district must attend:

(1) an extended-year program for which the student is eligible that is provided by the district for students identified as likely not to be promoted to the next grade level or tutorial classes required by the district under Section 29.084;

(2) an accelerated reading instruction program to which the

student is assigned under Section 28.006(g);

(3) an accelerated instruction program to which the student is assigned under Section 28.0211;

(4) a basic skills program to which the student is assigned under Section 29.086; or

(5) a summer program provided under Section 37.008(l) or Section 37.021.

(e) A person who voluntarily enrolls in school or voluntarily attends school after the person's 19th birthday shall attend school each school day for the entire period the program of instruction is offered. A school district may revoke for the remainder of the school year the enrollment of a person who has more than five absences in a semester that are not excused under Section 25.087, except a school district may not revoke the enrollment of a person under this subsection on a day on which the person is physically present at school. A person whose enrollment is revoked under this subsection may be considered an unauthorized person on school district grounds for purposes of Section 37.107.

(f) The board of trustees of a school district may adopt a policy requiring a person described by Subsection (e) who is under 21 years of age to attend school until the end of the school year. Section 65.003(a), Family Code, does not apply to a person subject to a policy adopted under this subsection. Sections 25.093 and 25.095 do not apply to the parent of a person subject to a policy adopted under this subsection.

(g) After the third unexcused absence of a person described by Subsection (e), a school district shall issue a warning letter to the person that states the person's enrollment may be revoked for the remainder of the school year if the person has more than five unexcused absences in a semester.

(h) As an alternative to revoking a person's enrollment under Subsection (e), a school district may impose a behavior improvement plan described by Section 25.0915(a-1)(1).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1019, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.10, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 711, Sec. 1, eff. June 18, 1999; Acts 2003, 78th Leg., ch. 1055, Sec. 3, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 50 (H.B. 566), Sec. 1, eff. May 10, 2007.

Acts 2007, 80th Leg., R.S., Ch. 850 (H.B. 1137), Sec. 2, eff. June 15, 2007.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 7, eff. September 1, 2015.

Sec. 25.086. EXEMPTIONS. (a) A child is exempt from the requirements of compulsory school attendance if the child:

(1) attends a private or parochial school that includes in its course a study of good citizenship;

(2) is eligible to participate in a school district's special education program under Section 29.003 and cannot be appropriately served by the resident district;

(3) has a physical or mental condition of a temporary and remediable nature that makes the child's attendance infeasible and holds a certificate from a qualified physician specifying the temporary condition, indicating the treatment prescribed to remedy the temporary condition, and covering the anticipated period of the child's absence from school for the purpose of receiving and recuperating from that remedial treatment;

(4) is expelled in accordance with the requirements of law in a school district that does not participate in a mandatory juvenile justice alternative education program under Section 37.011;

(5) is at least 17 years of age and:

(A) is attending a course of instruction to prepare for the high school equivalency examination, and:

(i) has the permission of the child's parent or guardian to attend the course;

(ii) is required by court order to attend the course;

(iii) has established a residence separate and apart from the child's parent, guardian, or other person having lawful control of the child; or

(iv) is homeless as defined by 42 U.S.C. Section 11302; or

(B) has received a high school diploma or high school equivalency certificate;

(6) is at least 16 years of age and is attending a course

of instruction to prepare for the high school equivalency examination, if:

(A) the child is recommended to take the course of instruction by a public agency that has supervision or custody of the child under a court order; or

(B) the child is enrolled in a Job Corps training program under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.);

(7) is at least 16 years of age and is enrolled in a high school diploma program under Chapter 18;

(8) is enrolled in the Texas Academy of Mathematics and Science under Subchapter G, Chapter 105;

(9) is enrolled in the Texas Academy of Leadership in the Humanities;

(10) is enrolled in the Texas Academy of Mathematics and Science at The University of Texas at Brownsville;

(11) is enrolled in the Texas Academy of International Studies; or

(12) is specifically exempted under another law.

(b) This section does not relieve a school district in which a child eligible to participate in the district's special education program resides of its fiscal and administrative responsibilities under Subchapter A, Chapter 29, or of its responsibility to provide a free appropriate public education to a child with a disability.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 1, eff. June 19, 1997; Acts 1997, 75th Leg., ch. 1019, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1282, Sec. 2, eff. June 18, 1999.
Amended by:

Acts 2005, 79th Leg., Ch. 377 (S.B. 1395), Sec. 3, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 887 (S.B. 1452), Sec. 2, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 1339 (S.B. 151), Sec. 6, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.003, eff. September 1, 2007.

Sec. 25.087. EXCUSED ABSENCES. (a) A person required to attend school, including a person required to attend school under Section 25.085(e), may be excused for temporary absence resulting from any cause acceptable to the teacher, principal, or superintendent of the school in which the person is enrolled.

(b) A school district shall excuse a student from attending school for:

(1) the following purposes, including travel for those purposes:

(A) observing religious holy days;

(B) attending a required court appearance;

(C) appearing at a governmental office to complete paperwork required in connection with the student's application for United States citizenship;

(D) taking part in a United States naturalization oath ceremony;

(E) serving as an election clerk; or

(F) if the student is in the conservatorship of the Department of Family and Protective Services, participating, as determined and documented by the department, in an activity:

(i) ordered by a court under Chapter 262 or 263, Family Code, provided that it is not practicable to schedule the participation outside of school hours; or

(ii) required under a service plan under Subchapter B, Chapter 263, Family Code; or

(2) a temporary absence resulting from an appointment with health care professionals for the student or the student's child if the student commences classes or returns to school on the same day of the appointment.

(b-1) A school district may adopt a policy excusing a student from attending school for service as a student early voting clerk in an election.

(b-2) A school district may excuse a student from attending school to visit an institution of higher education accredited by a generally recognized accrediting organization during the student's junior and senior years of high school for the purpose of determining the student's interest in attending the institution of higher education, provided that:

(1) the district may not excuse for this purpose more than two days during the student's junior year and two days during the

student's senior year; and

(2) the district adopts:

(A) a policy to determine when an absence will be excused for this purpose; and

(B) a procedure to verify the student's visit at the institution of higher education.

(b-3) A temporary absence for purposes of Subsection (b)(2) includes the temporary absence of a student diagnosed with autism spectrum disorder on the day of the student's appointment with a health care practitioner, as described by Section 1355.015(b), Insurance Code, to receive a generally recognized service for persons with autism spectrum disorder, including applied behavioral analysis, speech therapy, and occupational therapy.

(b-4) A school district shall excuse a student whose parent, stepparent, or legal guardian is an active duty member of the uniformed services as defined by Section 162.002 and has been called to duty for, is on leave from, or immediately returned from continuous deployment of at least four months outside the locality where the parent, stepparent, or guardian regularly resides, to visit with the student's parent, stepparent, or guardian. A school district may not excuse a student under this subsection more than five days in a school year. An excused absence under this subsection must be taken:

(1) not earlier than the 60th day before the date of deployment; or

(2) not later than the 30th day after the date of return from deployment.

(c) A school district may excuse a student in grades 6 through 12 for the purpose of sounding "Taps" at a military honors funeral held in this state for a deceased veteran.

(d) A student whose absence is excused under Subsection (b), (b-1), (b-2), (b-4), or (c) may not be penalized for that absence and shall be counted as if the student attended school for purposes of calculating the average daily attendance of students in the school district. A student whose absence is excused under Subsection (b), (b-1), (b-2), (b-4), or (c) shall be allowed a reasonable time to make up school work missed on those days. If the student satisfactorily completes the school work, the day of absence shall be counted as a day of compulsory attendance.

(e) A school district may excuse a student for the purposes

provided by Subsections (b)(1)(E) and (b-1) for a maximum of two days in a school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 651, Sec. 1, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 711, Sec. 2, eff. June 18, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 479 (H.B. 2455), Sec. 1, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 660 (H.B. 1187), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.002(a), eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.002(b), eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 455 (H.B. 2542), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 455 (H.B. 2542), Sec. 2, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 517 (S.B. 1134), Sec. 3, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 595 (H.B. 192), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.005, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 249 (H.B. 455), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 404 (S.B. 260), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 542 (S.B. 553), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 688 (H.B. 2619), Sec. 11, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1354 (S.B. 1404), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 944 (S.B. 206), Sec. 2, eff. September 1, 2015.

Sec. 25.088. SCHOOL ATTENDANCE OFFICER. The school attendance

officer may be selected by:

(1) the county school trustees of any county;

(2) the board of trustees of any school district or the boards of trustees of two or more school districts jointly; or

(3) the governing body of an open-enrollment charter school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 21, eff. Sept. 1, 2001.

Sec. 25.089. COMPENSATION OF ATTENDANCE OFFICER; DUAL SERVICE. (a) An attendance officer may be compensated from the funds of the county, independent school district, or open-enrollment charter school, as applicable.

(b) An attendance officer may be the probation officer or an officer of the juvenile court of the county.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 22, eff. Sept. 1, 2001.

Sec. 25.090. ATTENDANCE OFFICER NOT SELECTED. (a) In those counties and independent school districts where an attendance officer has not been selected, the duties of attendance officer shall be performed by the school superintendents and peace officers of the counties and districts.

(b) If the governing body of an open-enrollment charter school has not selected an attendance officer, the duties of attendance officer shall be performed by the peace officers of the county in which the school is located.

(c) Additional compensation may not be paid for services performed under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 23, eff. Sept. 1, 2001.

Sec. 25.091. POWERS AND DUTIES OF PEACE OFFICERS AND OTHER ATTENDANCE OFFICERS. (a) A peace officer serving as an attendance officer has the following powers and duties concerning enforcement of compulsory school attendance requirements:

(1) to investigate each case of a violation of compulsory school attendance requirements referred to the peace officer;

(2) to enforce compulsory school attendance requirements by:

(A) applying truancy prevention measures adopted under Section 25.0915 to the student; and

(B) if the truancy prevention measures fail to meaningfully address the student's conduct:

(i) referring the student to a truancy court if the student has unexcused absences for the amount of time specified under Section 65.003(a), Family Code; or

(ii) filing a complaint in a county, justice, or municipal court against a parent who violates Section 25.093;

(3) to serve court-ordered legal process;

(4) to review school attendance records for compliance by each student investigated by the officer;

(5) to maintain an investigative record on each compulsory school attendance requirement violation and related court action and, at the request of a court, the board of trustees of a school district, or the commissioner, to provide a record to the individual or entity requesting the record; and

(6) to make a home visit or otherwise contact the parent of a student who is in violation of compulsory school attendance requirements, except that a peace officer may not enter a residence without the permission of the parent of a student required under this subchapter to attend school or of the tenant or owner of the residence except to lawfully serve court-ordered legal process on the parent.

(b) An attendance officer employed by a school district who is not commissioned as a peace officer has the following powers and duties with respect to enforcement of compulsory school attendance requirements:

(1) to investigate each case of a violation of the compulsory school attendance requirements referred to the attendance officer;

(2) to enforce compulsory school attendance requirements

by:

(A) applying truancy prevention measures adopted under Section 25.0915 to the student; and

(B) if the truancy prevention measures fail to meaningfully address the student's conduct:

(i) referring the student to a truancy court if the student has unexcused absences for the amount of time specified under Section 65.003(a), Family Code; and

(ii) filing a complaint in a county, justice, or municipal court against a parent who violates Section 25.093;

(3) to monitor school attendance compliance by each student investigated by the officer;

(4) to maintain an investigative record on each compulsory school attendance requirement violation and related court action and, at the request of a court, the board of trustees of a school district, or the commissioner, to provide a record to the individual or entity requesting the record;

(5) to make a home visit or otherwise contact the parent of a student who is in violation of compulsory school attendance requirements, except that the attendance officer may not enter a residence without permission of the parent or of the owner or tenant of the residence; and

(6) at the request of a parent, to escort a student from any location to a school campus to ensure the student's compliance with compulsory school attendance requirements.

(b-1) A peace officer who has probable cause to believe that a child is in violation of the compulsory school attendance law under Section 25.085 may take the child into custody for the purpose of returning the child to the school campus of the child to ensure the child's compliance with compulsory school attendance requirements.

(c) In this section:

(1) "Parent" includes a person standing in parental relation.

(2) "Peace officer" has the meaning assigned by Article 2.12, Code of Criminal Procedure.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1514, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 137, Sec. 3, eff. Sept. 1, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 5, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1098 (S.B. 1489), Sec. 9, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 8, eff. September 1, 2015.

Sec. 25.0915. TRUANCY PREVENTION MEASURES. (a) A school district shall adopt truancy prevention measures designed to:

(1) address student conduct related to truancy in the school setting before the student engages in conduct described by Section 65.003(a), Family Code; and

(2) minimize the need for referrals to truancy court for conduct described by Section 65.003(a), Family Code.

(a-1) As a truancy prevention measure under Subsection (a), a school district shall take one or more of the following actions:

(1) impose:

(A) a behavior improvement plan on the student that must be signed by an employee of the school, that the school district has made a good faith effort to have signed by the student and the student's parent or guardian, and that includes:

(i) a specific description of the behavior that is required or prohibited for the student;

(ii) the period for which the plan will be effective, not to exceed 45 school days after the date the contract becomes effective; or

(iii) the penalties for additional absences, including additional disciplinary action or the referral of the student to a truancy court; or

(B) school-based community service; or

(2) refer the student to counseling, mediation, mentoring, a teen court program, community-based services, or other in-school or out-of-school services aimed at addressing the student's truancy.

(a-2) A referral made under Subsection (a-1)(2) may include participation by the child's parent or guardian if necessary.

(a-3) A school district shall offer additional counseling to a student and may not refer the student to truancy court if the school determines that the student's truancy is the result of:

(1) pregnancy;

(2) being in the state foster program;

(3) homelessness; or

(4) being the principal income earner for the student's family.

(a-4) If a student fails to attend school without excuse on three or more days or parts of days within a four-week period but does not fail to attend school for the time described by Section 25.0951(a), the school district shall initiate truancy prevention measures under this section on the student.

(b) Each referral to truancy court for conduct described by Section 65.003(a), Family Code, must:

(1) be accompanied by a statement from the student's school certifying that:

(A) the school applied the truancy prevention measures adopted under Subsection (a) or (a-4) to the student; and

(B) the truancy prevention measures failed to meaningfully address the student's school attendance; and

(2) specify whether the student is eligible for or receives special education services under Subchapter A, Chapter 29.

(c) A truancy court shall dismiss a petition filed by a truant conduct prosecutor under Section 65.054, Family Code, if the court determines that the school district's referral:

(1) does not comply with Subsection (b);

(2) does not satisfy the elements required for truant conduct;

(3) is not timely filed, unless the school district delayed the referral under Section 25.0951(d); or

(4) is otherwise substantively defective.

(d) Except as provided by Subsection (e), a school district shall employ a truancy prevention facilitator or juvenile case manager to implement the truancy prevention measures required by this section and any other effective truancy prevention measures as determined by the school district or campus. At least annually, the truancy prevention facilitator shall meet to discuss effective truancy prevention measures with a case manager or other individual designated by a truancy court to provide services to students of the school district in truancy cases.

(e) Instead of employing a truancy prevention facilitator, a school district may designate an existing district employee or juvenile case manager to implement the truancy prevention measures

required by this section and any other effective truancy prevention measures as determined by the school district or campus.

(f) The agency shall adopt rules:

(1) creating minimum standards for truancy prevention measures adopted by a school district under this section; and

(2) establishing a set of best practices for truancy prevention measures.

(g) The agency shall adopt rules to provide for sanctions for a school district found to be not in compliance with this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1098 (S.B. 1489), Sec. 10, eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 8, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 2, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 9, eff. September 1, 2015.

For expiration of this section, see Subsection (i).

Sec. 25.0916. UNIFORM TRUANCY POLICIES IN CERTAIN COUNTIES. (a) This section applies only to a county with two or more courts hearing truancy cases and two or more school districts.

(b) A committee shall be established to recommend a uniform truancy policy for each school district located in the county.

(c) Unless the county has already adopted a uniform truancy policy under this section, not later than January 1, 2016, the county judge or the county judge's designee and the mayor of the municipality in the county with the greatest population or the mayor's designee shall each appoint one member to serve on the committee as a representative of each of the following:

(1) a juvenile court;

(2) a municipal court;

(3) the office of a justice of the peace;

(4) the superintendent or designee of an independent school district;

(5) an open-enrollment charter school, if one exists in the county;

(6) the office of the prosecutor with original truancy jurisdiction in the county; and

(7) the general public.

(c-1) In addition to the members listed in Subsection (c), the chief juvenile probation officer or the officer's designee serves on the committee. The county judge or the county judge's designee and the mayor of the municipality in the county with the greatest population or the mayor's designee may make additional appointments as needed.

(d) Repealed by Acts 2015, 84th Leg., R.S., Ch. 935 , Sec. 41(2), eff. September 1, 2015.

(e) The county judge and mayor of the municipality in the county with the greatest population shall:

(1) both serve on the committee or appoint representatives to serve on their behalf; and

(2) jointly appoint a member of the committee to serve as the presiding officer.

(f) Unless a county has already adopted a uniform truancy policy under this section, not later than May 1, 2016, the committee shall recommend:

(1) a uniform process for filing truancy cases with truancy courts;

(2) uniform administrative procedures;

(3) uniform deadlines for processing truancy cases;

(4) a local plan with strategies to address truancy, including effective prevention, intervention, and diversion methods to reduce truancy and referrals to a truancy court;

(5) a system for tracking truancy information and sharing truancy information among school districts, open-enrollment charter schools, truancy courts, juvenile courts, and juvenile probation departments in the county; and

(6) any changes to statutes or state agency rules the committee determines are necessary to address truancy.

(g) Compliance with the committee recommendations is voluntary.

(h) The committee's presiding officer shall issue a report not later than December 1, 2017, to the county judge and mayor of the municipality with the greatest population in the county on the implementation of the recommendations and compliance with state truancy laws by a school district located in the county.

(i) This section expires January 1, 2018.

Added by Acts 2013, 83rd Leg., R.S., Ch. 923 (H.B. 1479), Sec. 1, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 10, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 41(2), eff. September 1, 2015.

Sec. 25.092. MINIMUM ATTENDANCE FOR CLASS CREDIT OR FINAL GRADE. (a) Except as provided by this section, a student in any grade level from kindergarten through grade 12 may not be given credit or a final grade for a class unless the student is in attendance for at least 90 percent of the days the class is offered.

(a-1) A student who is in attendance for at least 75 percent but less than 90 percent of the days a class is offered may be given credit or a final grade for the class if the student completes a plan approved by the school's principal that provides for the student to meet the instructional requirements of the class. A student under the jurisdiction of a court in a criminal or juvenile justice proceeding may not receive credit or a final grade under this subsection without the consent of the judge presiding over the student's case.

(a-2) Subsection (a) does not apply to a student who receives credit by examination for a class as provided by Section 28.023.

(b) The board of trustees of each school district shall appoint one or more attendance committees to hear petitions for class credit or a final grade by students who are in attendance fewer than the number of days required under Subsection (a) and have not earned class credit or a final grade under Subsection (a-1). Classroom teachers shall comprise a majority of the membership of the committee. A committee may give class credit or a final grade to a student because of extenuating circumstances. Each board of trustees shall establish guidelines to determine what constitutes extenuating circumstances and shall adopt policies establishing alternative ways for students to make up work or regain credit or a final grade lost because of absences. The alternative ways must include at least one option that does not require a student to pay a fee authorized under Section 11.158(a)(15). A certified public school employee may not be assigned additional instructional duties as a result of this section

outside of the regular workday unless the employee is compensated for the duties at a reasonable rate of pay.

(c) A member of an attendance committee is not personally liable for any act or omission arising out of duties as a member of an attendance committee.

(d) If a student is denied credit or a final grade for a class by an attendance committee, the student may appeal the decision to the board of trustees. The decision of the board may be appealed by trial de novo to the district court of the county in which the school district's central administrative office is located.

(e) This section does not affect the provision of Section 25.087(b) regarding a student's excused absence from school to observe religious holy days.

(f) The availability of the option developed under Subsection (b) must be substantially the same as the availability of the educational program developed under Section 11.158(a)(15).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 698, Sec. 2, eff. June 18, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 850 (H.B. 1137), Sec. 3, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 6(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 7(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1029 (H.B. 2694), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1203 (S.B. 1365), Sec. 1, eff. June 14, 2013.

Sec. 25.093. PARENT CONTRIBUTING TO NONATTENDANCE. (a) If a warning is issued as required by Section 25.095(a), the parent with criminal negligence fails to require the child to attend school as required by law, and the child has absences for the amount of time specified under Section 65.003(a), Family Code, the parent commits an offense.

(b) The attendance officer or other appropriate school official shall file a complaint against the parent in:

(1) the constitutional county court of the county in which the parent resides or in which the school is located, if the county has a population of 1.75 million or more;

(2) a justice court of any precinct in the county in which the parent resides or in which the school is located; or

(3) a municipal court of the municipality in which the parent resides or in which the school is located.

(c) An offense under Subsection (a) is a misdemeanor, punishable by fine only, in an amount not to exceed:

(1) $100 for a first offense;

(2) $200 for a second offense;

(3) $300 for a third offense;

(4) $400 for a fourth offense; or

(5) $500 for a fifth or subsequent offense.

(c-1) Each day the child remains out of school may constitute a separate offense. Two or more offenses under Subsection (a) may be consolidated and prosecuted in a single action. If the court orders deferred disposition under Article 45.051, Code of Criminal Procedure, the court may require the defendant to provide personal services to a charitable or educational institution as a condition of the deferral.

(d) A fine collected under this section shall be deposited as follows:

(1) one-half shall be deposited to the credit of the operating fund of, as applicable:

(A) the school district in which the child attends school;

(B) the open-enrollment charter school the child attends; or

(C) the juvenile justice alternative education program that the child has been ordered to attend; and

(2) one-half shall be deposited to the credit of:

(A) the general fund of the county, if the complaint is filed in the justice court or the constitutional county court; or

(B) the general fund of the municipality, if the complaint is filed in municipal court.

(e) At the trial of any person charged with violating this section, the attendance records of the child may be presented in court by any authorized employee of the school district or open-enrollment charter school, as applicable.

(f) The court in which a conviction, deferred adjudication, or deferred disposition for an offense under Subsection (a) occurs may order the defendant to attend a program for parents of students with unexcused absences that provides instruction designed to assist those parents in identifying problems that contribute to the students' unexcused absences and in developing strategies for resolving those problems if a program is available.

(g) If a parent refuses to obey a court order entered under this section, the court may punish the parent for contempt of court under Section 21.002, Government Code.

(h) It is an affirmative defense to prosecution for an offense under Subsection (a) that one or more of the absences required to be proven under Subsection (a) was excused by a school official or should be excused by the court. The burden is on the defendant to show by a preponderance of the evidence that the absence has been or should be excused. A decision by the court to excuse an absence for purposes of this section does not affect the ability of the school district to determine whether to excuse the absence for another purpose.

(i) In this section, "parent" includes a person standing in parental relation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 865, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1504, Sec. 24, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1514, Sec. 3, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 137, Sec. 4, 5, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 283, Sec. 38, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 6.001, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 148 (H.B. 734), Sec. 1, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 11, eff. September 1, 2015.

Sec. 25.095. WARNING NOTICES. (a) A school district or open-enrollment charter school shall notify a student's parent in writing at the beginning of the school year that if the student is absent

from school on 10 or more days or parts of days within a six-month period in the same school year:

(1) the student's parent is subject to prosecution under Section 25.093; and

(2) the student is subject to referral to a truancy court for truant conduct under Section 65.003(a), Family Code.

(b) A school district shall notify a student's parent if the student has been absent from school, without excuse under Section 25.087, on three days or parts of days within a four-week period. The notice must:

(1) inform the parent that:

(A) it is the parent's duty to monitor the student's school attendance and require the student to attend school; and

(B) the student is subject to truancy prevention measures under Section 25.0915; and

(2) request a conference between school officials and the parent to discuss the absences.

(c) The fact that a parent did not receive a notice under Subsection (a) or (b) does not create a defense under Section 25.093 or under Section 65.003(a), Family Code.

(d) In this section, "parent" includes a person standing in parental relation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, Sec. 25, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1514, Sec. 5, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 6.002, eff. Sept. 1, 2003. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 12, eff. September 1, 2015.

Sec. 25.0951. SCHOOL DISTRICT COMPLAINT OR REFERRAL FOR FAILURE TO ATTEND SCHOOL. (a) If a student fails to attend school without excuse on 10 or more days or parts of days within a six-month period in the same school year, a school district shall within 10 school days of the student's 10th absence refer the student to a truancy court for truant conduct under Section 65.003(a), Family Code.

(b) If a student fails to attend school without excuse as specified by Subsection (a), a school district may file a complaint

against the student's parent in a county, justice, or municipal court for an offense under Section 25.093 if the school district provides evidence of the parent's criminal negligence. In this subsection, "parent" includes a person standing in parental relation.

(c) A court shall dismiss a complaint made by a school district under Subsection (b) that:

(1) does not comply with this section;

(2) does not allege the elements required for the offense;

(3) is not timely filed, unless the school district delayed the referral under Subsection (d); or

(4) is otherwise substantively defective.

(d) Notwithstanding Subsection (a), a school district may delay a referral of a student for truant conduct, or may choose to not refer a student for truant conduct, if the school district:

(1) is applying truancy prevention measures to the student under Section 25.0915; and

(2) determines that the truancy prevention measures are succeeding and it is in the best interest of the student that a referral be delayed or not be made.

Added by Acts 2001, 77th Leg., ch. 1514, Sec. 6, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 137, Sec. 9, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 949 (H.B. 1575), Sec. 37, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 908 (H.B. 2884), Sec. 31, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 984 (S.B. 1161), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.003, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 13, eff. September 1, 2015.

Sec. 25.0952. PROCEDURES APPLICABLE TO PARENT CONTRIBUTING TO NONATTENDANCE OFFENSE. In a proceeding based on a complaint under Section 25.093, the court shall, except as otherwise provided by this chapter, use the procedures and exercise the powers authorized by Chapter 45, Code of Criminal Procedure.

Added by Acts 2001, 77th Leg., ch. 1514, Sec. 6, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 137, Sec. 10, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 283, Sec. 40, eff. Sept. 1, 2003. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 14, eff. September 1, 2015.

SUBCHAPTER D. STUDENT/TEACHER RATIOS; CLASS SIZE

Sec. 25.111. STUDENT/TEACHER RATIOS. Except as provided by Section 25.112, each school district must employ a sufficient number of teachers certified under Subchapter B, Chapter 21, to maintain an average ratio of not less than one teacher for each 20 students in average daily attendance.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 25.112. CLASS SIZE. (a) Except as otherwise authorized by this section, a school district may not enroll more than 22 students in a kindergarten, first, second, third, or fourth grade class. That limitation does not apply during:

(1) any 12-week period of the school year selected by the district, in the case of a district whose average daily attendance is adjusted under Section 42.005(c); or

(2) the last 12 weeks of any school year in the case of any other district.

(b) Not later than the 30th day after the first day of the 12-week period for which a district whose average daily attendance is adjusted under Section 42.005(c) is claiming an exemption under Subsection (a), the district shall notify the commissioner in writing that the district is claiming an exemption for the period stated in the notice.

(c) In determining the number of students to enroll in any class, a school district shall consider the subject to be taught, the teaching methodology to be used, and any need for individual instruction.

(d) On application of a school district, the commissioner may except the district from the limit in Subsection (a) if the commissioner finds the limit works an undue hardship on the district.

An exception expires at the end of the school year for which it is granted.

(e) A school district seeking an exception under Subsection (d) shall notify the commissioner and apply for the exception not later than the later of:

(1) October 1; or

(2) the 30th day after the first school day the district exceeds the limit in Subsection (a).

(f) If a school district repeatedly fails to comply with this section, the commissioner may take any appropriate action authorized to be taken by the commissioner under Section 39.131.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 889, Sec. 1, eff. June 14, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1347 (S.B. 300), Sec. 2, eff. June 19, 2009.

Sec. 25.113. NOTICE OF CLASS SIZE. (a) A campus or district that is granted an exception under Section 25.112(d) from class size limits shall provide written notice of the exception to the parent of or person standing in parental relation to each student affected by the exception. The notice must be in conspicuous bold or underlined print and:

(1) specify the class for which an exception from the limit imposed by Section 25.112(a) was granted;

(2) state the number of children in the class for which the exception was granted; and

(3) be included in a regular mailing or other communication from the campus or district, such as information sent home with students.

(b) The notice required by Subsection (a) must be provided not later than the 31st day after:

(1) the first day of the school year; or

(2) the date the exception is granted, if the exception is granted after the beginning of the school year.

Added by Acts 2001, 77th Leg., ch. 889, Sec. 2, eff. June 14, 2001.

Sec. 25.114. STUDENT/TEACHER RATIOS IN PHYSICAL EDUCATION CLASSES; CLASS SIZE. (a) In implementing the curriculum for physical education under Section 28.002(a)(2)(C), each school district shall establish specific objectives and goals the district intends to accomplish through the curriculum, including, to the extent practicable, student/teacher ratios that are small enough to enable the district to:

(1) carry out the purposes of and requirements for the physical education curriculum as provided under Section 28.002(d); and

(2) ensure the safety of students participating in physical education.

(b) If a district establishes a student to teacher ratio greater than 45 to 1 in a physical education class, the district shall specifically identify the manner in which the safety of the students will be maintained.

Added by Acts 2009, 81st Leg., R.S., Ch. 773 (S.B. 891), Sec. 2, eff. June 19, 2009.

SUBCHAPTER E. STUDENT EXPRESSION OF RELIGIOUS VIEWPOINTS

Sec. 25.151. STUDENT EXPRESSION. A school district shall treat a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject in the same manner the district treats a student's voluntary expression of a secular or other viewpoint on an otherwise permissible subject and may not discriminate against the student based on a religious viewpoint expressed by the student on an otherwise permissible subject.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

Sec. 25.152. LIMITED PUBLIC FORUM; SCHOOL DISTRICT POLICY. (a) To ensure that the school district does not discriminate against a student's publicly stated voluntary expression of a religious viewpoint, if any, and to eliminate any actual or perceived affirmative school sponsorship or attribution to the district of a student's expression of a religious viewpoint, if any, a school district shall adopt a policy, which must include the establishment

of a limited public forum for student speakers at all school events at which a student is to publicly speak. The policy regarding the limited public forum must also require the school district to:

(1) provide the forum in a manner that does not discriminate against a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject;

(2) provide a method, based on neutral criteria, for the selection of student speakers at school events and graduation ceremonies;

(3) ensure that a student speaker does not engage in obscene, vulgar, offensively lewd, or indecent speech; and

(4) state, in writing, orally, or both, that the student's speech does not reflect the endorsement, sponsorship, position, or expression of the district.

(b) The school district disclaimer required by Subsection (a)(4) must be provided at all graduation ceremonies. The school district must also continue to provide the disclaimer at any other event in which a student speaks publicly for as long as a need exists to dispel confusion over the district's nonsponsorship of the student's speech.

(c) Student expression on an otherwise permissible subject may not be excluded from the limited public forum because the subject is expressed from a religious viewpoint.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

Sec. 25.153. RELIGIOUS EXPRESSION IN CLASS ASSIGNMENTS. Students may express their beliefs about religion in homework, artwork, and other written and oral assignments free from discrimination based on the religious content of their submissions. Homework and classroom assignments must be judged by ordinary academic standards of substance and relevance and against other legitimate pedagogical concerns identified by the school district. Students may not be penalized or rewarded on account of the religious content of their work.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

Sec. 25.154. FREEDOM TO ORGANIZE RELIGIOUS GROUPS AND ACTIVITIES. Students may organize prayer groups, religious clubs, "see you at the pole" gatherings, or other religious gatherings before, during, and after school to the same extent that students are permitted to organize other noncurricular student activities and groups. Religious groups must be given the same access to school facilities for assembling as is given to other noncurricular groups without discrimination based on the religious content of the students' expression. If student groups that meet for nonreligious activities are permitted to advertise or announce meetings of the groups, the school district may not discriminate against groups that meet for prayer or other religious speech. A school district may disclaim school sponsorship of noncurricular groups and events in a manner that neither favors nor disfavors groups that meet to engage in prayer or religious speech.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

Sec. 25.155. ADOPTION OF POLICY. A school district shall adopt and implement a local policy regarding a limited public forum and voluntary student expression of religious viewpoints. If a school district voluntarily adopts and follows the model policy governing voluntary religious expression in public schools as provided by Section 25.156, the district is in compliance with the provisions of this subchapter covered by the model policy.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

Sec. 25.156. MODEL POLICY GOVERNING VOLUNTARY RELIGIOUS EXPRESSION IN PUBLIC SCHOOLS. In this section, "model policy" means a local policy adopted by the school district that is substantially identical to the following:

ARTICLE I

STUDENT EXPRESSION OF RELIGIOUS VIEWPOINTS

The school district shall treat a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject in the same manner the district treats a student's voluntary

expression of a secular or other viewpoint on an otherwise permissible subject and may not discriminate against the student based on a religious viewpoint expressed by the student on an otherwise permissible subject.

ARTICLE II

STUDENT SPEAKERS AT NONGRADUATION EVENTS

The school district hereby creates a limited public forum for student speakers at all school events at which a student is to publicly speak. For each speaker, the district shall set a maximum time limit reasonable and appropriate to the occasion. Student speakers shall introduce:

(1) football games;

(2) any other athletic events designated by the district;

(3) opening announcements and greetings for the school day; and

(4) any additional events designated by the district, which may include, without limitation, assemblies and pep rallies.

The forum shall be limited in the manner provided by this article.

Only those students in the highest two grade levels of the school and who hold one of the following positions of honor based on neutral criteria are eligible to use the limited public forum: student council officers, class officers of the highest grade level in the school, captains of the football team, and other students holding positions of honor as the school district may designate.

An eligible student shall be notified of the student's eligibility, and a student who wishes to participate as an introducing speaker shall submit the student's name to the student council or other designated body during an announced period of not less than three days. The announced period may be at the beginning of the school year, at the end of the preceding school year so student speakers are in place for the new year, or, if the selection process will be repeated each semester, at the beginning of each semester or at the end of the preceding semester so speakers are in place for the next semester. The names of the volunteering student speakers shall be randomly drawn until all names have been selected, and the names shall be listed in the order drawn. Each selected student will be matched chronologically to the event for which the student will be giving the introduction. Each student may speak for one week at a time for all introductions of events that week, or

rotate after each speaking event, or otherwise as determined by the district. The list of student speakers shall be chronologically repeated as needed, in the same order. The district may repeat the selection process each semester rather than once a year.

The subject of the student introductions must be related to the purpose of the event and to the purpose of marking the opening of the event, honoring the occasion, the participants, and those in attendance, bringing the audience to order, and focusing the audience on the purpose of the event. The subject must be designated, a student must stay on the subject, and the student may not engage in obscene, vulgar, offensively lewd, or indecent speech. The school district shall treat a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject in the same manner the district treats a student's voluntary expression of a secular or other viewpoint on an otherwise permissible subject and may not discriminate against the student based on a religious viewpoint expressed by the student on an otherwise permissible subject.

For as long as there is a need to dispel confusion over the nonsponsorship of the student's speech, at each event in which a student will deliver an introduction, a disclaimer shall be stated in written or oral form, or both, such as, "The student giving the introduction for this event is a volunteering student selected on neutral criteria to introduce the event. The content of the introduction is the private expression of the student and does not reflect the endorsement, sponsorship, position, or expression of the school district."

Certain students who have attained special positions of honor in the school have traditionally addressed school audiences from time to time as a tangential component of their achieved positions of honor, such as the captains of various sports teams, student council officers, class officers, homecoming kings and queens, prom kings and queens, and the like, and have attained their positions based on neutral criteria. Nothing in this policy eliminates the continuation of the practice of having these students, irrespective of grade level, address school audiences in the normal course of their respective positions. The school district shall create a limited public forum for the speakers and shall treat a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject in the same manner the district treats a

student's voluntary expression of a secular or other viewpoint on an otherwise permissible subject and may not discriminate against the student based on a religious viewpoint expressed by the student on an otherwise permissible subject.

ARTICLE III

STUDENT SPEAKERS AT GRADUATION CEREMONIES

The school district hereby creates a limited public forum consisting of an opportunity for a student to speak to begin graduation ceremonies and another student to speak to end graduation ceremonies. For each speaker, the district shall set a maximum time limit reasonable and appropriate to the occasion.

The forum shall be limited in the manner provided by this article.

Only students who are graduating and who hold one of the following neutral criteria positions of honor shall be eligible to use the limited public forum: student council officers, class officers of the graduating class, the top three academically ranked graduates, or a shorter or longer list of student leaders as the school district may designate. A student who will otherwise have a speaking role in the graduation ceremonies is ineligible to give the opening and closing remarks. The names of the eligible volunteering students will be randomly drawn. The first name drawn will give the opening and the second name drawn will give the closing.

The topic of the opening and closing remarks must be related to the purpose of the graduation ceremony and to the purpose of marking the opening and closing of the event, honoring the occasion, the participants, and those in attendance, bringing the audience to order, and focusing the audience on the purpose of the event.

In addition to the students giving the opening and closing remarks, certain other students who have attained special positions of honor based on neutral criteria, including, without limitation, the valedictorian, will have speaking roles at graduation ceremonies. For each speaker, the school district shall set a maximum time limit reasonable and appropriate to the occasion and to the position held by the speaker. For this purpose, the district creates a limited public forum for these students to deliver the addresses. The subject of the addresses must be related to the purpose of the graduation ceremony, marking and honoring the occasion, honoring the participants and those in attendance, and the student's perspective on purpose, achievement, life, school, graduation, and looking

forward to the future.

The subject must be designated for each student speaker, the student must stay on the subject, and the student may not engage in obscene, vulgar, offensively lewd, or indecent speech. The school district shall treat a student's voluntary expression of a religious viewpoint, if any, on an otherwise permissible subject in the same manner the district treats a student's voluntary expression of a secular or other viewpoint on an otherwise permissible subject and may not discriminate against the student based on a religious viewpoint expressed by the student on an otherwise permissible subject.

A written disclaimer shall be printed in the graduation program that states, "The students who will be speaking at the graduation ceremony were selected based on neutral criteria to deliver messages of the students' own choices. The content of each student speaker's message is the private expression of the individual student and does not reflect any position or expression of the school district or the board of trustees, or the district's administration, or employees of the district, or the views of any other graduate. The contents of these messages were prepared by the student volunteers, and the district refrained from any interaction with student speakers regarding the student speakers' viewpoints on permissible subjects."

ARTICLE IV

RELIGIOUS EXPRESSION IN CLASS ASSIGNMENTS

Students may express the students' beliefs about religion in homework, artwork, and other written and oral assignments free from discrimination based on the religious content of the students' submission. Homework and classroom work shall be judged by ordinary academic standards of substance and relevance and against other legitimate pedagogical concerns identified by the school. Students may not be penalized or rewarded on account of religious content. If a teacher's assignment involves writing a poem, the work of a student who submits a poem in the form of a prayer (for example, a psalm) should be judged on the basis of academic standards, including literary quality, and not penalized or rewarded on account of its religious content.

ARTICLE V

FREEDOM TO ORGANIZE RELIGIOUS GROUPS AND ACTIVITIES

Students may organize prayer groups, religious clubs, "see you at the pole" gatherings, and other religious gatherings before,

during, and after school to the same extent that students are permitted to organize other noncurricular student activities and groups. Religious groups must be given the same access to school facilities for assembling as is given to other noncurricular groups, without discrimination based on the religious content of the group's expression. If student groups that meet for nonreligious activities are permitted to advertise or announce the groups' meetings, for example, by advertising in a student newspaper, putting up posters, making announcements on a student activities bulletin board or public address system, or handing out leaflets, school authorities may not discriminate against groups that meet for prayer or other religious speech. School authorities may disclaim sponsorship of noncurricular groups and events, provided they administer the disclaimer in a manner that does not favor or disfavor groups that meet to engage in prayer or other religious speech.

Added by Acts 2007, 80th Leg., R.S., Ch. 261 (H.B. 3678), Sec. 2, eff. June 8, 2007.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS RELATING TO STUDENTS

Sec. 25.901. EXERCISE OF CONSTITUTIONAL RIGHT TO PRAY. A public school student has an absolute right to individually, voluntarily, and silently pray or meditate in school in a manner that does not disrupt the instructional or other activities of the school. A person may not require, encourage, or coerce a student to engage in or refrain from such prayer or meditation during any school activity.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

CHAPTER 26. PARENTAL RIGHTS AND RESPONSIBILITIES

Sec. 26.001. PURPOSE. (a) Parents are partners with educators, administrators, and school district boards of trustees in their children's education. Parents shall be encouraged to actively participate in creating and implementing educational programs for their children.

(b) The rights listed in this chapter are not exclusive. This chapter does not limit a parent's rights under other law.

(c) Unless otherwise provided by law, a board of trustees, administrator, educator, or other person may not limit parental

rights.

(d) Each board of trustees shall provide for procedures to consider complaints that a parent's right has been denied.

(e) Each board of trustees shall cooperate in the establishment of ongoing operations of at least one parent-teacher organization at each school in the district to promote parental involvement in school activities.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.002. DEFINITION. In this chapter, "parent" includes a person standing in parental relation. The term does not include a person as to whom the parent-child relationship has been terminated or a person not entitled to possession of or access to a child under a court order. Except as provided by federal law, all rights of a parent under Title 2 of this code and all educational rights under Section 151.003(a)(10), Family Code, shall be exercised by a student who is 18 years of age or older or whose disabilities of minority have been removed for general purposes under Chapter 31, Family Code, unless the student has been determined to be incompetent or the student's rights have been otherwise restricted by a court order.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 767, Sec. 10, eff. June 13, 2001.

Sec. 26.003. RIGHTS CONCERNING ACADEMIC PROGRAMS. (a) A parent is entitled to:

(1) petition the board of trustees designating the school in the district that the parent's child will attend, as provided by Section 25.033;

(2) reasonable access to the school principal, or to a designated administrator with the authority to reassign a student, to request a change in the class or teacher to which the parent's child has been assigned, if the reassignment or change would not affect the assignment or reassignment of another student;

(3) request, with the expectation that the request will not be unreasonably denied:

(A) the addition of a specific academic class in the

course of study of the parent's child in keeping with the required curriculum if sufficient interest is shown in the addition of the class to make it economically practical to offer the class;

(B) that the parent's child be permitted to attend a class for credit above the child's grade level, whether in the child's school or another school, unless the board or its designated representative expects that the child cannot perform satisfactorily in the class; or

(C) that the parent's child be permitted to graduate from high school earlier than the child would normally graduate, if the child completes each course required for graduation; and

(4) have a child who graduates early as provided by Subdivision (3)(C) participate in graduation ceremonies at the time the child graduates.

(b) The decision of the board of trustees concerning a request described by Subsection (a)(2) or (3) is final and may not be appealed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.0031. RIGHTS CONCERNING STATE VIRTUAL SCHOOL NETWORK. (a) At the time and in the manner that a school district or open-enrollment charter school informs students and parents about courses that are offered in the district's or school's traditional classroom setting, the district or school shall notify parents and students of the option to enroll in an electronic course offered through the state virtual school network under Chapter 30A.

(b) Except as provided by Subsection (c), a school district or open-enrollment charter school in which a student is enrolled as a full-time student may not deny the request of a parent of a student to enroll the student in an electronic course offered through the state virtual school network under Chapter 30A.

(c) A school district or open-enrollment charter school may deny a request to enroll a student in an electronic course if:

(1) a student attempts to enroll in a course load that is inconsistent with the student's high school graduation plan or requirements for college admission or earning an industry certification;

(2) the student requests permission to enroll in an

electronic course at a time that is not consistent with the enrollment period established by the school district or open-enrollment charter school providing the course; or

(3) the district or school offers a substantially similar course.

(c-1) A school district or open-enrollment charter school may decline to pay the cost for a student of more than three yearlong electronic courses, or the equivalent, during any school year. This subsection does not:

(1) limit the ability of the student to enroll in additional electronic courses at the student's cost; or

(2) apply to a student enrolled in a full-time online program that was operating on January 1, 2013.

(d) Notwithstanding Subsection (c)(2), a school district or open-enrollment charter school that provides an electronic course through the state virtual school network under Chapter 30A shall make all reasonable efforts to accommodate the enrollment of a student in the course under special circumstances.

(e) A parent may appeal to the commissioner a school district's or open-enrollment charter school's decision to deny a request to enroll a student in an electronic course offered through the state virtual school network. The commissioner's decision under this subsection is final and may not be appealed.

(f) A school district or open-enrollment charter school from which a parent of a student requests permission to enroll the student in an electronic course offered through the state virtual school network under Chapter 30A has discretion to select a course provider approved by the network's administering authority for the course in which the student will enroll based on factors including the informed choice report in Section 30A.108(b).

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 2, eff. September 1, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 1, eff. June 14, 2013.

Sec. 26.004. ACCESS TO STUDENT RECORDS. A parent is entitled to access to all written records of a school district concerning the

parent's child, including:

(1) attendance records;

(2) test scores;

(3) grades;

(4) disciplinary records;

(5) counseling records;

(6) psychological records;

(7) applications for admission;

(8) health and immunization information;

(9) teacher and school counselor evaluations; and

(10) reports of behavioral patterns.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 18, eff. June 14, 2013.

Sec. 26.005. ACCESS TO STATE ASSESSMENTS. Except as provided by Section 39.023(e), a parent is entitled to access to a copy of each state assessment instrument administered under Section 39.023 to the parent's child.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 767, Sec. 7, eff. Sept. 1, 1997.

Sec. 26.006. ACCESS TO TEACHING MATERIALS. (a) A parent is entitled to:

(1) review all teaching materials, instructional materials, and other teaching aids used in the classroom of the parent's child; and

(2) review each test administered to the parent's child after the test is administered.

(b) A school district shall make teaching materials and tests readily available for review by parents. The district may specify reasonable hours for review.

(c) A student's parent is entitled to request that the school district or open-enrollment charter school the student attends allow the student to take home any instructional materials used by the student. Subject to the availability of the instructional materials,

the district or school shall honor the request. A student who takes home instructional materials must return the instructional materials to school at the beginning of the next school day if requested to do so by the student's teacher. In this subsection, "instructional material" has the meaning assigned by Section 31.002.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 805, Sec. 1, eff. June 14, 2001.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 12, eff. July 19, 2011.

Sec. 26.007. ACCESS TO BOARD MEETINGS. (a) A parent is entitled to complete access to any meeting of the board of trustees of the school district, other than a closed meeting held in compliance with Subchapters D and E, Chapter 551, Government Code.

(b) A board of trustees of a school district must hold each public meeting of the board within the boundaries of the district except as required by law or except to hold a joint meeting with another district or with another governmental entity, as defined by Section 2051.041, Government Code, if the boundaries of the governmental entity are in whole or in part within the boundaries of the district. All public meetings must comply with Chapter 551, Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1335, Sec. 7, eff. June 19, 1999.

Sec. 26.008. RIGHT TO FULL INFORMATION CONCERNING STUDENT. (a) A parent is entitled to full information regarding the school activities of a parent's child except as provided by Section 38.004.

(b) An attempt by any school district employee to encourage or coerce a child to withhold information from the child's parent is grounds for discipline under Section 21.104, 21.156, or 21.211, as applicable.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.0081. RIGHT TO INFORMATION CONCERNING SPECIAL EDUCATION AND EDUCATION OF STUDENTS WITH LEARNING DIFFICULTIES. (a) The agency shall produce and provide to school districts sufficient copies of a comprehensive, easily understood document that explains the process by which an individualized education program is developed for a student in a special education program and the rights and responsibilities of a parent concerning the process. The document must include information a parent needs to effectively participate in an admission, review, and dismissal committee meeting for the parent's child.

(b) The agency will ensure that each school district provides the document required under this section to the parent as provided by 20 U.S.C. Section 1415(b):

(1) as soon as practicable after a child is referred to determine the child's eligibility for admission into the district's special education program, but at least five school days before the date of the initial meeting of the admission, review, and dismissal committee; and

(2) at any other time on reasonable request of the child's parent.

(c) The agency shall produce and provide to school districts a written explanation of the options and requirements for providing assistance to students who have learning difficulties or who need or may need special education. The explanation must state that a parent is entitled at any time to request an evaluation of the parent's child for special education services under Section 29.004. Each school year, each district shall provide the written explanation to a parent of each district student by including the explanation in the student handbook or by another means.

Added by Acts 1999, 76th Leg., ch. 616, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 539, Sec. 1, 2, eff. Sept. 1, 2003.

Sec. 26.0082. SUPPLEMENTAL EDUCATIONAL SERVICES. (a) In this section, "rigorous research" means research that includes:

(1) a study design that employs either a randomized controlled trial or a quasi-experimental design;

(2) an adequate measure of outcomes; and

(3) reliable and valid results.

(b) As part of the annual notice a school district provides to parents under 20 U.S.C. Section 6316(e)(2)(A) concerning supplemental educational services, the district shall include information provided to the district by the agency that:

(1) identifies characteristics of supplemental educational services that, based on rigorous research, have been demonstrated to be more likely to foster improvement in student academic performance, including information concerning the minimum number of hours of tutoring necessary for improved performance; and

(2) sorts, for each subject for which supplemental educational services are provided, supplemental educational services providers serving district students according to the provider's level of effectiveness in improving student performance in the applicable subject area.

(c) The agency shall develop and the commissioner by rule shall establish a process for approving and revoking approval for a supplemental educational services provider. The process must allow the agency to use any publicly available information from any published source in determining whether to approve an entity as a provider, except that the agency may not use information that is self-published or published by a provider for marketing purposes.

(d) The agency shall maintain a publicly available list of approved providers. In accordance with standards established by commissioner rule, the agency shall promptly investigate a complaint against an approved provider and promptly remove from the list of approved providers a provider for which agency approval has been revoked.

(e) Not later than the fifth business day after the date on which the agency removes a provider from the list of approved providers, the agency shall send notice of the removal to each appropriate school district. The district shall provide notice of the removal to parents of appropriate students.

(f) A supplemental educational services provider for which agency approval has been revoked because the agency determines that the provider has engaged in fraudulent activity is permanently prohibited from acting as a provider in this state.

Added by Acts 2013, 83rd Leg., R.S., Ch. 646 (H.B. 753), Sec. 1, eff. September 1, 2013.

Sec. 26.0085. REQUESTS FOR PUBLIC INFORMATION. (a) A school district or open-enrollment charter school that seeks to withhold information from a parent who has requested public information relating to the parent's child under Chapter 552, Government Code, and that files suit as described by Section 552.324, Government Code, to challenge a decision by the attorney general issued under Subchapter G, Chapter 552, Government Code, must bring the suit not later than the 30th calendar day after the date the school district or open-enrollment charter school receives the decision of the attorney general being challenged.

(b) A court shall grant a suit described by Subsection (a) precedence over other pending matters to ensure prompt resolution of the subject matter of the suit.

(c) Notwithstanding any other law, a school district or open-enrollment charter school may not appeal the decision of a court in a suit filed under Subsection (a). This subsection does not affect the right of a parent to appeal the decision.

(d) If the school district or open-enrollment charter school does not bring suit within the period established by Subsection (a), the school district or open-enrollment charter school shall comply with the decision of the attorney general.

(e) A school district or open-enrollment charter school that receives a request from a parent for public information relating to the parent's child shall comply with Chapter 552, Government Code. If an earlier deadline for bringing suit is established under Chapter 552, Government Code, Subsection (a) does not apply. This section does not affect the earlier deadline for purposes of Section 532.353(b)(3) for a suit brought by an officer for public information.

Added by Acts 1999, 76th Leg., ch. 1335, Sec. 8, eff. June 19, 1999.

Sec. 26.009. CONSENT REQUIRED FOR CERTAIN ACTIVITIES. (a) An employee of a school district must obtain the written consent of a child's parent before the employee may:

(1) conduct a psychological examination, test, or treatment, unless the examination, test, or treatment is required

under Section 38.004 or state or federal law regarding requirements for special education; or

(2) make or authorize the making of a videotape of a child or record or authorize the recording of a child's voice.

(b) An employee of a school district is not required to obtain the consent of a child's parent before the employee may make a videotape of a child or authorize the recording of a child's voice if the videotape or voice recording is to be used only for:

(1) purposes of safety, including the maintenance of order and discipline in common areas of the school or on school buses;

(2) a purpose related to a cocurricular or extracurricular activity;

(3) a purpose related to regular classroom instruction;

(4) media coverage of the school; or

(5) a purpose related to the promotion of student safety under Section 29.022.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1175, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1147 (S.B. 507), Sec. 1, eff. June 19, 2015.

Sec. 26.0091. REFUSAL OF PSYCHIATRIC OR PSYCHOLOGICAL TREATMENT OF CHILD AS BASIS OF REPORT OF NEGLECT. (a) In this section, "psychotropic drug" has the meaning assigned by Section 261.111, Family Code.

(b) An employee of a school district may not use or threaten to use the refusal of a parent, guardian, or managing or possessory conservator of a child to administer or consent to the administration of a psychotropic drug to the child, or to consent to any other psychiatric or psychological testing or treatment of the child, as the sole basis for making a report of neglect of the child under Subchapter B, Chapter 261, Family Code, unless the employee has cause to believe that the refusal:

(1) presents a substantial risk of death, disfigurement, or bodily injury to the child; or

(2) has resulted in an observable and material impairment

to the growth, development, or functioning of the child.

Added by Acts 2003, 78th Leg., ch. 1008, Sec. 1, eff. June 20, 2003.

Sec. 26.010. EXEMPTION FROM INSTRUCTION. (a) A parent is entitled to remove the parent's child temporarily from a class or other school activity that conflicts with the parent's religious or moral beliefs if the parent presents or delivers to the teacher of the parent's child a written statement authorizing the removal of the child from the class or other school activity. A parent is not entitled to remove the parent's child from a class or other school activity to avoid a test or to prevent the child from taking a subject for an entire semester.

(b) This section does not exempt a child from satisfying grade level or graduation requirements in a manner acceptable to the school district and the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.011. COMPLAINTS. The board of trustees of each school district shall adopt a grievance procedure under which the board shall address each complaint that the board receives concerning violation of a right guaranteed by this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.012. FEE FOR COPIES. The agency or a school district may charge a reasonable fee in accordance with Subchapter F, Chapter 552, Government Code, for copies of materials provided to a parent under this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 26.013. STUDENT DIRECTORY INFORMATION. (a) A school district shall provide to the parent of each district student at the beginning of each school year or on enrollment of the student after the beginning of a school year:

(1) a written explanation of the provisions of the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), regarding the release of directory information about the student; and

(2) written notice of the right of the parent to object to the release of directory information about the student under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(b) The notice required by Subsection (a)(2) must contain:

(1) the following statement in boldface type that is 14-point or larger:

"Certain information about district students is considered directory information and will be released to anyone who follows the procedures for requesting the information unless the parent or guardian objects to the release of the directory information about the student. If you do not want [insert name of school district] to disclose directory information from your child's education records without your prior written consent, you must notify the district in writing by [insert date]. [Insert name of school district] has designated the following information as directory information: [Here a school district must include any directory information it chooses to designate as directory information for the district, such as a student's name, address, telephone listing, electronic mail address, photograph, degrees, honors and awards received, date and place of birth, major field of study, dates of attendance, grade level, most recent educational institution attended, and participation in officially recognized activities and sports, and the weight and height of members of athletic teams.]";

(2) a form, such as a check-off list or similar mechanism, that:

(A) immediately follows, on the same page or the next page, the statement required under Subdivision (1); and

(B) allows a parent to record:

(i) the parent's objection to the release of all directory information or one or more specific categories of directory information if district policy permits the parent to object to one or more specific categories of directory information;

(ii) the parent's objection to the release of a

secondary student's name, address, and telephone number to a military recruiter or institution of higher education; and

(iii) the parent's consent to the release of one or more specific categories of directory information for a limited school-sponsored purpose if such purpose has been designated by the district and is specifically identified, such as for a student directory, student yearbook, or district publication; and

(3) a statement that federal law requires districts receiving assistance under the Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.) to provide a military recruiter or an institution of higher education, on request, with the name, address, and telephone number of a secondary student unless the parent has advised the district that the parent does not want the student's information disclosed without the parent's prior written consent.

(c) A school district may designate as directory information any or all information defined as directory information by the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). Directory information under that Act that is not designated by a district as directory information for that district is excepted from disclosure by the district under Chapter 552, Government Code.

(d) Directory information consented to by a parent for use only for a limited school-sponsored purpose, such as for a student directory, student yearbook, or school district publication, if any such purpose has been designated by the district, remains otherwise confidential and may not be released under Chapter 552, Government Code.

Added by Acts 2005, 79th Leg., Ch. 687 (S.B. 256), Sec. 1, eff. June 17, 2005.

SUBTITLE F. CURRICULUM, PROGRAMS, AND SERVICES

CHAPTER 28. COURSES OF STUDY; ADVANCEMENT

SUBCHAPTER A. ESSENTIAL KNOWLEDGE AND SKILLS; CURRICULUM

Sec. 28.001. PURPOSE. It is the intent of the legislature that the essential knowledge and skills developed by the State Board of Education under this subchapter shall require all students to demonstrate the knowledge and skills necessary to read, write, compute, problem solve, think critically, apply technology, and

communicate across all subject areas. The essential knowledge and skills shall also prepare and enable all students to continue to learn in postsecondary educational, training, or employment settings.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.002. REQUIRED CURRICULUM. (a) Each school district that offers kindergarten through grade 12 shall offer, as a required curriculum:

(1) a foundation curriculum that includes:

(A) English language arts;

(B) mathematics;

(C) science; and

(D) social studies, consisting of Texas, United States, and world history, government, economics, with emphasis on the free enterprise system and its benefits, and geography; and

(2) an enrichment curriculum that includes:

(A) to the extent possible, languages other than English;

(B) health, with emphasis on the importance of proper nutrition and exercise;

(C) physical education;

(D) fine arts;

(E) career and technology education;

(F) technology applications;

(G) religious literature, including the Hebrew Scriptures (Old Testament) and New Testament, and its impact on history and literature; and

(H) personal financial literacy.

(b) The State Board of Education by rule shall designate subjects constituting a well-balanced curriculum to be offered by a school district that does not offer kindergarten through grade 12.

(b-1) In this section, "common core state standards" means the national curriculum standards developed by the Common Core State Standards Initiative.

(b-2) The State Board of Education may not adopt common core state standards to comply with a duty imposed under this chapter.

(b-3) A school district may not use common core state standards to comply with the requirement to provide instruction in the

essential knowledge and skills at appropriate grade levels under Subsection (c).

(b-4) Notwithstanding any other provision of this code, a school district or open-enrollment charter school may not be required to offer any aspect of a common core state standards curriculum.

(c) The State Board of Education, with the direct participation of educators, parents, business and industry representatives, and employers shall by rule identify the essential knowledge and skills of each subject of the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials under Chapter 31 and addressed on the assessment instruments required under Subchapter B, Chapter 39. As a condition of accreditation, the board shall require each district to provide instruction in the essential knowledge and skills at appropriate grade levels and to make available to each high school student in the district an Algebra II course.

(c-1) The State Board of Education shall adopt rules requiring students enrolled in grade levels six, seven, and eight to complete at least one fine arts course during those grade levels as part of a district's fine arts curriculum.

(c-2) Each time the Texas Higher Education Coordinating Board revises the Internet database of the coordinating board's official statewide inventory of workforce education courses, the State Board of Education shall by rule revise the essential knowledge and skills of any corresponding career and technology education curriculum as provided by Subsection (c).

(d) The physical education curriculum required under Subsection (a)(2)(C) must be sequential, developmentally appropriate, and designed, implemented, and evaluated to enable students to develop the motor, self-management, and other skills, knowledge, attitudes, and confidence necessary to participate in physical activity throughout life. Each school district shall establish specific objectives and goals the district intends to accomplish through the physical education curriculum. In identifying the essential knowledge and skills of physical education, the State Board of Education shall ensure that the curriculum:

(1) emphasizes the knowledge and skills capable of being used during a lifetime of regular physical activity;

(2) is consistent with national physical education standards for:

(A) the information that students should learn about physical activity; and

(B) the physical activities that students should be able to perform;

(3) requires that, on a weekly basis, at least 50 percent of the physical education class be used for actual student physical activity and that the activity be, to the extent practicable, at a moderate or vigorous level;

(4) offers students an opportunity to choose among many types of physical activity in which to participate;

(5) offers students both cooperative and competitive games;

(6) meets the needs of students of all physical ability levels, including students who have a chronic health problem, disability, including a student who is a person with a disability described under Section 29.003(b) or criteria developed by the agency in accordance with that section, or other special need that precludes the student from participating in regular physical education instruction but who might be able to participate in physical education that is suitably adapted and, if applicable, included in the student's individualized education program;

(7) takes into account the effect that gender and cultural differences might have on the degree of student interest in physical activity or on the types of physical activity in which a student is interested;

(8) teaches self-management and movement skills;

(9) teaches cooperation, fair play, and responsible participation in physical activity;

(10) promotes student participation in physical activity outside of school; and

(11) allows physical education classes to be an enjoyable experience for students.

(e) American Sign Language is a language for purposes of Subsection (a)(2)(A). A public school may offer an elective course in the language.

(f) A school district may offer courses for local credit in addition to those in the required curriculum. The State Board of Education shall be flexible in approving a course for credit for high school graduation under this subsection.

(g) A local instructional plan may draw on state curriculum frameworks and program standards as appropriate. Each district is

encouraged to exceed minimum requirements of law and State Board of Education rule. Each district shall ensure that all children in the district participate actively in a balanced curriculum designed to meet individual needs. Before the adoption of a major curriculum initiative, including the use of a curriculum management system, a district must use a process that:

(1) includes teacher input;

(2) provides district employees with the opportunity to express opinions regarding the initiative; and

(3) includes a meeting of the board of trustees of the district at which:

(A) information regarding the initiative is presented, including the cost of the initiative and any alternatives that were considered; and

(B) members of the public and district employees are given the opportunity to comment regarding the initiative.

(g-1) A district may also offer a course or other activity, including an apprenticeship or training hours needed to obtain an industry-recognized credential or certificate, that is approved by the board of trustees for credit without obtaining State Board of Education approval if:

(1) the district develops a program under which the district partners with a public or private institution of higher education and local business, labor, and community leaders to develop and provide the courses; and

(2) the course or other activity allows students to enter:

(A) a career or technology training program in the district's region of the state;

(B) an institution of higher education without remediation;

(C) an apprenticeship training program; or

(D) an internship required as part of accreditation toward an industry-recognized credential or certificate for course credit.

(g-2) Each school district shall annually report to the agency the names of the courses, programs, institutions of higher education, and internships in which the district's students have enrolled under Subsection (g-1). The agency shall make available information provided under this subsection to other districts.

(h) The State Board of Education and each school district shall

foster the continuation of the tradition of teaching United States and Texas history and the free enterprise system in regular subject matter and in reading courses and in the adoption of instructional materials. A primary purpose of the public school curriculum is to prepare thoughtful, active citizens who understand the importance of patriotism and can function productively in a free enterprise society with appreciation for the basic democratic values of our state and national heritage.

(i) The State Board of Education shall adopt rules for the implementation of this subchapter. Except as provided by Subsection (j), the board may not adopt rules that designate the methodology used by a teacher or the time spent by a teacher or a student on a particular task or subject.

(j) The State Board of Education by rule may require laboratory instruction in secondary science courses and may require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.

(k) The State Board of Education, in consultation with the Department of State Health Services and the Texas Diabetes Council, shall develop a diabetes education program that a school district may use in the health curriculum under Subsection (a)(2)(B).

(l) A school district shall require a student enrolled in full-day prekindergarten, in kindergarten, or in a grade level below grade six to participate in moderate or vigorous daily physical activity for at least 30 minutes throughout the school year as part of the district's physical education curriculum or through structured activity during a school campus's daily recess. To the extent practicable, a school district shall require a student enrolled in prekindergarten on less than a full-day basis to participate in the same type and amount of physical activity as a student enrolled in full-day prekindergarten. A school district shall require students enrolled in grade levels six, seven, and eight to participate in moderate or vigorous daily physical activity for at least 30 minutes for at least four semesters during those grade levels as part of the district's physical education curriculum. If a school district determines, for any particular grade level below grade six, that requiring moderate or vigorous daily physical activity is impractical due to scheduling concerns or other factors, the district may as an alternative require a student in that grade level to participate in moderate or vigorous physical activity for at least 135 minutes

during each school week. Additionally, a school district may as an alternative require a student enrolled in a grade level for which the district uses block scheduling to participate in moderate or vigorous physical activity for at least 225 minutes during each period of two school weeks. A school district must provide for an exemption for:

(1) any student who is unable to participate in the required physical activity because of illness or disability; and

(2) a middle school or junior high school student who participates in an extracurricular activity with a moderate or vigorous physical activity component that is considered a structured activity under rules adopted by the commissioner.

(l-1) In adopting rules relating to an activity described by Subsection (l)(2), the commissioner may permit an exemption for a student who participates in a school-related activity or an activity sponsored by a private league or club only if the student provides proof of participation in the activity.

(l-2) To encourage school districts to promote physical activity for children through classroom curricula for health and physical education, the agency, in consultation with the Department of State Health Services, shall designate nationally recognized health and physical education program guidelines that a school district may use in the health curriculum under Subsection (a)(2)(B) or the physical education curriculum under Subsection (a)(2)(C).

(l-3)(1) This subsection may be cited as "Lauren's Law."

(2) The State Board of Education, the Department of State Health Services, or a school district may not adopt any rule, policy, or program under Subsections (a), (k), (l), (l-1), or (l-2) that would prohibit a parent or grandparent of a student from providing any food product of the parent's or grandparent's choice to:

(A) children in the classroom of the child of the parent or grandparent on the occasion of the child's birthday; or

(B) children at a school-designated function.

(m) Section 2001.039, Government Code, as added by Chapter 1499, Acts of the 76th Legislature, Regular Session, 1999, does not apply to a rule adopted by the State Board of Education under Subsection (c) or (d).

(n) The State Board of Education may by rule develop and implement a plan designed to incorporate foundation curriculum requirements into the career and technology education curriculum under Subsection (a)(2)(E).

(o) In approving career and technology courses, the State Board of Education must determine that at least 50 percent of the approved courses are cost-effective for a school district to implement.

(p) The State Board of Education, in conjunction with the office of the attorney general, shall develop a parenting and paternity awareness program that a school district shall use in the district's high school health curriculum. A school district may use the program developed under this subsection in the district's middle or junior high school curriculum. At the discretion of the district, a teacher may modify the suggested sequence and pace of the program at any grade level. The program must:

(1) address parenting skills and responsibilities, including child support and other legal rights and responsibilities that come with parenthood;

(2) address relationship skills, including money management, communication skills, and marriage preparation; and

(3) in district middle, junior high, or high schools that do not have a family violence prevention program, address skills relating to the prevention of family violence.

(p-2) A school district may develop or adopt research-based programs and curriculum materials for use in conjunction with the program developed under Subsection (p). The programs and curriculum materials may provide instruction in:

(1) child development;

(2) parenting skills, including child abuse and neglect prevention; and

(3) assertiveness skills to prevent teenage pregnancy, abusive relationships, and family violence.

(p-3) The agency shall evaluate programs and curriculum materials developed under Subsection (p-2) and distribute to other school districts information regarding those programs and materials.

(p-4) A student under 14 years of age may not participate in a program developed under Subsection (p) without the permission of the student's parent or person standing in parental relation to the student.

(q) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(1), eff. September 1, 2014.

(r) In adopting the essential knowledge and skills for the health curriculum under Subsection (a)(2)(B), the State Board of Education shall adopt essential knowledge and skills that address the

dangers, causes, consequences, signs, symptoms, and treatment of binge drinking and alcohol poisoning. The agency shall compile a list of evidence-based alcohol awareness programs from which a school district shall choose a program to use in the district's middle school, junior high school, and high school health curriculum. In this subsection, "evidence-based alcohol awareness program" means a program, practice, or strategy that has been proven to effectively prevent or delay alcohol use among students, as determined by evaluations that use valid and reliable measures and that are published in peer-reviewed journals.

(s) In this subsection, "bullying" has the meaning assigned by Section 37.0832 and "harassment" has the meaning assigned by Section 37.001. In addition to any other essential knowledge and skills the State Board of Education adopts for the health curriculum under Subsection (a)(2)(B), the board shall adopt for the health curriculum, in consultation with the Texas School Safety Center, essential knowledge and skills that include evidence-based practices that will effectively address awareness, prevention, identification, self-defense in response to, and resolution of and intervention in bullying and harassment.

(t) The State Board of Education, in consultation with the commissioner of higher education and business and industry leaders, shall develop an advanced language course that a school district may use in the curriculum under Subsection (a)(2)(A) to provide students with instruction in industry-related terminology that prepares students to communicate in a language other than English in a specific professional, business, or industry environment.

(w) In adopting the essential knowledge and skills for the health curriculum under Subsection (a)(2)(B), the State Board of Education shall adopt essential knowledge and skills that address the dangers, causes, consequences, signs, symptoms, and treatment of nonmedical use of prescription drugs. The agency shall compile a list of evidence-based prescription drug misuse awareness programs from which a school district may choose a program to use in the district's middle school, junior high school, and high school health curriculums. In this subsection, an "evidence-based prescription drug misuse awareness program" means a program, practice, or strategy that has been proven to effectively prevent nonmedical use of prescription drugs among students, as determined by evaluations that use valid and reliable measures and that are published in peer-

reviewed journals.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1285, Sec. 4.02, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 907, Sec. 1, eff. June 14, 2001; Acts 2001, 77th Leg., ch. 925, Sec. 3, eff. June 14, 2001; Acts 2003, 78th Leg., ch. 61, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1264, Sec. 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1275, Sec. 2(14), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 254 (H.B. 2176), Sec. 1, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 856 (H.B. 1287), Sec. 3, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 529 (S.B. 1344), Sec. 2, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 773 (S.B. 891), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 25, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1419 (H.B. 3076), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1421 (S.B. 1219), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(5), eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 4, eff. June 17, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 13, eff. July 19, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 8(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(b)(1), eff. September 1, 2014.

Acts 2013, 83rd Leg., R.S., Ch. 796 (S.B. 1474), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 861 (H.B. 462), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1026 (H.B. 2662), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 89 (H.B. 440), Sec. 1, eff. May 23, 2015.

Acts 2015, 84th Leg., R.S., Ch. 729 (H.B. 1431), Sec. 1, eff. June 17, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1175 (S.B. 968), Sec. 1, eff. June 19, 2015.

Sec. 28.0021. PERSONAL FINANCIAL LITERACY. (a) The Texas essential knowledge and skills and, as applicable, Section 28.025 shall include instruction in personal financial literacy, including instruction in methods of paying for college and other postsecondary education and training, in:

(1) mathematics instruction in kindergarten through grade eight; and

(2) one or more courses offered for high school graduation.

(b) Each school district and each open-enrollment charter school that offers a high school program shall provide an elective course in personal financial literacy that meets the requirements for a one-half elective credit under Section 28.025, using materials approved by the State Board of Education. The instruction in personal financial literacy must include instruction on completing the application for federal student aid provided by the United States Department of Education. In fulfilling the requirement to provide financial literacy instruction under this section, a school district or open-enrollment charter school may use an existing state, federal, private, or nonprofit program that provides students without charge the instruction described under this section.

Added by Acts 2005, 79th Leg., Ch. 494 (H.B. 492), Sec. 1, eff. September 1, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 214 (H.B. 34), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 885 (S.B. 290), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1026 (H.B. 2662), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1026 (H.B. 2662), Sec. 3, eff. June 14, 2013.

Sec. 28.0023. CARDIOPULMONARY RESUSCITATION AND AUTOMATED EXTERNAL DEFIBRILLATOR INSTRUCTION. (a) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1269, Sec. 3, eff. June 14, 2013.

(b) The State Board of Education by rule shall require instruction in cardiopulmonary resuscitation for students in grades 7 through 12.

(c) A school district or open-enrollment charter school shall provide instruction to students in grades 7 through 12 in cardiopulmonary resuscitation in a manner consistent with the requirements of this section and State Board of Education rules adopted under this section. The instruction may be provided as a part of any course. A student shall receive the instruction at least once before graduation.

(d) A school administrator may waive the curriculum requirement under this section for an eligible student who has a disability.

(e) Cardiopulmonary resuscitation instruction must include training that has been developed:

(1) by the American Heart Association or the American Red Cross; or

(2) using nationally recognized, evidence-based guidelines for emergency cardiovascular care and incorporating psychomotor skills to support the instruction.

(f) For purposes of Subsection (e), "psychomotor skills" means hands-on practice to support cognitive learning. The term does not include cognitive-only instruction and training.

(g) A school district or open-enrollment charter school may use emergency medical technicians, paramedics, police officers, firefighters, representatives of the American Heart Association or the American Red Cross, teachers, other school employees, or other similarly qualified individuals to provide instruction and training under this section. Instruction provided under this section is not required to result in certification in cardiopulmonary resuscitation. If instruction is intended to result in certification in cardiopulmonary resuscitation, the course instructor must be

authorized to provide the instruction by the American Heart Association, the American Red Cross, or a similar nationally recognized association.

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 4, eff. June 15, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1269 (H.B. 897), Sec. 2, eff. June 14, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1269 (H.B. 897), Sec. 3, eff. June 14, 2013.

Sec. 28.0024. SCHOOL-BASED SAVINGS PROGRAM. (a) A school district or open-enrollment charter school may establish a school-based savings program to facilitate increased awareness of the importance of saving for higher education and facilitate personal financial literacy instruction. A district or school may offer the program in conjunction with a personal financial literacy course under Section 28.0021.

(b) A school-based savings program may, through partnerships with appropriate institutions, promote:

(1) general savings, by offering savings accounts or certificates of deposit through partner financial institutions; or

(2) savings dedicated for higher education, by offering through partner institutions the following accounts or bonds the primary purpose of which must be to pay expenses associated with higher education:

(A) an account authorized under Section 529, Internal Revenue Code of 1986;

(B) a Coverdell education savings account established under 26 U.S.C. Section 530;

(C) a certificate of deposit;

(D) a savings account; and

(E) a Series I savings bond.

(c) A district or school establishing a program under this section:

(1) shall seek to establish partnerships with appropriate institutions that are able to offer an account or bond under Subsection (b); and

(2) may seek to establish partnerships with public sector partners, private businesses, nonprofit organizations, and philanthropic organizations in the community.

(d) A partnership established under Subsection (c) between a district or school and:

(1) an appropriate institution may allow a student in the program or the student and an adult in the student's family jointly to have an opportunity to establish an account or purchase a bond under Subsection (b); and

(2) an appropriate institution, public sector partner, private business, or nonprofit or philanthropic organization may provide:

(A) a structure for the management of the program; and

(B) incentives that encourage contribution to a school-based account or purchase of a bond under Subsection (b), including incentives that provide matching funds or seed funding.

Added by Acts 2015, 84th Leg., R.S., Ch. 1265 (H.B. 3987), Sec. 1, eff. June 20, 2015.

Sec. 28.003. EDUCATIONAL PROGRAM ACCESS. (a) If the parents or guardians of at least 22 students at a school request a transfer for the same school year to another school in the district for the purpose of enrolling in an educational program offered at that school, beginning with the following school year the district shall:

(1) offer the program at the school from which the transfers were requested; or

(2) offer the program at the school from which the transfers were requested by teleconference, if available to the district.

(b) In this section, "educational program" means a course or series of courses in the required curriculum under Section 28.002, other than a fine arts course under Section 28.002(a)(2)(D) or a career and technology course under Section 28.002(a)(2)(E).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 15, eff. July 19, 2011.

Sec. 28.004. LOCAL SCHOOL HEALTH ADVISORY COUNCIL AND HEALTH EDUCATION INSTRUCTION. (a) The board of trustees of each school district shall establish a local school health advisory council to assist the district in ensuring that local community values are reflected in the district's health education instruction.

(b) A school district must consider the recommendations of the local school health advisory council before changing the district's health education curriculum or instruction.

(c) The local school health advisory council's duties include recommending:

(1) the number of hours of instruction to be provided in health education;

(2) policies, procedures, strategies, and curriculum appropriate for specific grade levels designed to prevent obesity, cardiovascular disease, Type 2 diabetes, and mental health concerns through coordination of:

(A) health education;

(B) physical education and physical activity;

(C) nutrition services;

(D) parental involvement;

(E) instruction to prevent the use of tobacco;

(F) school health services;

(G) counseling and guidance services;

(H) a safe and healthy school environment; and

(I) school employee wellness;

(3) appropriate grade levels and methods of instruction for human sexuality instruction;

(4) strategies for integrating the curriculum components specified by Subdivision (2) with the following elements in a coordinated school health program for the district:

(A) school health services;

(B) counseling and guidance services;

(C) a safe and healthy school environment; and

(D) school employee wellness; and

(5) if feasible, joint use agreements or strategies for collaboration between the school district and community organizations or agencies.

(d) The board of trustees shall appoint at least five members to the local school health advisory council. A majority of the members must be persons who are parents of students enrolled in the

district and who are not employed by the district. One of those members shall serve as chair or co-chair of the council. The board of trustees also may appoint one or more persons from each of the following groups or a representative from a group other than a group specified under this subsection:

(1) public school teachers;

(2) public school administrators;

(3) district students;

(4) health care professionals;

(5) the business community;

(6) law enforcement;

(7) senior citizens;

(8) the clergy;

(9) nonprofit health organizations; and

(10) local domestic violence programs.

(d-1) The local school health advisory council shall meet at least four times each year.

(e) Any course materials and instruction relating to human sexuality, sexually transmitted diseases, or human immunodeficiency virus or acquired immune deficiency syndrome shall be selected by the board of trustees with the advice of the local school health advisory council and must:

(1) present abstinence from sexual activity as the preferred choice of behavior in relationship to all sexual activity for unmarried persons of school age;

(2) devote more attention to abstinence from sexual activity than to any other behavior;

(3) emphasize that abstinence from sexual activity, if used consistently and correctly, is the only method that is 100 percent effective in preventing pregnancy, sexually transmitted diseases, infection with human immunodeficiency virus or acquired immune deficiency syndrome, and the emotional trauma associated with adolescent sexual activity;

(4) direct adolescents to a standard of behavior in which abstinence from sexual activity before marriage is the most effective way to prevent pregnancy, sexually transmitted diseases, and infection with human immunodeficiency virus or acquired immune deficiency syndrome; and

(5) teach contraception and condom use in terms of human use reality rates instead of theoretical laboratory rates, if

instruction on contraception and condoms is included in curriculum content.

(f) A school district may not distribute condoms in connection with instruction relating to human sexuality.

(g) A school district that provides human sexuality instruction may separate students according to sex for instructional purposes.

(h) The board of trustees shall determine the specific content of the district's instruction in human sexuality, in accordance with Subsections (e), (f), and (g).

(i) Before each school year, a school district shall provide written notice to a parent of each student enrolled in the district of the board of trustees' decision regarding whether the district will provide human sexuality instruction to district students. If instruction will be provided, the notice must include:

(1) a summary of the basic content of the district's human sexuality instruction to be provided to the student, including a statement informing the parent of the instructional requirements under state law;

(2) a statement of the parent's right to:

(A) review curriculum materials as provided by Subsection (j); and

(B) remove the student from any part of the district's human sexuality instruction without subjecting the student to any disciplinary action, academic penalty, or other sanction imposed by the district or the student's school; and

(3) information describing the opportunities for parental involvement in the development of the curriculum to be used in human sexuality instruction, including information regarding the local school health advisory council established under Subsection (a).

(i-1) A parent may use the grievance procedure adopted under Section 26.011 concerning a complaint of a violation of Subsection (i).

(j) A school district shall make all curriculum materials used in the district's human sexuality instruction available for reasonable public inspection.

(k) A school district shall publish in the student handbook and post on the district's Internet website, if the district has an Internet website:

(1) a statement of the policies adopted to ensure that elementary school, middle school, and junior high school students

engage in at least the amount and level of physical activity required by Section 28.002(l);

(2) a statement of:

(A) the number of times during the preceding year the district's school health advisory council has met;

(B) whether the district has adopted and enforces policies to ensure that district campuses comply with agency vending machine and food service guidelines for restricting student access to vending machines; and

(C) whether the district has adopted and enforces policies and procedures that prescribe penalties for the use of e-cigarettes, as defined by Section 38.006, and tobacco products by students and others on school campuses or at school-sponsored or school-related activities; and

(3) a statement providing notice to parents that they can request in writing their child's physical fitness assessment results at the end of the school year.

(l) The local school health advisory council shall consider and make policy recommendations to the district concerning the importance of daily recess for elementary school students. The council must consider research regarding unstructured and undirected play, academic and social development, and the health benefits of daily recess in making the recommendations. The council shall ensure that local community values are reflected in any policy recommendation made to the district under this subsection.

(l-1) The local school health advisory council shall establish a physical activity and fitness planning subcommittee to consider issues relating to student physical activity and fitness and make policy recommendations to increase physical activity and improve fitness among students.

(m) In addition to performing other duties, the local school health advisory council shall submit to the board of trustees, at least annually, a written report that includes:

(1) any council recommendation concerning the school district's health education curriculum and instruction or related matters that the council has not previously submitted to the board;

(2) any suggested modification to a council recommendation previously submitted to the board;

(3) a detailed explanation of the council's activities during the period between the date of the current report and the date

of the last prior written report; and

(4) any recommendations made by the physical activity and fitness planning subcommittee.

(n) Any joint use agreement that a school district and community organization or agency enter into based on a recommendation of the local school health advisory council under Subsection (c)(5) must address liability for the school district and community organization or agency in the agreement.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 907, Sec. 2, eff. June 14, 2001; Acts 2003, 78th Leg., ch. 944, Sec. 1, 2, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 2, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 729 (S.B. 283), Sec. 1, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1235 (S.B. 736), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 892 (H.B. 1018), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1321 (S.B. 460), Sec. 3, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 181 (S.B. 97), Sec. 37, eff. October 1, 2015.

Sec. 28.005. LANGUAGE OF INSTRUCTION. (a) Except as provided by this section, English shall be the basic language of instruction in public schools.

(b) It is the policy of this state to ensure the mastery of English by all students, except that bilingual instruction may be offered or permitted in situations in which bilingual instruction is necessary to ensure students' reasonable proficiency in the English language and ability to achieve academic success.

(c) A school district may adopt a dual language immersion program for students enrolled in elementary school grades as provided by Section 28.0051.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 925, Sec. 1, eff. June 14, 2001.

Sec. 28.0051. DUAL LANGUAGE IMMERSION PROGRAM. (a) A dual language immersion program should be designed to produce students with a demonstrated mastery, in both English and one other language, of the required curriculum under Section 28.002(a).

(b) The commissioner by rule shall adopt:

(1) minimum requirements for a dual language immersion program implemented by a school district;

(2) standards for evaluating:

(A) the success of a dual language immersion program; and

(B) the performance of schools that implement a dual language immersion program; and

(3) standards for recognizing:

(A) schools that offer an exceptional dual language immersion program; and

(B) students who successfully complete a dual language immersion program.

(c) A school district may implement a dual language immersion program in a manner and at elementary grade levels consistent with rules adopted by the commissioner under this section.

Added by Acts 2001, 77th Leg., ch. 925, Sec. 2, eff. June 14, 2001.

Sec. 28.006. READING DIAGNOSIS. (a) The commissioner shall develop recommendations for school districts for:

(1) administering reading instruments to diagnose student reading development and comprehension;

(2) training educators in administering the reading instruments; and

(3) applying the results of the reading instruments to the instructional program.

(b) The commissioner shall adopt a list of reading instruments that a school district may use to diagnose student reading development and comprehension. For use in diagnosing the reading development and comprehension of kindergarten students, the

commissioner shall include on the commissioner's list at least two multidimensional assessment tools. A multidimensional assessment tool on the commissioner's list must either include a reading instrument and test at least three developmental skills, including literacy, or test at least two developmental skills, other than literacy, and be administered in conjunction with a separate reading instrument that is on a list adopted under this subsection. A multidimensional assessment tool administered as provided by this subsection is considered to be a reading instrument for purposes of this section. A district-level committee established under Subchapter F, Chapter 11, may adopt a list of reading instruments for use in the district in addition to the reading instruments on the commissioner's list. Each reading instrument adopted by the commissioner or a district-level committee must be based on scientific research concerning reading skills development and reading comprehension. A list of reading instruments adopted under this subsection must provide for diagnosing the reading development and comprehension of students participating in a program under Subchapter B, Chapter 29.

(c) Each school district shall administer, at the kindergarten and first and second grade levels, a reading instrument on the list adopted by the commissioner or by the district-level committee. The district shall administer the reading instrument in accordance with the commissioner's recommendations under Subsection (a)(1).

(c-1) Each school district shall administer at the beginning of the seventh grade a reading instrument adopted by the commissioner to each student whose performance on the assessment instrument in reading administered under Section 39.023(a) to the student in grade six did not demonstrate reading proficiency, as determined by the commissioner. The district shall administer the reading instrument in accordance with the commissioner's recommendations under Subsection (a)(1).

(d) The superintendent of each school district shall:

(1) report to the commissioner and the board of trustees of the district the results of the reading instruments;

(2) report, in writing, to a student's parent or guardian the student's results on the reading instrument; and

(3) using the school readiness certification system provided to the school district in accordance with Section 29.161(e), report electronically each student's raw score on the reading instrument to the agency for use in the school readiness

certification system.

(d-1) The agency shall contract with the State Center for Early Childhood Development to receive and use scores under Subsection (d)(3) on behalf of the agency.

(e) The results of reading instruments administered under this section may not be used for purposes of appraisals and incentives under Chapter 21 or accountability under Chapter 39.

(f) This section may be implemented only if funds are appropriated for administering the reading instruments. Funds, other than local funds, may be used to pay the cost of administering a reading instrument only if the instrument is on the list adopted by the commissioner.

(g) A school district shall notify the parent or guardian of each student in kindergarten or first or second grade who is determined, on the basis of reading instrument results, to be at risk for dyslexia or other reading difficulties. The district shall implement an accelerated reading instruction program that provides reading instruction that addresses reading deficiencies to those students and shall determine the form, content, and timing of that program. The admission, review, and dismissal committee of a student who participates in a district's special education program under Subchapter B, Chapter 29, and who does not perform satisfactorily on a reading instrument under this section shall determine the manner in which the student will participate in an accelerated reading instruction program under this subsection.

(g-1) A school district shall provide additional reading instruction and intervention to each student in seventh grade assessed under Subsection (c-1), as appropriate to improve the student's reading skills in the relevant areas identified through the assessment instrument. Training and support for activities required by this subsection shall be provided by regional education service centers and teacher reading academies established under Section 21.4551, and may be provided by other public and private providers.

(h) The school district shall make a good faith effort to ensure that the notice required under this section is provided either in person or by regular mail and that the notice is clear and easy to understand and is written in English and in the parent or guardian's native language.

(i) The commissioner shall certify, not later than July 1 of each school year or as soon as practicable thereafter, whether

sufficient funds have been appropriated statewide for the purposes of this section. A determination by the commissioner is final and may not be appealed. For purposes of certification, the commissioner may not consider Foundation School Program funds.

(j) No more than 15 percent of the funds certified by the commissioner under Subsection (i) may be spent on indirect costs. The commissioner shall evaluate the programs that fail to meet the standard of performance under Section 39.301(c)(5) and may implement interventions or sanctions under Subchapter E, Chapter 39. The commissioner may audit the expenditures of funds appropriated for purposes of this section. The use of the funds appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

(k) The provisions of this section relating to parental notification of a student's results on the reading instrument and to implementation of an accelerated reading instruction program may be implemented only if the commissioner certifies that funds have been appropriated during a school year for administering the accelerated reading instruction program specified under this section.

(l), (m) Expired.

Added by Acts 1997, 75th Leg., ch. 397, Sec. 2, eff. Sept. 1, 1997.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.11, eff. Sept. 1, 1999.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.05, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 6, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 26, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1314 (S.B. 172), Sec. 1, eff. June 14, 2013.

For expiration of this section, see Subsection (e).

Sec. 28.0061. READING EXCELLENCE TEAM PILOT PROGRAM. (a) Using funds appropriated for that purpose, the commissioner shall

establish a reading excellence team pilot program in accordance with this section.

(b) A school district is eligible to participate in the pilot program if, as determined by the commissioner, the district has low student performance on:

(1) a reading instrument administered in accordance with Section 28.006(c); or

(2) a third grade reading assessment instrument administered under Section 39.023(a).

(c) The pilot program must:

(1) establish reading excellence teams composed of reading instruction specialists;

(2) allow an eligible school district to request the assistance of a reading excellence team; and

(3) provide a reading excellence team to a requesting eligible school district to:

(A) review with the district the results of the assessments described under Subsection (b) to determine campuses and classrooms for kindergarten through third grade with the greatest need of assistance; and

(B) work with teachers on campuses and in classrooms identified under Paragraph (A) to provide training necessary to improve student reading outcomes.

(d) The commissioner shall adopt rules to administer this section, including rules establishing qualifications and criteria for selecting reading instruction specialists for a reading excellence team.

(e) This section expires September 1, 2021.

Added by Acts 2015, 84th Leg., R.S., Ch. 203 (S.B. 935), Sec. 1, eff. May 28, 2015.

Sec. 28.007. MATHEMATICS DIAGNOSIS. (a) Using funds appropriated for the purpose, the commissioner shall develop and make available or contract for the development and dissemination of assessment instruments that a school district may use to diagnose student mathematics skills. In developing the assessment instruments, all assessment methods available through advanced technology, including methods using the Internet or other computer

resources to provide immediate assessment of a student's skills, shall be considered.

(b) The results of assessment instruments developed under Subsection (a) may not be used for purposes of appraisals and incentives under Chapter 21 or accountability under Chapter 39.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 7, eff. Sept. 1, 2001.

Sec. 28.008. ADVANCEMENT OF COLLEGE READINESS IN CURRICULUM. (a) To ensure that students are able to perform college-level course work at institutions of higher education, the commissioner of education and the commissioner of higher education shall establish vertical teams composed of public school educators and institution of higher education faculty.

(b) The vertical teams shall:

(1) recommend for approval by the commissioner of education and the Texas Higher Education Coordinating Board college readiness standards and expectations that address what students must know and be able to do to succeed in entry-level courses offered at institutions of higher education;

(2) evaluate whether the high school curriculum requirements under Section 28.002 and other instructional requirements serve to prepare students to successfully perform college-level course work;

(3) recommend how the public school curriculum requirements can be aligned with college readiness standards and expectations;

(4) develop instructional strategies for teaching courses to prepare students to successfully perform college-level course work;

(5) develop or establish minimum standards for curricula, professional development materials, and online support materials in English language arts, mathematics, science, and social studies, designed for students who need additional assistance in preparing to successfully perform college-level course work; and

(6) periodically review and revise the college readiness standards and expectations developed under Subdivision (1) and recommend revised standards for approval by the commissioner of education and the Texas Higher Education Coordinating Board.

(c) The commissioner of education and the Texas Higher

Education Coordinating Board by rule shall:

(1) establish the composition and duties of the vertical teams established under this section; and

(2) establish a schedule for the periodic review required under Subsection (b)(6), giving consideration to the cycle of review and identification under Section 28.002 of the essential knowledge and skills of subjects of the required curriculum.

(d) The State Board of Education shall incorporate college readiness standards and expectations approved by the commissioner of education and the Texas Higher Education Coordinating Board under Subsection (b) into the essential knowledge and skills identified by the board under Section 28.002(c). The State Board of Education shall develop and by rule adopt a chart that clearly indicates the alignment of the college readiness standards and expectations with the essential knowledge and skills identified by the board under Section 28.002(c).

(e) Notwithstanding any other provision of this section, the State Board of Education retains its authority under Section 28.002 concerning the required curriculum.

(g) The agency shall coordinate with the Texas Higher Education Coordinating Board as necessary in administering this section.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.01, eff. May 31, 2006.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 7, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1014 (H.B. 2549), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1036 (H.B. 1613), Sec. 1, eff. June 19, 2015.

Sec. 28.009. COLLEGE CREDIT PROGRAM. (a) Each school district shall implement a program under which students may earn the equivalent of at least 12 semester credit hours of college credit in high school. On request, a public institution of higher education in this state shall assist a school district in developing and implementing the program. The college credit may be earned through:

(1) international baccalaureate, advanced placement, or

dual credit courses;

(2) articulated postsecondary courses provided for local credit or articulated postsecondary advanced technical credit courses provided for state credit; or

(3) any combination of the courses described by Subdivisions (1) and (2).

(a-1) A program implemented under this section may provide a student the opportunity to earn credit for a course or activity, including an apprenticeship or training hours:

(1) that:

(A) satisfies a requirement necessary to obtain an industry-recognized credential or certificate or an associate degree; and

(B) is approved by the Texas Higher Education Coordinating Board; and

(2) for which a student may earn credit concurrently toward both the student's high school diploma and postsecondary academic requirements.

(a-2) A school district is not required to pay a student's tuition or other associated costs for taking a course under this section.

Text of subsection as amended by Acts 2015, 84th Leg., R.S., Ch. 90 (H.B. 505), Sec. 1

(b) The agency shall coordinate with the Texas Higher Education Coordinating Board as necessary in administering this section. The commissioner may adopt rules as necessary concerning the duties under this section of a school district. The Texas Higher Education Coordinating Board may adopt rules as necessary concerning the duties under this section of a public institution of higher education. A rule may not limit:

(1) the number of dual credit courses or hours in which a student may enroll while in high school;

(2) the number of dual credit courses or hours in which a student may enroll each semester or academic year; or

(3) the grade levels at which a high school student may be eligible to enroll in a dual credit course.

Text of subsection as amended by Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 2

(b) The agency shall coordinate with the Texas Higher Education

Coordinating Board as necessary in administering this section. The commissioner may adopt rules as necessary concerning the duties under this section of a school district. The Texas Higher Education Coordinating Board may adopt rules as necessary concerning the duties under this section of a public institution of higher education. A rule may not limit the number of dual credit courses or semester credit hours in which a student may enroll while in high school or limit the number of dual credit courses or semester credit hours in which a student may enroll each semester or academic year.

(c) The commissioner and the Texas Higher Education Coordinating Board shall share data as necessary to enable school districts to comply with this subsection. Each school district shall annually report to the agency:

(1) the number of district students, including career and technical students, who have participated in the program and earned college credit; and

(2) the cumulative number of courses in which participating district students have enrolled and college credit hours the students have earned.

(c-1) The Texas Higher Education Coordinating Board shall collect student course credit data from public institutions of higher education as necessary for purposes of Subsection (c).

(d) In this section:

(1) "Career and technical student" means:

(A) a secondary education student who has entered the first course in a sequence of two or more technical courses for three or more credits in a career and technical education program; or

(B) a student who:

(i) is enrolled in an academic or workforce course that is part of a sequence of courses leading to an industry-recognized credential, certificate, or degree; and

(ii) has declared that sequence of courses as the student's major course of study.

(2) "Sequence of courses" means career and technical education courses approved by the State Board of Education, innovative courses approved by the State Board of Education that are provided for local credit, or a tech-prep program of study under Section 61.852.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.01,

eff. May 31, 2006.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 763 (H.B. 3485), Sec. 2, eff. June 15, 2007.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 15, eff. September 1, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 369 (S.B. 149), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 369 (S.B. 149), Sec. 2, eff. September 1, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 369 (S.B. 149), Sec. 3, eff. September 1, 2013.
Acts 2011, 82nd Leg., R.S., Ch. 369 (S.B. 149), Sec. 4, eff. September 1, 2013.
Acts 2011, 82nd Leg., R.S., Ch. 1104 (S.B. 1619), Sec. 1, eff. June 17, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 213 (H.B. 842), Sec. 1, eff. June 10, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 424 (S.B. 435), Sec. 1, eff. June 14, 2013.
Acts 2015, 84th Leg., R.S., Ch. 90 (H.B. 505), Sec. 1, eff. May 23, 2015.
Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 2, eff. June 19, 2015.

Sec. 28.010. NOTIFICATION REGARDING COLLEGE CREDIT PROGRAMS. (a) Each school year, a school district shall notify the parent of each district student enrolled in grade nine or above of the availability of programs in the district under which a student may earn college credit, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs.

(b) A school district may provide the notification required by this section on the district's Internet website. The notification must include the name and contact information of any public or private entity offering a program described by this section in the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 973 (S.B. 282), Sec. 1, eff.

June 15, 2007.

Section effective beginning with the 2009-2010 school year.

Sec. 28.011. ELECTIVE COURSES ON THE BIBLE'S HEBREW SCRIPTURES (OLD TESTAMENT) AND NEW TESTAMENT AND THEIR IMPACT ON THE HISTORY AND LITERATURE OF WESTERN CIVILIZATION. (a) A school district may offer to students in grade nine or above:

(1) an elective course on the Hebrew Scriptures (Old Testament) and its impact and an elective course on the New Testament and its impact; or

(2) an elective course that combines the courses described by Subdivision (1).

(b) The purpose of a course under this section is to:

(1) teach students knowledge of biblical content, characters, poetry, and narratives that are prerequisites to understanding contemporary society and culture, including literature, art, music, mores, oratory, and public policy; and

(2) familiarize students with, as applicable:

(A) the contents of the Hebrew Scriptures or New Testament;

(B) the history of the Hebrew Scriptures or New Testament;

(C) the literary style and structure of the Hebrew Scriptures or New Testament; and

(D) the influence of the Hebrew Scriptures or New Testament on law, history, government, literature, art, music, customs, morals, values, and culture.

(c) A student may not be required to use a specific translation as the sole text of the Hebrew Scriptures or New Testament and may use as the basic instructional material a different translation of the Hebrew Scriptures or New Testament from that chosen by the board of trustees of the student's school district or the student's teacher.

(d) A course offered under this section shall follow applicable law and all federal and state guidelines in maintaining religious neutrality and accommodating the diverse religious views, traditions, and perspectives of students in their school district. A course under this section shall not endorse, favor, or promote, or disfavor or show hostility toward, any particular religion or nonreligious faith

or religious perspective. Nothing in this statute is intended to violate any provision of the United States Constitution or federal law, the Texas Constitution or any state law, or any rules or guidelines provided by the United States Department of Education or the Texas Education Agency.

(e) Before adopting rules identifying the essential knowledge and skills of a course offered under this section, the State Board of Education shall submit the proposed essential knowledge and skills to the attorney general. The attorney general shall review the proposed essential knowledge and skills to ensure that the course complies with the First Amendment to the United States Constitution, and the board may not adopt rules identifying the essential knowledge and skills of a course offered under this section without the attorney general's approval under this subsection.

(f) A teacher of a course offered under this section must hold a minimum of a High School Composite Certification in language arts, social studies, or history with, where practical, a minor in religion or biblical studies. A teacher selected to teach a course under this section shall successfully complete staff development training outlined in Section 21.459. A course under this section may only be taught by a teacher who has successfully completed training under Section 21.459.

(g) For the purpose of a student earning credit for high school graduation, a school district shall grant one-half academic elective credit for satisfactory completion of a course on the Hebrew Scriptures, one-half academic elective credit for satisfactory completion of a course on the New Testament, and one-half academic elective credit for satisfactory completion of a combined course on both the Hebrew Scriptures and the New Testament. This subsection applies only to a course that is taught in strict compliance with this section.

(h) If, for a particular semester, fewer than 15 students at a school district campus register to enroll in a course required by this section, the district is not required to offer the course at that campus for that semester.

(i) This section does not prohibit the board of trustees of a school district from offering an elective course based on the books of a religion other than Christianity. In determining whether to offer such a course, the board may consider various factors, including student and parent demand for such a course and the impact

such books have had on history and culture.

(j) This section does not prohibit a school district from offering a course, other than the course authorized by this section, in the academic study of the Hebrew Scriptures, the New Testament, or both for local credit or for state elective credit towards high school graduation.

Added by Acts 2007, 80th Leg., R.S., Ch. 856 (H.B. 1287), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 16, eff. July 19, 2011.

Sec. 28.013. NATURE SCIENCE CURRICULUM PROJECT. (a) The State Board of Education shall assist in developing a nature science curriculum, in accordance with this section, the following entities, acting jointly:

(1) the Outdoor School at Texas Tech University Center at Junction;

(2) the Texas Science, Technology, Engineering, and Math (T-STEM) Center of Texas Tech University; and

(3) South Llano River State Park.

(b) The nature science curriculum must:

(1) be designed for instruction of students in grades six through 12;

(2) provide for grade-level appropriate instruction in essential knowledge and skills identified by the State Board of Education under Section 28.002 for:

(A) science; and

(B) mathematics, social studies, and language arts, to the extent practicable and relevant to nature science studies;

(3) through participation in outdoor experiential learning projects in state parks, provide for the scientific study by students of:

(A) conservation, wildlife or aquatic biology, range ecology, or other areas of nature science; and

(B) problems affecting nature, such as threats to the watershed, and possible solutions to those problems; and

(4) be designed to:

(A) be capable of implementation in any state park;

(B) use state park resources in providing instruction; and

(C) be presented by classroom teachers and state park employees.

(c) The Texas Science, Technology, Engineering, and Math (T-STEM) Center of Texas Tech University shall make the nature science curriculum available through the university's Internet website or through a separate Internet website developed by the center for that purpose.

(d) The Texas Tech University Center at Junction, with assistance from South Llano River State Park, shall present to classroom teachers and state park employees staff development courses in providing instruction in the nature science curriculum.

(e) The nature science curriculum project must be implemented and maintained using money appropriated for those purposes.

Added by Acts 2007, 80th Leg., R.S., Ch. 300 (H.B. 1700), Sec. 1, eff. June 15, 2007.

Sec. 28.014. COLLEGE PREPARATORY COURSES. (a) Each school district shall partner with at least one institution of higher education to develop and provide courses in college preparatory mathematics and English language arts. The courses must be designed:

(1) for students at the 12th grade level whose performance on:

(A) an end-of-course assessment instrument required under Section 39.023(c) does not meet college readiness standards; or

(B) coursework, a college entrance examination, or an assessment instrument designated under Section 51.3062(c) indicates that the student is not ready to perform entry-level college coursework; and

(2) to prepare students for success in entry-level college courses.

(b) A course developed under this section must be provided:

(1) on the campus of the high school offering the course; or

(2) through distance learning or as an online course provided through an institution of higher education with which the

school district partners as provided by Subsection (a).

(c) Appropriate faculty of each high school offering courses under this section and appropriate faculty of each institution of higher education with which the school district partners shall meet regularly as necessary to ensure that each course is aligned with college readiness expectations. The commissioner of education, in coordination with the commissioner of higher education, may adopt rules to administer this subsection.

(d) Each school district shall provide a notice to each district student to whom Subsection (a) applies and the student's parent or guardian regarding the benefits of enrolling in a course under this section.

(e) A student who successfully completes an English language arts course developed under this section may use the credit earned in the course toward satisfying the advanced English language arts curriculum requirement for the foundation high school program under Section 28.025(b-1)(1). A student who successfully completes a mathematics course developed under this section may use the credit earned in the course toward satisfying an advanced mathematics curriculum requirement under Section 28.025 after completion of the mathematics curriculum requirements for the foundation high school program under Section 28.025(b-1)(2).

(f) A course provided under this section may be offered for dual credit at the discretion of the institution of higher education with which a school district partners under this section.

(g) Each school district, in consultation with each institution of higher education with which the district partners, shall develop or purchase instructional materials for a course developed under this section consistent with Chapter 31. The instructional materials must include technology resources that enhance the effectiveness of the course and draw on established best practices.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 8(a), eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 27, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 10(a), eff. June 10, 2013.

For expiration of this section, see Subsection (c).

Sec. 28.015. PUBLIC OUTREACH MATERIALS TO PROMOTE CURRICULUM CHANGE AWARENESS. (a) The agency shall develop uniform public outreach materials that explain the importance and outline the details of public school curriculum changes under Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular Session, 2013, and subsequent associated decisions by the State Board of Education. The agency shall make the materials available to school districts.

(b) The materials developed under this section must:

(1) be available in English, Spanish, and Vietnamese;

(2) be in a form that would allow school districts to mail the information to students and parents; and

(3) include an explanation of:

(A) the basic career and college readiness components of each endorsement under Section 28.025(c-1);

(B) the curriculum requirements to gain automatic college admission under Section 51.803; and

(C) applicable course, graduation plan, and endorsement requirements for financial aid authorized under Title 3, including curriculum requirements for:

(i) the TEXAS grant as provided under Subchapter M, Chapter 56;

(ii) the Texas Educational Opportunity Grant Program as provided under Subchapter P, Chapter 56; and

(iii) the Texas B-On-time loan program as provided under Subchapter Q, Chapter 56.

(c) This section expires September 1, 2018.

Added by Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 3(a), eff. June 19, 2015.

Sec. 28.016. INSTRUCTION IN HIGH SCHOOL, COLLEGE, AND CAREER PREPARATION. (a) Each school district shall provide instruction to students in grade seven or eight in preparing for high school, college, and a career.

(b) The instruction must include information regarding:

(1) the creation of a high school personal graduation plan under Section 28.02121;

(2) the distinguished level of achievement described by

Section 28.025(b-15);

(3) each endorsement described by Section 28.025(c-1);

(4) college readiness standards; and

(5) potential career choices and the education needed to enter those careers.

(c) A school district may:

(1) provide the instruction as part of an existing course in the required curriculum;

(2) provide the instruction as part of an existing career and technology course designated by the State Board of Education as appropriate for that purpose; or

(3) establish a new elective course through which to provide the instruction.

(d) Each school district shall ensure that at least once in grade seven or eight each student receives the instruction under this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 4, eff. June 19, 2015.

SUBCHAPTER B. ADVANCEMENT, PLACEMENT, CREDIT, AND ACADEMIC ACHIEVEMENT RECORD

Sec. 28.021. STUDENT ADVANCEMENT. (a) A student may be promoted only on the basis of academic achievement or demonstrated proficiency of the subject matter of the course or grade level.

(b) In measuring the academic achievement or proficiency of a student who is dyslexic, the student's potential for achievement or proficiency in the area must be considered.

(c) In determining promotion under Subsection (a), a school district shall consider:

(1) the recommendation of the student's teacher;

(2) the student's grade in each subject or course;

(3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l), to the extent applicable; and

(4) any other necessary academic information, as determined by the district.

(d) By the start of the school year, a district shall make public the requirements for student advancement under this section.

(e) The commissioner shall provide guidelines to districts based on best practices that a district may use when considering factors for promotion.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 28, eff. June 19, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 1, eff. June 17, 2011.

Sec. 28.0211. SATISFACTORY PERFORMANCE ON ASSESSMENT INSTRUMENTS REQUIRED; ACCELERATED INSTRUCTION. (a) Except as provided by Subsection (b) or (e), a student may not be promoted to:

(1) the sixth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the fifth grade mathematics and reading assessment instruments under Section 39.023; or

(2) the ninth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the eighth grade mathematics and reading assessment instruments under Section 39.023.

(a-1) Each time a student fails to perform satisfactorily on an assessment instrument administered under Section 39.023(a) in the third, fourth, fifth, sixth, seventh, or eighth grade, the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area. Accelerated instruction may require participation of the student before or after normal school hours and may include participation at times of the year outside normal school operations.

(a-2) A student who fails to perform satisfactorily on an assessment instrument specified under Subsection (a) and who is promoted to the next grade level must complete accelerated instruction required under Subsection (a-1) before placement in the next grade level. A student who fails to complete required accelerated instruction may not be promoted.

(a-3) The commissioner shall provide guidelines to districts on research-based best practices and effective strategies that a district may use in developing an accelerated instruction program.

(b) A school district shall provide to a student who initially fails to perform satisfactorily on an assessment instrument specified under Subsection (a) at least two additional opportunities to take the assessment instrument. A school district may administer an alternate assessment instrument to a student who has failed an assessment instrument specified under Subsection (a) on the previous two opportunities. Notwithstanding any other provision of this section, a student may be promoted if the student performs at grade level on an alternate assessment instrument under this subsection that is appropriate for the student's grade level and approved by the commissioner.

(c) Each time a student fails to perform satisfactorily on an assessment instrument specified under Subsection (a), the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area, including reading instruction for a student who fails to perform satisfactorily on a reading assessment instrument. After a student fails to perform satisfactorily on an assessment instrument a second time, a grade placement committee shall be established to prescribe the accelerated instruction the district shall provide to the student before the student is administered the assessment instrument the third time. The grade placement committee shall be composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an assessment instrument on which the student failed to perform satisfactorily. The district shall notify the parent or guardian of the time and place for convening the grade placement committee and the purpose of the committee. An accelerated instruction group administered by a school district under this section may not have a ratio of more than 10 students for each teacher.

(d) In addition to providing accelerated instruction to a student under Subsection (c), the district shall notify the student's parent or guardian of:

(1) the student's failure to perform satisfactorily on the assessment instrument;

(2) the accelerated instruction program to which the student is assigned; and

(3) the possibility that the student might be retained at the same grade level for the next school year.

(e) A student who, after at least three attempts, fails to

perform satisfactorily on an assessment instrument specified under Subsection (a) shall be retained at the same grade level for the next school year in accordance with Subsection (a). The student's parent or guardian may appeal the student's retention by submitting a request to the grade placement committee established under Subsection (c). The school district shall give the parent or guardian written notice of the opportunity to appeal. The grade placement committee may decide in favor of a student's promotion only if the committee concludes, using standards adopted by the board of trustees, that if promoted and given accelerated instruction, the student is likely to perform at grade level. A student may not be promoted on the basis of the grade placement committee's decision unless that decision is unanimous. The commissioner by rule shall establish a time line for making the placement determination. This subsection does not create a property interest in promotion. The decision of the grade placement committee is final and may not be appealed.

(f) A school district shall provide to a student who, after three attempts, has failed to perform satisfactorily on an assessment instrument specified under Subsection (a) accelerated instruction during the next school year as prescribed by an educational plan developed for the student by the student's grade placement committee established under Subsection (c). The district shall provide that accelerated instruction regardless of whether the student has been promoted or retained. The educational plan must be designed to enable the student to perform at the appropriate grade level by the conclusion of the school year. During the school year, the student shall be monitored to ensure that the student is progressing in accordance with the plan. The district shall administer to the student the assessment instrument for the grade level in which the student is placed at the time the district regularly administers the assessment instruments for that school year.

(g) This section does not preclude the retention at a grade level, in accordance with state law or school district policy, of a student who performs satisfactorily on an assessment instrument specified under Subsection (a).

(h) In each instance under this section in which a school district is specifically required to provide notice to a parent or guardian of a student, the district shall make a good faith effort to ensure that such notice is provided either in person or by regular mail and that the notice is clear and easy to understand and is

written in English or the parent or guardian's native language.

(i) The admission, review, and dismissal committee of a student who participates in a district's special education program under Subchapter B, Chapter 29, and who does not perform satisfactorily on an assessment instrument specified under Subsection (a) and administered under Section 39.023(a) or (b) shall determine:

(1) the manner in which the student will participate in an accelerated instruction program under this section; and

(2) whether the student will be promoted or retained under this section.

(j) A school district or open-enrollment charter school shall provide students required to attend accelerated programs under this section with transportation to those programs if the programs occur outside of regular school hours.

(k) The commissioner shall adopt rules as necessary to implement this section, including rules concerning when school districts shall administer assessment instruments required under this section and which administration of the assessment instruments will be used for purposes of Section 39.054.

(l) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1058, Sec. 17, eff. June 15, 2007.

(l-1) The commissioner may adopt rules requiring a school district that receives federal funding under Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.) to use that funding to provide supplemental educational services under 20 U.S.C. Section 6316 in conjunction with the accelerated instruction provided under this section, provided that the rules may not conflict with federal law governing the use of that funding.

(m) The commissioner shall certify, not later than July 1 of each school year or as soon as practicable thereafter, whether sufficient funds have been appropriated statewide for the purposes of this section and Section 28.0217. A determination by the commissioner is final and may not be appealed. For purposes of certification, the commissioner shall consider:

(1) the average cost per student per assessment instrument administration;

(2) the number of students that require accelerated instruction because the student failed to perform satisfactorily on an assessment instrument;

(3) whether sufficient funds have been appropriated to provide support to students in grades three through 12 identified as being at risk of dropping out of school, as defined in Section 29.081(d); and

(4) whether sufficient funds have been appropriated to provide instructional materials that are aligned with the assessment instruments under Sections 39.023(a) and (c).

(m-1) For purposes of certification under Subsection (m), the commissioner may not consider Foundation School Program funds except for compensatory education funds under Section 42.152. This section may be implemented only if the commissioner certifies that sufficient funds have been appropriated during a school year for administering the accelerated instruction programs specified under this section and Section 28.0217, including teacher training for that purpose.

(n) A student who is promoted by a grade placement committee under this section must be assigned in each subject in which the student failed to perform satisfactorily on an assessment instrument specified under Subsection (a) to a teacher who meets all state and federal qualifications to teach that subject and grade.

(o) This section does not require the administration of a fifth or eighth grade assessment instrument in a subject under Section 39.023(a) to a student enrolled in the fifth or eighth grade, as applicable, if the student:

(1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Section 39.023(a) that aligns with the curriculum for the course in which the student is enrolled; or

(2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Section 39.023(c) for the course.

(p) Notwithstanding any other provision of this section, a student described by Subsection (o) may not be denied promotion on the basis of failure to perform satisfactorily on an assessment instrument not required to be administered to the student in accordance with that subsection.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.12, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 9, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 17, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 29, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.006, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 11, eff. June 10, 2013.

Sec. 28.0212. JUNIOR HIGH OR MIDDLE SCHOOL PERSONAL GRADUATION PLAN. (a) A principal of a junior high or middle school shall designate a school counselor, teacher, or other appropriate individual to develop and administer a personal graduation plan for each student enrolled in the junior high or middle school who:

(1) does not perform satisfactorily on an assessment instrument administered under Subchapter B, Chapter 39; or

(2) is not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade level nine, as determined by the district.

(b) A personal graduation plan under this section must:

(1) identify educational goals for the student;

(2) include diagnostic information, appropriate monitoring and intervention, and other evaluation strategies;

(3) include an intensive instruction program described by Section 28.0213;

(4) address participation of the student's parent or guardian, including consideration of the parent's or guardian's educational expectations for the student; and

(5) provide innovative methods to promote the student's advancement, including flexible scheduling, alternative learning environments, on-line instruction, and other interventions that are proven to accelerate the learning process and have been scientifically validated to improve learning and cognitive ability.

(c) Notwithstanding Subsection (b), a student's individualized

education program developed under Section 29.005 may be used as the student's personal graduation plan under this section.

(d) The agency shall establish minimum standards for a personal graduation plan under this section.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(2), eff. September 1, 2014.

(g) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(b)(2), eff. September 1, 2014.

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 7, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 763 (H.B. 3485), Sec. 3, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 10, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 12(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 13(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(b)(2), eff. September 1, 2014.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 19, eff. June 14, 2013.

Sec. 28.02121. HIGH SCHOOL PERSONAL GRADUATION PLAN. (a) The agency, in consultation with the Texas Workforce Commission and the Texas Higher Education Coordinating Board, shall prepare and make available to each school district in English and Spanish information that explains the advantages of the distinguished level of achievement described by Section 28.025(b-15) and each endorsement described by Section 28.025(c-1). The information must contain an explanation:

(1) concerning the benefits of choosing a high school personal graduation plan that includes the distinguished level of achievement under the foundation high school program and includes one or more endorsements to enable the student to achieve a class rank in the top 10 percent for students at the campus; and

(2) that encourages parents, to the greatest extent practicable, to have the student choose a high school personal

graduation plan described by Subdivision (1).

(b) A school district shall publish the information provided to the district under Subsection (a) on the Internet website of the district and ensure that the information is available to students in grades nine and above and the parents or legal guardians of those students in the language in which the parents or legal guardians are most proficient. A district is required to provide information under this subsection in the language in which the parents or legal guardians are most proficient only if at least 20 students in a grade level primarily speak that language.

(c) A principal of a high school shall designate a school counselor or school administrator to review personal graduation plan options with each student entering grade nine together with that student's parent or guardian. The personal graduation plan options reviewed must include the distinguished level of achievement described by Section 28.025(b-15) and the endorsements described by Section 28.025(c-1). Before the conclusion of the school year, the student and the student's parent or guardian must confirm and sign a personal graduation plan for the student.

(d) A personal graduation plan under Subsection (c) must identify a course of study that:

(1) promotes:

(A) college and workforce readiness; and

(B) career placement and advancement; and

(2) facilitates the student's transition from secondary to postsecondary education.

(e) A school district may not prevent a student and the student's parent or guardian from confirming a personal graduation plan that includes pursuit of a distinguished level of achievement or an endorsement.

(f) A student may amend the student's personal graduation plan after the initial confirmation of the plan under this section. If a student amends the student's personal graduation plan, the school shall send written notice to the student's parents regarding the change.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 14(a), eff. June 10, 2013.

Sec. 28.02122. INCLUSION OF MENTAL HEALTH PROFESSIONS IN HEALTH SCIENCE CAREER INFORMATION. The agency shall ensure that any information provided to students relating to health science careers includes information regarding mental health professions. To the extent that the public services endorsement includes information on health science career pathways, the information must include mental health careers as a possible pathway.

Added by Acts 2015, 84th Leg., R.S., Ch. 96 (H.B. 1430), Sec. 1, eff. May 23, 2015.

Sec. 28.0213. INTENSIVE PROGRAM OF INSTRUCTION. (a) A school district shall offer an intensive program of instruction to a student who:

(1) does not perform satisfactorily on an assessment instrument administered under Subchapter B, Chapter 39; or

(2) is not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade nine, as determined by the district.

(b) A school district shall design the intensive program of instruction described by Subsection (a) to:

(1) enable the student to:

(A) to the extent practicable, perform at the student's grade level at the conclusion of the next regular school term; or

(B) attain a standard of annual growth specified by the school district and reported by the district to the agency; and

(2) if applicable, carry out the purposes of Section 28.0211.

(c) A school district shall use funds appropriated by the legislature for an intensive program of instruction to plan and implement intensive instruction and other activities aimed at helping a student satisfy state and local high school graduation requirements. The commissioner shall distribute funds to districts that implement a program under this section based on the number of students identified by the district who:

(1) do not perform satisfactorily on an assessment instrument administered under Subchapter B, Chapter 39; or

(2) are not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade

nine, as determined by the district.

(d) A school district's determination of the appropriateness of a program for a student under this section is final and does not create a cause of action.

(e) For a student in a special education program under Subchapter A, Chapter 29, who does not perform satisfactorily on an assessment instrument administered under Section 39.023(a), (b), or (c), the student's admission, review, and dismissal committee shall design the program to:

(1) enable the student to attain a standard of annual growth on the basis of the student's individualized education program; and

(2) if applicable, carry out the purposes of Section 28.0211.

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 7, eff. June 20, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1354 (S.B. 1404), Sec. 3, eff. June 14, 2013.

Sec. 28.0214. FINALITY OF GRADE. (a) An examination or course grade issued by a classroom teacher is final and may not be changed unless the grade is arbitrary, erroneous, or not consistent with the school district grading policy applicable to the grade, as determined by the board of trustees of the school district in which the teacher is employed.

(b) A determination by a school district board of trustees under Subsection (a) is not subject to appeal. This subsection does not prohibit an appeal related to a student's eligibility to participate in extracurricular activities under Section 33.081.

Added by Acts 2003, 78th Leg., ch. 194, Sec. 1, effective June 2, 2003.
Renumbered from Education Code, Section 28.0212 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(14), eff. September 1, 2005.

Sec. 28.0216. DISTRICT GRADING POLICY. A school district shall adopt a grading policy, including provisions for the assignment of grades on class assignments and examinations, before each school

year. A district grading policy:

(1) must require a classroom teacher to assign a grade that reflects the student's relative mastery of an assignment;

(2) may not require a classroom teacher to assign a minimum grade for an assignment without regard to the student's quality of work; and

(3) may allow a student a reasonable opportunity to make up or redo a class assignment or examination for which the student received a failing grade.

Added by Acts 2009, 81st Leg., R.S., Ch. 1236 (S.B. 2033), Sec. 1, eff. June 19, 2009.

Sec. 28.0217. ACCELERATED INSTRUCTION FOR HIGH SCHOOL STUDENTS. Each time a student fails to perform satisfactorily on an assessment instrument administered under Section 39.023(c), the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area, using funds appropriated for accelerated instruction under Section 28.0211. Accelerated instruction may require participation of the student before or after normal school hours and may include participation at times of the year outside normal school operations.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 15, eff. June 10, 2013.

Sec. 28.022. NOTICE TO PARENT OF UNSATISFACTORY PERFORMANCE. (a) The board of trustees of each school district shall adopt a policy that:

(1) provides for a conference between parents and teachers;

(2) requires the district, at least once every 12 weeks, to give written notice to a parent of a student's performance in each class or subject; and

(3) requires the district, at least once every three weeks, or during the fourth week of each nine-week grading period, to give written notice to a parent or legal guardian of a student's performance in a subject included in the foundation curriculum under Section 28.002(a)(1) if the student's performance in the subject is consistently unsatisfactory, as determined by the district.

(b) The notice required under Subsections (a)(2) and (a)(3) must:

(1) provide for the signature of a student's parent; and

(2) be returned to the district.

(c) A policy adopted under this section does not apply to a student who:

(1) is 18 years of age or older and who is living in a different residence than the student's parents;

(2) is married; or

(3) has had the disabilities of minority removed for general purposes.

(d) In this section, "parent" includes a guardian, conservator, or other person having lawful control of a student.

(e) A district that uses an electronic platform for communicating student grade and performance information to parents may permit a parent to sign a notice required under Subsections (a)(2) and (a)(3) electronically, so long as the district retains a record verifying the parent's acknowledgment of the required notice. A district that accepts electronic signatures under this subsection must offer parents the option to provide a handwritten signature as provided under Subsection (b).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1237, Sec. 1, eff. Aug. 30, 1999.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 166 (H.B. 1993), Sec. 1, eff. May 28, 2015.

Sec. 28.023. CREDIT BY EXAMINATION. (a) Using guidelines established by the State Board of Education, a school district shall develop or select for review by the district board of trustees examinations for acceleration for each primary school grade level and for credit for secondary school academic subjects. The guidelines must provide for the examinations to thoroughly test comprehension of the information presented in the applicable grade level or subject. The board of trustees shall approve for each subject, to the extent available, at least four examinations that satisfy State Board of Education guidelines. The examinations approved by the board of

trustees must include:

(1) advanced placement examinations developed by the College Board; and

(2) examinations administered through the College-Level Examination Program.

(b) A school district shall give a student in a primary grade level credit for a grade level and advance the student one grade level on the basis of an examination for acceleration approved by the board of trustees under Subsection (a) if:

(1) the student scores in the 80th percentile or above on each section of the examination;

(2) a district representative recommends that the student be advanced; and

(3) the student's parent or guardian gives written approval of the advancement.

(c) A school district shall give a student in grade level six or above credit for a subject on the basis of an examination for credit in the subject approved by the board of trustees under Subsection (a) if the student scores in the 80th percentile or above on the examination or if the student achieves a score as provided by Subsection (c-1). If a student is given credit in a subject on the basis of an examination, the district shall enter the examination score on the student's transcript and the student is not required to take an end-of-course assessment instrument adopted under Section 39.023(c) for that subject.

(c-1) A school district shall give a student in grade level six or above credit for a subject if the student scores:

(1) a three or higher on an advanced placement examination approved by the board of trustees under Subsection (a) and developed by the College Board; or

(2) a scaled score of 50 or higher on an examination approved by the board of trustees under Subsection (a) and administered through the College-Level Examination Program.

(d) Each district shall administer each examination approved by the board of trustees under Subsection (a) not fewer than four times each year, at times to be determined by the State Board of Education.

(e) Subsection (d) does not apply to an examination that has an administration date that is established by an entity other than the school district.

(f) A student may not attempt more than two times to receive

credit for a particular subject on the basis of an examination for credit in that subject.

(g) If a student fails to achieve the designated score described by Subsection (c) or (c-1) on an applicable examination described by Subsection (c) or (c-1) for a subject before the beginning of the school year in which the student would ordinarily be required to enroll in a course in that subject in accordance with the school district's prescribed course sequence, the student must satisfactorily complete the course to receive credit for the course.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1029 (H.B. 2694), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1203 (S.B. 1365), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1146 (S.B. 453), Sec. 1, eff. June 19, 2015.

Sec. 28.024. CREDIT FOR ENROLLMENT IN CERTAIN ACADEMIES. A school district shall grant to a student credit toward the academic course requirements for high school graduation, up to a maximum of two years of credit, for courses the student successfully completes at:

(1) the Texas Academy of Leadership in the Humanities under Section 96.707;

(2) the Texas Academy of Mathematics and Science under Subchapter G, Chapter 105;

(3) the Texas Academy of Mathematics and Science under Section 78.10; or

(4) the Texas Academy of International Studies under Section 87.505.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 887 (S.B. 1452), Sec. 3, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 1339 (S.B. 151), Sec. 7, eff. June 18, 2005.

Reenacted and amended by Acts 2007, 80th Leg., R.S., Ch. 921 (H.B.

3167), Sec. 4.004, eff. September 1, 2007.

For expiration of Subsections (h) and (h-1), see Subsection (h-1).

Sec. 28.025. HIGH SCHOOL DIPLOMA AND CERTIFICATE; ACADEMIC ACHIEVEMENT RECORD. (a) The State Board of Education by rule shall determine curriculum requirements for the foundation high school program that are consistent with the required curriculum under Section 28.002. The State Board of Education shall designate the specific courses in the foundation curriculum under Section 28.002(a)(1) required under the foundation high school program. Except as provided by this section, the State Board of Education may not designate a specific course or a specific number of credits in the enrichment curriculum as requirements for the program.

(b) A school district shall ensure that each student, on entering ninth grade, indicates in writing an endorsement under Subsection (c-1) that the student intends to earn. A district shall permit a student to choose, at any time, to earn an endorsement other than the endorsement the student previously indicated. A student may graduate under the foundation high school program without earning an endorsement if, after the student's sophomore year:

(1) the student and the student's parent or person standing in parental relation to the student are advised by a school counselor of the specific benefits of graduating from high school with one or more endorsements; and

(2) the student's parent or person standing in parental relation to the student files with a school counselor written permission, on a form adopted by the agency, allowing the student to graduate under the foundation high school program without earning an endorsement.

(b-1) The State Board of Education by rule shall require that the curriculum requirements for the foundation high school program under Subsection (a) include a requirement that students successfully complete:

(1) four credits in English language arts under Section 28.002(a)(1)(A), including one credit in English I, one credit in English II, one credit in English III, and one credit in an advanced English course authorized under Subsection (b-2);

(2) three credits in mathematics under Section 28.002(a)(1)(B), including one credit in Algebra I, one credit in

geometry, and one credit in any advanced mathematics course authorized under Subsection (b-2);

(3) three credits in science under Section 28.002(a)(1)(C), including one credit in biology, one credit in any advanced science course authorized under Subsection (b-2), and one credit in integrated physics and chemistry or in an additional advanced science course authorized under Subsection (b-2);

(4) three credits in social studies under Section 28.002(a)(1)(D), including one credit in United States history, at least one-half credit in government and at least one-half credit in economics, and one credit in world geography or world history;

(5) except as provided under Subsections (b-12), (b-13), and (b-14), two credits in the same language in a language other than English under Section 28.002(a)(2)(A);

(6) five elective credits;

(7) one credit in fine arts under Section 28.002(a)(2)(D); and

(8) except as provided by Subsection (b-11), one credit in physical education under Section 28.002(a)(2)(C).

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 214 (H.B. 2201), Sec. 2

(b-2) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student to comply with the curriculum requirements for the third and fourth mathematics credits under Subsection (b-1)(1) or the third and fourth science credits under Subsection (b-1)(1) by successfully completing an advanced career and technical course designated by the State Board of Education as containing substantively similar and rigorous academic content.

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 16

(b-2) In adopting rules under Subsection (b-1), the State Board of Education shall provide for a student to comply with the curriculum requirements for an advanced English course under Subsection (b-1)(1) taken after successful completion of English I, English II, and English III, for an advanced mathematics course under Subsection (b-1)(2) taken after the successful completion of Algebra I and geometry, and for any advanced science course under Subsection (b-1)(3) by successfully completing a course in the appropriate content area that has been approved as an advanced course by board

rule or that is offered as an advanced course for credit without board approval as provided by Section 28.002(g-1).

(b-3) In adopting rules for purposes of Subsection (b-2), the State Board of Education must approve a variety of advanced English, mathematics, and science courses that may be taken to comply with the foundation high school program requirements, provided that each approved course prepares students to enter the workforce successfully or postsecondary education without remediation.

(b-4) A school district may offer the curriculum described in Subsections (b-1)(1) through (4) in an applied manner. Courses delivered in an applied manner must cover the essential knowledge and skills, and the student shall be administered the applicable end-of-course assessment instrument as provided by Sections 39.023(c) and 39.025.

(b-5) A school district may offer a mathematics or science course to be taken by a student after completion of Algebra II and physics. A course approved under this subsection must be endorsed by an institution of higher education as a course for which the institution would award course credit or as a prerequisite for a course for which the institution would award course credit.

(b-6) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.

(b-7) The State Board of Education, in coordination with the Texas Higher Education Coordinating Board, shall adopt rules to ensure that a student may comply with the curriculum requirements under the foundation high school program or for an endorsement under Subsection (c-1) by successfully completing appropriate courses in the core curriculum of an institution of higher education under Section 61.822. Notwithstanding Subsection (b-15) or (c) of this section, Section 39.025, or any other provision of this code and notwithstanding any school district policy, a student who has completed the core curriculum of an institution of higher education under Section 61.822, as certified by the institution in accordance with commissioner rule, is considered to have earned a distinguished level of achievement under the foundation high school program and is entitled to receive a high school diploma from the appropriate high school as that high school is determined in accordance with commissioner rule. A student who is considered to have earned a distinguished level of achievement under the foundation high school program under this subsection may apply for admission to an

institution of higher education for the first semester or other academic term after the semester or other academic term in which the student completes the core curriculum.

(b-8) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.

(b-9) A school district, with the approval of the commissioner, may allow a student to satisfy the fine arts credit required under Subsection (b-1)(7) by participating in a community-based fine arts program not provided by the school district in which the student is enrolled. The fine arts program must provide instruction in the essential knowledge and skills identified for fine arts by the State Board of Education under Section 28.002(c). The fine arts program may be provided on or off a school campus and outside the regular school day.

(b-10) A school district, with the approval of the commissioner, may allow a student to comply with the curriculum requirements for the physical education credit required under Subsection (b-1)(8) by participating in a private or commercially sponsored physical activity program provided on or off a school campus and outside the regular school day.

(b-11) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student who is unable to participate in physical activity due to disability or illness to substitute one credit in English language arts, mathematics, science, or social studies, one credit in a course that is offered for credit as provided by Section 28.002(g-1), or one academic elective credit for the physical education credit required under Subsection (b-1)(8). A credit allowed to be substituted under this subsection may not also be used by the student to satisfy a graduation requirement other than completion of the physical education credit. The rules must provide that the determination regarding a student's ability to participate in physical activity will be made by:

(1) if the student receives special education services under Subchapter A, Chapter 29, the student's admission, review, and dismissal committee;

(2) if the student does not receive special education services under Subchapter A, Chapter 29, but is covered by Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), the committee established for the student under that Act; or

(3) if each of the committees described by Subdivisions (1)

and (2) is inapplicable, a committee established by the school district of persons with appropriate knowledge regarding the student.

(b-12) In adopting rules under Subsection (b-1), the State Board of Education shall adopt criteria to allow a student to comply with the curriculum requirements for the two credits in a language other than English required under Subsection (b-1)(5) by substituting two credits in computer programming languages.

(b-13) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student to substitute credit in another appropriate course for the second credit in the same language in a language other than English otherwise required by Subsection (b-1)(5) if the student, in completing the first credit required under Subsection (b-1)(5), demonstrates that the student is unlikely to be able to complete the second credit. The board rules must establish:

(1) the standards and, as applicable, the appropriate school personnel for making a determination under this subsection; and

(2) appropriate substitute courses for purposes of this subsection.

(b-14) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student who, due to disability, is unable to complete two courses in the same language in a language other than English, as provided under Subsection (b-1)(5), to substitute for those credits two credits in English language arts, mathematics, science, or social studies or two credits in career and technology education, technology applications, or other academic electives. A credit allowed to be substituted under this subsection may not also be used by the student to satisfy a graduation credit requirement other than credit for completion of a language other than English. The rules must provide that the determination regarding a student's ability to participate in language-other-than-English courses will be made by:

(1) if the student receives special education services under Subchapter A, Chapter 29, the student's admission, review, and dismissal committee; or

(2) if the student does not receive special education services under Subchapter A, Chapter 29, but is covered by Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), the committee established for the student under that Act.

(b-15) A student may earn a distinguished level of achievement

under the foundation high school program by successfully completing:

(1) four credits in mathematics, which must include Algebra II and the courses described by Subsection (b-1)(2);

(2) four credits in science, which must include the courses described by Subsection (b-1)(3);

(3) the remaining curriculum requirements under Subsection (b-1); and

(4) the curriculum requirements for at least one endorsement under Subsection (c-1).

(b-16) A student may satisfy an elective credit required under Subsection (b-1)(6) with a credit earned to satisfy the additional curriculum requirements for the distinguished level of achievement under the foundation high school program or an endorsement under Subsection (c-1). This subsection may apply to more than one elective credit.

(b-17) The State Board of Education shall adopt rules to ensure that a student may comply with the curriculum requirements under Subsection (b-1)(6) by successfully completing an advanced career and technical course, including a course that may lead to an industry-recognized credential or certificate or an associate degree.

(b-18) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student to comply with the curriculum requirements under Subsection (b-1) by successfully completing a dual credit course.

(b-19) In adopting rules under Subsection (b-1), the State Board of Education shall adopt criteria to allow a student to comply with curriculum requirements for the world geography or world history credit under Subsection (b-1)(4) by successfully completing a combined world history and world geography course developed by the State Board of Education.

(c) A person may receive a diploma if the person is eligible for a diploma under Section 28.0251. In other cases, a student may graduate and receive a diploma only if:

(1) the student successfully completes the curriculum requirements identified by the State Board of Education under Subsection (a) and complies with Section 39.025; or

(2) the student successfully completes an individualized education program developed under Section 29.005.

(c-1) A student may earn an endorsement on the student's transcript by successfully completing curriculum requirements for

that endorsement adopted by the State Board of Education by rule. The State Board of Education by rule shall provide students with multiple options for earning each endorsement, including, to the greatest extent possible, coherent sequences of courses. The State Board of Education by rule must permit a student to enroll in courses under more than one endorsement curriculum before the student's junior year. An endorsement under this subsection may be earned in any of the following categories:

(1) science, technology, engineering, and mathematics (STEM), which includes courses directly related to science, including environmental science, technology, including computer science, engineering, and advanced mathematics;

(2) business and industry, which includes courses directly related to database management, information technology, communications, accounting, finance, marketing, graphic design, architecture, construction, welding, logistics, automotive technology, agricultural science, and heating, ventilation, and air conditioning;

(3) public services, which includes courses directly related to health sciences and occupations, mental health, education and training, law enforcement, and culinary arts and hospitality;

(4) arts and humanities, which includes courses directly related to political science, world languages, cultural studies, English literature, history, and fine arts; and

(5) multidisciplinary studies, which allows a student to:

(A) select courses from the curriculum of each endorsement area described by Subdivisions (1) through (4); and

(B) earn credits in a variety of advanced courses from multiple content areas sufficient to complete the distinguished level of achievement under the foundation high school program.

(c-2) In adopting rules under Subsection (c-1), the State Board of Education shall:

(1) require a student in order to earn any endorsement to successfully complete:

(A) four credits in mathematics, which must include:

(i) the courses described by Subsection (b-1)(2); and

(ii) an additional advanced mathematics course authorized under Subsection (b-2) or an advanced career and technology course designated by the State Board of Education;

(B) four credits in science, which must include:

(i) the courses described by Subsection (b-1)(3); and

(ii) an additional advanced science course authorized under Subsection (b-2) or an advanced career and technology course designated by the State Board of Education; and

(C) two elective credits in addition to the elective credits required under Subsection (b-1)(6); and

(2) develop additional curriculum requirements for each endorsement with the direct participation of educators and business, labor, and industry representatives, and shall require each school district to report to the agency the categories of endorsements under Subsection (c-1) for which the district offers all courses for curriculum requirements, as determined by board rule.

(c-3) In adopting rules under Subsection (c-1), the State Board of Education shall adopt criteria to allow a student participating in the arts and humanities endorsement under Subsection (c-1)(4), with the written permission of the student's parent or a person standing in parental relation to the student, to comply with the curriculum requirements for science required under Subsection (c-2)(1)(B)(ii) by substituting for an advanced course requirement a course related to that endorsement.

(c-4) Each school district must make available to high school students courses that allow a student to complete the curriculum requirements for at least one endorsement under Subsection (c-1). A school district that offers only one endorsement curriculum must offer the multidisciplinary studies endorsement curriculum.

(c-5) A student may earn a performance acknowledgment on the student's transcript by satisfying the requirements for that acknowledgment adopted by the State Board of Education by rule. An acknowledgment under this subsection may be earned:

(1) for outstanding performance:

(A) in a dual credit course;

(B) in bilingualism and biliteracy;

(C) on a college advanced placement test or international baccalaureate examination;

(D) on an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument used to measure a student's progress toward readiness for college and the workplace; or

(E) on an established, valid, reliable, and nationally norm-referenced assessment instrument used by colleges and universities as part of their undergraduate admissions process; or

(2) for earning a state recognized or nationally or internationally recognized business or industry certification or license.

(c-6) Notwithstanding Subsection (c), a person may receive a diploma if the person is eligible for a diploma under Section 28.0258. This subsection expires September 1, 2017.

(d) A school district may issue a certificate of coursework completion to a student who successfully completes the curriculum requirements identified by the State Board of Education under Subsection (a) but who fails to comply with Section 39.025. A school district may allow a student who receives a certificate to participate in a graduation ceremony with students receiving high school diplomas.

(e) Each school district shall report the academic achievement record of students who have completed the foundation high school program on transcript forms adopted by the State Board of Education. The transcript forms adopted by the board must be designed to clearly identify whether a student received a diploma or a certificate of coursework completion.

(e-1) A school district shall clearly indicate a distinguished level of achievement under the foundation high school program as described by Subsection (b-15), an endorsement described by Subsection (c-1), and a performance acknowledgment described by Subsection (c-5) on the transcript of a student who satisfies the applicable requirements. The State Board of Education shall adopt rules as necessary to administer this subsection.

(e-2) At the end of each school year, each school district shall report through the Public Education Information Management System (PEIMS) the number of district students who, during that school year, were:

(1) enrolled in the foundation high school program;

(2) pursuing the distinguished level of achievement under the foundation high school program as provided by Subsection (b-15); and

(3) enrolled in a program to earn an endorsement described by Subsection (c-1).

(e-3) Information reported under Subsection (e-2) must be

disaggregated by all student groups served by the district, including categories of race, ethnicity, socioeconomic status, sex, and populations served by special programs, including students in special education programs under Subchapter A, Chapter 29.

(f) A school district shall issue a certificate of attendance to a student who receives special education services under Subchapter A, Chapter 29, and who has completed four years of high school but has not completed the student's individualized education program. A school district shall allow a student who receives a certificate to participate in a graduation ceremony with students receiving high school diplomas. A student may participate in only one graduation ceremony under this subsection. This subsection does not preclude a student from receiving a diploma under Subsection (c)(2).

(g) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.

(h) The commissioner by rule shall adopt a transition plan to implement and administer the amendments made by H.B. No. 5, 83rd Legislature, Regular Session, 2013, replacing the minimum, recommended, and advanced high school programs with the foundation high school program beginning with the 2014-2015 school year. Under the transition plan, a student who entered the ninth grade before the 2014-2015 school year must be permitted to complete the curriculum requirements required for high school graduation under:

(1) the foundation high school program, if the student chooses during the 2014-2015 school year to take courses under this program;

(2) the minimum high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year;

(3) the recommended high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year; or

(4) the advanced high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year.

(h-1) This subsection and Subsection (h) expire September 1, 2018.

(i) If an 11th or 12th grade student who is homeless or in the conservatorship of the Department of Family and Protective Services transfers to a different school district and the student is ineligible to graduate from the district to which the student transfers, the district from which the student transferred shall award a diploma at the student's request, if the student meets the graduation requirements of the district from which the student transferred. In this subsection, "student who is homeless" has the meaning assigned to the term "homeless children and youths" under 42 U.S.C. Section 11434a.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 8, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 397, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 187, Sec. 2, eff. May 19, 2001; Acts 2001, 77th Leg., ch. 834, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 365, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 6.003, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1317, Sec. 10, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 4, eff. May 27, 2005.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.02, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 46 (S.B. 673), Sec. 1, eff. May 28, 2007.

Acts 2007, 80th Leg., R.S., Ch. 763 (H.B. 3485), Sec. 4, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 30, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 714 (H.B. 692), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 926 (S.B. 1620), Sec. 3, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 9, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 16(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(b)(3), eff. September 1, 2014.

Acts 2013, 83rd Leg., R.S., Ch. 214 (H.B. 2201), Sec. 2, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1354 (S.B. 1404), Sec. 4, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 2, eff. May 11, 2015.

Acts 2015, 84th Leg., R.S., Ch. 7 (H.B. 181), Sec. 1, eff. May 13, 2015.

Acts 2015, 84th Leg., R.S., Ch. 96 (H.B. 1430), Sec. 2, eff. May 23, 2015.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 1, eff. June 18, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1206 (S.B. 1494), Sec. 4, eff. June 19, 2015.

Sec. 28.0251. HIGH SCHOOL DIPLOMA FOR CERTAIN VETERANS. (a) Notwithstanding any other provision of this code, a school district may issue a high school diploma to a person who:

(1) is an honorably discharged member of the armed forces of the United States;

(2) was scheduled to graduate from high school:

(A) after 1940 and before 1975; or

(B) after 1989; and

(3) left school after completing the sixth or a higher grade, before graduating from high school, to serve in:

(A) World War II, the Korean War, the Vietnam War, the Persian Gulf War, the Iraq War, or the war in Afghanistan; or

(B) any other war formally declared by the United States, military engagement authorized by the United States Congress, military engagement authorized by a United Nations Security Council resolution and funded by the United States Congress, or conflict authorized by the president of the United States under the War Powers Resolution of 1973 (50 U.S.C. Section 1541 et seq.).

(b) A school district may issue a diploma to a person otherwise eligible under Subsection (a) notwithstanding the fact that the person holds a high school equivalency certificate or is deceased.

(c) The commissioner by rule shall adopt a form for a diploma application to be used by a veteran or a person acting on behalf of a deceased veteran under this section. The commissioner shall specify

acceptable evidence of eligibility for a diploma under this section.

Added by Acts 2001, 77th Leg., ch. 187, Sec. 1, eff. May 19, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 540 (H.B. 1058), Sec. 1, eff. June 17, 2005.
Acts 2011, 82nd Leg., R.S., Ch. 642 (S.B. 966), Sec. 1, eff. June 17, 2011.

Sec. 28.0252. COMPUTATION OF HIGH SCHOOL GRADE POINT AVERAGE. (a) The commissioner may develop a standard method of computing a student's high school grade point average that provides for additional weight to be given to each honors course, advanced placement course, international baccalaureate course, or dual credit course completed by a student.

(b) If the commissioner develops a standard method under this section, a school district shall use the standard method to compute a student's high school grade point average.

(c) The commissioner may adopt rules necessary to implement this section.

Added by Acts 2005, 79th Leg., Ch. 293 (S.B. 111), Sec. 1, eff. September 1, 2005.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1369 (H.B. 3851), Sec. 1, eff. June 15, 2007.
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 31, eff. June 19, 2009.

Sec. 28.0253. PILOT PROGRAM: HIGH SCHOOL DIPLOMAS FOR STUDENTS WHO DEMONSTRATE EARLY READINESS FOR COLLEGE. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Research university" means an institution of higher education that is designated as a research university under the Texas Higher Education Coordinating Board's accountability system.

(b) A research university that chooses to participate in the pilot program shall:

(1) not later than September 1 of each year, make available

on the university's Internet website detailed standards for use in the program regarding:

(A) the specific competencies that demonstrate a student's mastery of each subject area for which the Texas Higher Education Coordinating Board and the commissioner have adopted college readiness standards;

(B) the specific competencies that demonstrate a student's mastery of a language other than English; and

(C) acceptable assessments or other means by which a student may demonstrate the student's early readiness for college with respect to each subject area and the language described by this subdivision, subject to Subsection (c);

(2) partner with at least 10 school districts that reflect the geographic diversity of this state and the student compositions of which reflect the socioeconomic diversity of this state; and

(3) assist school administrators, school counselors, and other educators in each of those school districts in designing the specific requirements of and implementing the program in the district.

(c) The assessments or other means filed by a research university under Subsection (b)(1)(C) must be equivalent to the assessments or other means the university uses to place students at the university in courses that may be credited toward a degree requirement.

(d) A research university that partners with a school district under this section shall enter into an agreement with the district under which the university and district agree that the district will assess a student's mastery of the subject areas described by Subsection (b)(1) and a language other than English in accordance with the standards the university filed under Subsection (b)(1). The district may issue a high school diploma to a student under the program if, using the standards, the student demonstrates mastery of and early readiness for college in each of those subject areas and in a language other than English, notwithstanding any other local or state requirements.

(e) A student who receives a high school diploma through the pilot program is considered to have earned a distinguished level of achievement under the foundation high school program adopted under Section 28.025. The student is not guaranteed admission to any institution of higher education or to any academic program at an

institution of higher education solely on the basis of having received the diploma through the program. The student may apply for admission to an institution of higher education for the first semester or other academic term after the semester or other academic term in which the student earns a diploma through the pilot program.

(f) A research university that participates in the pilot program shall enter into an agreement with an education research center established under Section 1.005 to conduct an evaluation of the program with respect to that university and the school districts with which the university partners. Not later than January 1, 2013, the education research center shall provide a written report of the evaluation to the commissioner and the commissioner of higher education and make the report available on the center's Internet website. The report may include an analysis of the effects of the program on the university's admissions review process.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 32, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 17(a), eff. June 10, 2013.

Sec. 28.0254. POSTHUMOUS HIGH SCHOOL DIPLOMA FOR CERTAIN STUDENTS. (a) Notwithstanding any other provision of this code, but subject to Subsection (b), on request of the student's parent, a school district shall issue a high school diploma posthumously to each student who died while enrolled in the district at grade level 12, provided that the student was academically on track at the time of death to receive a diploma at the end of the school year in which the student died. For purposes of this subsection, "school year" includes any summer session following the spring semester.

(b) A school district is not required to issue a high school diploma to a student described by Subsection (a) if the student at any time before the student's death was convicted of a felony offense under Title 5 or 6, Penal Code, or adjudicated as having engaged in conduct constituting a felony offense under Title 5 or 6, Penal Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 871 (H.B. 1563), Sec. 1, eff. June 15, 2007.

For expiration of this section, see Subsection (l).

Sec. 28.0255. PILOT PROGRAM: THREE-YEAR HIGH SCHOOL DIPLOMA PLAN. (a) In this section, "certificate program," "public junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

(b) This section applies only to a school district:

(1) with an enrollment of more than 150,000 students and located primarily in a county with a population of 2.2 million or more that is adjacent to a county with a population of more than 600,000; or

(2) with an enrollment of more than 5,000 but less than 7,000 students and located primarily in a county that contains the headwaters of the San Gabriel River.

(c) A school district to which this section applies may develop and implement a pilot program for students who wish to obtain a high school diploma after completion of three years of secondary school attendance as an alternative to the traditional four-year period of attendance. The program must include partnerships between the school district and public junior colleges, public technical institutes, public state colleges, and any other public postsecondary institutions in this state offering academic or technical education or vocational training under a certificate program or an associate degree program to facilitate the prompt enrollment of students in those institutions after high school graduation under the program.

(d) Participation by a student in the program must be voluntary, with approval of the student's parent. A student who agrees to participate in the program may, on request, discontinue participation and resume taking courses under a high school program based on a traditional four-year period of attendance.

(e) Notwithstanding Section 28.025, the school district shall specify the curriculum requirements for receiving a high school diploma under the program. The curriculum requirements must ensure that a student who graduates under the program possesses sufficient knowledge and skills in English language arts and mathematics to be capable of performing successfully in public junior college-level courses.

(f) The school district shall submit to the commissioner for approval the district's proposal regarding the scope of the program and the program curriculum requirements. The school district shall also submit the proposed curriculum requirements to the State Board

of Education for comment. The district may not implement the program before obtaining the commissioner's approval of the scope of the program and the program curriculum requirements.

(g) A student is entitled to a high school diploma if the student:

(1) successfully complies with the curriculum requirements specified under Subsection (e); and

(2) performs satisfactorily, as determined by the commissioner under Subsection (h), on end-of-course assessment instruments listed under Section 39.023(c) for courses in which the student was enrolled.

(h) For purposes of Subsection (g)(2), the commissioner shall determine the level of satisfactory performance on applicable end-of-course assessment instruments administered to a student.

(i) The school district shall report the academic achievement record of students who have completed the program on a transcript that clearly identifies the program and distinguishes the program from the other high school programs based on a traditional four-year period of attendance.

(j) A student who has received a diploma under the program is exempt from the compulsory school attendance requirements under Section 25.085.

(k) To the extent this section conflicts with any other provision of this code or rule adopted under this code, this section prevails.

(l) This section expires September 1, 2023.

Added by Acts 2013, 83rd Leg., R.S., Ch. 660 (H.B. 1122), Sec. 1, eff. September 1, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 548 (H.B. 2025), Sec. 1, eff. June 16, 2015.

For expiration of this section, see Subsection (l).

Sec. 28.0258. HIGH SCHOOL DIPLOMA AWARDED ON BASIS OF INDIVIDUAL GRADUATION COMMITTEE REVIEW. (a) This section applies only to an 11th or 12th grade student who has failed to comply with the end-of-course assessment instrument performance requirements under Section 39.025 for not more than two courses.

(b) For each student to whom this section applies, the school district that the student attends shall establish an individual graduation committee at the end of or after the student's 11th grade year to determine whether the student may qualify to graduate as provided by this section. A student may not qualify to graduate under this section before the student's 12th grade year. The committee shall be composed of:

(1) the principal or principal's designee;

(2) for each end-of-course assessment instrument on which the student failed to perform satisfactorily, the teacher of the course;

(3) the department chair or lead teacher supervising the teacher described by Subdivision (2); and

(4) as applicable:

(A) the student's parent or person standing in parental relation to the student;

(B) a designated advocate described by Subsection (c) if the person described by Paragraph (A) is unable to serve; or

(C) the student, at the student's option, if the student is at least 18 years of age or is an emancipated minor.

(c) The commissioner by rule shall establish a procedure for appointing an alternative committee member if a person described by Subsection (b) is unable to serve, including appointing a designated advocate for the student if the student's parent or person standing in parental relation to the student is unable to serve. The superintendent of each school district shall establish procedures for the convening of an individual graduation committee.

(c-2) A school district shall provide an appropriate translator, if available, for the appropriate person described under Subsection (b)(4) who is unable to speak English.

(d) The school district shall ensure a good faith effort is made to timely notify the appropriate person described under Subsection (b)(4) of the time and place for convening the individual graduation committee and the purpose of the committee. The notice must be:

(1) provided in person or by regular mail or e-mail;

(2) clear and easy to understand; and

(3) written in English, in Spanish, or, to the extent practicable, in the native language of the appropriate person described by Subsection (b)(4).

(e) To be eligible to graduate and receive a high school diploma under this section, a student must successfully complete the curriculum requirements required for high school graduation:

(1) identified by the State Board of Education under Section 28.025(a); or

(2) as otherwise provided by the transition plan adopted by the commissioner under Section 28.025(h).

(f) Notwithstanding any other law, a student's individual graduation committee established under this section shall recommend additional requirements by which the student may qualify to graduate, including:

(1) additional remediation; and

(2) for each end-of-course assessment instrument on which the student failed to perform satisfactorily:

(A) the completion of a project related to the subject area of the course that demonstrates proficiency in the subject area; or

(B) the preparation of a portfolio of work samples in the subject area of the course, including work samples from the course that demonstrate proficiency in the subject area.

(g) For purposes of Subsection (f), a student may submit to the individual graduation committee coursework previously completed to satisfy a recommended additional requirement.

(h) In determining whether a student for whom an individual graduation committee is established is qualified to graduate, the committee shall consider:

(1) the recommendation of the student's teacher in each course for which the student failed to perform satisfactorily on an end-of-course assessment instrument;

(2) the student's grade in each course for which the student failed to perform satisfactorily on an end-of-course assessment instrument;

(3) the student's score on each end-of-course assessment instrument on which the student failed to perform satisfactorily;

(4) the student's performance on any additional requirements recommended by the committee under Subsection (f);

(5) the number of hours of remediation that the student has attended, including:

(A) attendance in a college preparatory course required under Section 39.025(b-2), if applicable; or

(B) attendance in and successful completion of a transitional college course in reading or mathematics;

(6) the student's school attendance rate;

(7) the student's satisfaction of any of the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board;

(8) the student's successful completion of a dual credit course in English, mathematics, science, or social studies;

(9) the student's successful completion of a high school pre-advanced placement, advanced placement, or international baccalaureate program course in English, mathematics, science, or social studies;

(10) the student's rating of advanced high on the most recent high school administration of the Texas English Language Proficiency Assessment System;

(11) the student's score of 50 or greater on a College-Level Examination Program examination;

(12) the student's score on the ACT, the SAT, or the Armed Services Vocational Aptitude Battery test;

(13) the student's completion of a sequence of courses under a career and technical education program required to attain an industry-recognized credential or certificate;

(14) the student's overall preparedness for postsecondary success; and

(15) any other academic information designated for consideration by the board of trustees of the school district.

(i) After considering the criteria under Subsection (h), the individual graduation committee may determine that the student is qualified to graduate. Notwithstanding any other law, a student for whom an individual graduation committee is established may graduate and receive a high school diploma on the basis of the committee's decision only if the student successfully completes all additional requirements recommended by the committee under Subsection (f), the student meets the requirements of Subsection (e), and the committee's vote is unanimous. The commissioner by rule shall establish a timeline for making a determination under this subsection. This subsection does not create a property interest in graduation. The decision of a committee is final and may not be appealed.

(j) Notwithstanding any action taken by an individual graduation committee under this section, a school district shall

administer an end-of-course assessment instrument to any student who fails to perform satisfactorily on an end-of-course assessment instrument as provided by Section 39.025(b). For purposes of Section 39.053(c)(1), an assessment instrument administered as provided by this subsection is considered an assessment instrument required for graduation retaken by a student.

(k) The commissioner shall adopt rules as necessary to implement this section not later than the 2015-2016 school year.

(l) This section expires September 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 3, eff. May 11, 2015.

For expiration of this section, see Subsection (e).

Sec. 28.0259. REPORTING REQUIREMENTS FOR STUDENTS GRADUATING BASED ON INDIVIDUAL GRADUATION COMMITTEE REVIEW PROCESS. (a) Each school district shall report through the Public Education Information Management System (PEIMS) the number of district students each school year for which an individual graduation committee is established under Section 28.0258 and the number of district students each school year who are awarded a diploma based on the decision of an individual graduation committee as provided by Section 28.0258.

(b) A school district shall report the information required by Subsection (a) not later than December 1 of the school year following the school year the student is awarded a diploma.

(c) The agency shall make the information reported under this section available on the agency's Internet website.

(d) The commissioner shall adopt rules as necessary to implement this section not later than the 2015-2016 school year.

(e) This section expires September 1, 2018.

Added by Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 3, eff. May 11, 2015.

Sec. 28.026. NOTICE OF REQUIREMENTS FOR AUTOMATIC COLLEGE ADMISSION AND FINANCIAL AID. (a) The board of trustees of a school district and the governing body of each open-enrollment charter school that provides a high school shall require each high school in

the district or provided by the charter school, as applicable, to post appropriate signs in each school counselor's office, in each principal's office, and in each administrative building indicating the substance of Section 51.803 regarding automatic college admission and stating the curriculum requirements for financial aid authorized under Title 3. To assist in the dissemination of that information, the district or charter school shall:

(1) require that each school counselor and class advisor at a high school be provided a detailed explanation of the substance of Section 51.803 and the curriculum requirements for financial aid authorized under Title 3;

(2) provide each district or school student, at the time the student first registers for one or more classes required for high school graduation, with a written notification, including a detailed explanation in plain language, of the substance of Section 51.803, the curriculum requirements for financial aid authorized under Title 3, and the benefits of completing the requirements for that automatic admission and financial aid;

(3) require that each school counselor and senior class advisor at a high school explain to eligible students the substance of Section 51.803; and

(4) not later than the 14th day after the last day of classes for the fall semester or an equivalent date in the case of a school operated on a year-round system under Section 25.084, provide each senior student eligible under Section 51.803 and each student enrolled in the junior year of high school who has a grade point average in the top 10 percent of the student's high school class, and the student's parent or guardian, with a written notification of the student's eligibility with a detailed explanation in plain language of the substance of Section 51.803.

(b) The commissioner shall adopt forms, including specific language, to use in providing notice under Subsections (a)(2) and (4). In providing notice under Subsection (a)(2) or (4), a school district or open-enrollment charter school shall use the appropriate form adopted by the commissioner. The notice to a student and the student's parent or guardian under Subsections (a)(2) and (4) must be on a single form that contains signature lines to indicate receipt of notice by the student and the student's parent or guardian. The notice under Subsection (a)(2) must be signed by the student's counselor in addition to being signed by the student and the

student's parent or guardian.

Added by Acts 1999, 76th Leg., ch. 1511, Sec. 1, eff. June 19, 1999.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 3, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 18(a), eff. June 10, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 20, eff. June 14, 2013.

Sec. 28.027. APPLIED SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS COURSES. (a) In this section, "applied STEM course" means an applied science, technology, engineering, or mathematics course offered as part of a school district's career and technology education or technology applications curriculum.

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 19

(b) The State Board of Education shall establish a process under which an applied STEM course may be reviewed and approved for purposes of satisfying the mathematics and science curriculum requirements for the foundation high school program under Section 28.025 through substitution of the applied STEM course for a specific mathematics or science course otherwise required under the foundation high school program. The State Board of Education may only approve a course to substitute for a science course taken after successful completion of biology.

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 214 (H.B. 2201), Sec. 3

(b) The State Board of Education shall establish a process under which an applied STEM course may be reviewed and approved for purposes of satisfying the mathematics and science curriculum requirements for the recommended high school program imposed under Section 28.025(b-1)(1)(A) through substitution of the applied STEM course for a specific mathematics or science course otherwise required under the recommended high school program. The State Board of Education may only approve a course to substitute for a mathematics course taken after successful completion of Algebra I and geometry. The State Board of Education may only approve a course to

substitute for a science course taken after successful completion of biology.

(c) The process must provide that an applied STEM course is entitled to be approved for the purpose described by Subsection (b) if the course meets the following requirements:

(1) the applied STEM course is part of a curriculum created by a recognized national or international business and industry group to prepare a student for a national or international business and industry certification or license;

(2) the applied STEM course qualifies as:

(A) a dual credit course; or

(B) an articulated postsecondary course provided for local credit or articulated postsecondary advanced technical credit course provided for state credit;

(3) the essential knowledge and skills covered in the applied STEM course are equivalent to the essential knowledge and skills covered in the mathematics or science course for which the applied STEM course is proposed to be approved for substitution; and

(4) the applied STEM course:

(A) provides substantial mathematics content or science content, as applicable, taught in an applied or symbolic format, that enables a student to develop relevant critical thinking skills necessary for preparation for employment or additional training in a career identified by the Texas Workforce Commission as a high-demand or emerging occupation; and

(B) incorporates college and career readiness skills.

(d) If an applied STEM course approved under this section is part of a coherent sequence of career and technology courses, a student is eligible to enroll in the applied STEM course for the purpose described in Subsection (b) only if the student has completed the prerequisite course work, if any, for the applied STEM course.

Added by Acts 2011, 82nd Leg., R.S., Ch. 926 (S.B. 1620), Sec. 2, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 19(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 214 (H.B. 2201), Sec. 3, eff. September 1, 2013.

SUBCHAPTER C. ADVANCED PLACEMENT INCENTIVES

Sec. 28.051. DEFINITIONS. In this subchapter:

(1) "Board" means the State Board of Education.

(2) "College advanced placement course" means a board-approved high-school-level preparatory course for a college advanced placement test that incorporates all topics specified by the college board on its standard syllabus for a given subject area.

(3) "College advanced placement test" means the advanced placement test administered by the College Board and Educational Testing Service.

(4) "College board" means the College Board and Educational Testing Service.

(5) "International baccalaureate course" means a high-school-level preparatory course for an international baccalaureate examination that incorporates each topic specified by the International Baccalaureate Organization on its standard syllabus for a particular subject area.

(6) "International baccalaureate examination" means the international baccalaureate examination administered by the International Baccalaureate Organization.

(7) "Program" means the Texas Advanced Placement Incentive Program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.052. PROGRAM; PURPOSE. (a) The purpose of the Texas Advanced Placement Incentive Program is to recognize and reward those students, teachers, and schools that demonstrate success in achieving the state's educational goals.

(b) Awards and subsidies granted under the program are for the public purpose of promoting an educated citizenry.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.053. TYPES OF AWARDS. (a) A school participating in the program may be awarded:

(1) a one-time $3,000 equipment grant for providing a college advanced placement course or international baccalaureate course to be paid to a school based on need as determined by the

commissioner; and

(2) $100 for each student who scores a three or better on a college advanced placement test or four or better on an international baccalaureate examination.

(b) Funds awarded under Subsection (a) shall be used in the manner determined by the campus team established, by the principal, under Subsection (c).

(c) The principal of each school participating in the program shall convene, at least annually, a team composed of not more than five members, with not fewer than three teachers, to include at least one teacher participating in the program and at least one teacher who teaches students in preparation for their participation in the program, for the purpose of determining the use of funds awarded under Subsection (a). Nothing in this section limits the authority of the team to direct expenditure of funds awarded under Subsection (a)(2) for awards to individual teachers participating in the program.

(d) A teacher participating in the program may be awarded:

(1) subsidized teacher training, not to exceed $450 for each teacher, for a college advanced placement course or an international baccalaureate course;

(2) a one-time award of $250 for teaching a college advanced placement course or an international baccalaureate course for the first time; and

(3) a share of the teacher bonus pool, which shall be distributed by the teacher's school in shares proportional to the number of courses taught.

(e) To be eligible for an award under Subsection (d), a teacher must teach a college advanced placement course or an international baccalaureate course.

(f) Fifty dollars may be deposited in the teacher bonus pool for each student enrolled in the school that scores a three or better on a college advanced placement test or four or better on an international baccalaureate examination.

(g) A student receiving a score of three or better on a college advanced placement test or four or better on an international baccalaureate examination may receive reimbursement, not to exceed $65, for the testing fee. The reimbursement shall be reduced by the amount of any subsidy awarded by the college board or the International Baccalaureate Organization or under Section 28.054.

(h) The commissioner may enter into agreements with the college board and the International Baccalaureate Organization to pay for all examinations taken by eligible public school students. An eligible student is a student who:

(1) takes a college advanced placement or international baccalaureate course at a public school or who is recommended by the student's principal or teacher to take the test; and

(2) demonstrates financial need as determined in accordance with guidelines adopted by the board that are consistent with the definition of financial need adopted by the college board or the International Baccalaureate Organization.

(i) The commissioner shall analyze and adjust, as needed, the sum of and number of awards to ensure that the purpose of the program is realized.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 854, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 49.01, eff. September 28, 2011.

Sec. 28.054. SUBSIDIES FOR COLLEGE ADVANCED PLACEMENT TEST OR INTERNATIONAL BACCALAUREATE EXAMINATION. (a) A student is entitled to a subsidy for a fee paid by the student to take a college advanced placement test or an international baccalaureate examination if the student demonstrates financial need. The board shall adopt guidelines for determining financial need consistent with the definition of financial need adopted by the college board or the International Baccalaureate Organization.

(b) To obtain a subsidy under this section, a student must:

(1) pay the fee for each test or examination for which the student seeks a subsidy; and

(2) submit to the board through the student's school counselor a written application on a form prescribed by the commissioner demonstrating financial need and the amount of the fee paid by the student for each test or examination.

(c) On approval by the board, the agency may pay each eligible applicant an equal amount, not to exceed $25 for each applicant.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 21, eff. June 14, 2013.

Sec. 28.055. USE OF SCHOOL AWARDS; APPLICATION. (a) A school shall give priority to academic enhancement purposes in using an award received under the program. The award may not be used for any purpose related to athletics.

(b) To obtain an award under the program, a school must submit to the board a written application in a form, manner, and time prescribed by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.056. APPLICATION FOR TEACHER AWARDS AND REIMBURSEMENTS. To obtain an award or reimbursement for training expenses under the program, a teacher must submit to the board a written application in a form, manner, and time prescribed by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.057. FUNDING. (a) An award or subsidy granted under this subchapter may be funded by donations, grants, or legislative appropriations. The commissioner may solicit and receive grants and donations for making awards under this subchapter. The agency shall account for and distribute the donations, grants, or legislative appropriations.

(b) The agency shall apply to the program any available funds from its appropriations that may be used for purposes of the program.

(c) The grant of any award or subsidy under the program is subject to the availability of funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 28.058. CONFIDENTIALITY. All information regarding an individual student received by the commissioner under this subchapter from a school district or student is confidential under Chapter 552,

Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

CHAPTER 29. EDUCATIONAL PROGRAMS

SUBCHAPTER A. SPECIAL EDUCATION PROGRAM

Sec. 29.001. STATEWIDE PLAN. The agency shall develop, and modify as necessary, a statewide design, consistent with federal law, for the delivery of services to children with disabilities in this state that includes rules for the administration and funding of the special education program so that a free appropriate public education is available to all of those children between the ages of three and 21. The statewide design shall include the provision of services primarily through school districts and shared services arrangements, supplemented by regional education service centers. The agency shall also develop and implement a statewide plan with programmatic content that includes procedures designed to:

(1) ensure state compliance with requirements for supplemental federal funding for all state-administered programs involving the delivery of instructional or related services to students with disabilities;

(2) facilitate interagency coordination when other state agencies are involved in the delivery of instructional or related services to students with disabilities;

(3) periodically assess statewide personnel needs in all areas of specialization related to special education and pursue strategies to meet those needs through a consortium of representatives from regional education service centers, local education agencies, and institutions of higher education and through other available alternatives;

(4) ensure that regional education service centers throughout the state maintain a regional support function, which may include direct service delivery and a component designed to facilitate the placement of students with disabilities who cannot be appropriately served in their resident districts;

(5) allow the agency to effectively monitor and periodically conduct site visits of all school districts to ensure that rules adopted under this section are applied in a consistent and uniform manner, to ensure that districts are complying with those

rules, and to ensure that annual statistical reports filed by the districts and not otherwise available through the Public Education Information Management System under Section 42.006 are accurate and complete;

(6) ensure that appropriately trained personnel are involved in the diagnostic and evaluative procedures operating in all districts and that those personnel routinely serve on district admissions, review, and dismissal committees;

(7) ensure that an individualized education program for each student with a disability is properly developed, implemented, and maintained in the least restrictive environment that is appropriate to meet the student's educational needs;

(8) ensure that, when appropriate, each student with a disability is provided an opportunity to participate in career and technology and physical education classes, in addition to participating in regular or special classes;

(9) ensure that each student with a disability is provided necessary related services;

(10) ensure that an individual assigned to act as a surrogate parent for a child with a disability, as provided by 20 U.S.C. Section 1415(b), is required to:

(A) complete a training program that complies with minimum standards established by agency rule;

(B) visit the child and the child's school;

(C) consult with persons involved in the child's education, including teachers, caseworkers, court-appointed volunteers, guardians ad litem, attorneys ad litem, foster parents, and caretakers;

(D) review the child's educational records;

(E) attend meetings of the child's admission, review, and dismissal committee;

(F) exercise independent judgment in pursuing the child's interests; and

(G) exercise the child's due process rights under applicable state and federal law; and

(11) ensure that each district develops a process to be used by a teacher who instructs a student with a disability in a regular classroom setting:

(A) to request a review of the student's individualized education program;

(B) to provide input in the development of the student's individualized education program;

(C) that provides for a timely district response to the teacher's request; and

(D) that provides for notification to the student's parent or legal guardian of that response.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 430, Sec. 1, eff. Sept. 1, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1283 (H.B. 1335), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1192 (S.B. 1259), Sec. 1, eff. June 19, 2015.

Sec. 29.002. DEFINITION. In this subchapter, "special services" means:

(1) special education instruction, which may be provided by professional and supported by paraprofessional personnel in the regular classroom or in an instructional arrangement described by Section 42.151; and

(2) related services, which are developmental, corrective, supportive, or evaluative services, not instructional in nature, that may be required for the student to benefit from special education instruction and for implementation of a student's individualized education program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 767, Sec. 1, eff. June 13, 2001.

Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall develop specific eligibility criteria based on the general classifications established by this section with reference to contemporary diagnostic or evaluative terminologies and techniques. Eligible students with disabilities shall enjoy the right to a free appropriate public education, which may include instruction in the regular classroom, instruction through special teaching, or instruction through contracts approved under this subchapter. Instruction shall be supplemented by the provision of related

services when appropriate.

(b) A student is eligible to participate in a school district's special education program if the student:

(1) is not more than 21 years of age and has a visual or auditory impairment that prevents the student from being adequately or safely educated in public school without the provision of special services; or

(2) is at least three but not more than 21 years of age and has one or more of the following disabilities that prevents the student from being adequately or safely educated in public school without the provision of special services:

(A) physical disability;

(B) mental retardation;

(C) emotional disturbance;

(D) learning disability;

(E) autism;

(F) speech disability; or

(G) traumatic brain injury.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.004. FULL INDIVIDUAL AND INITIAL EVALUATION. (a) A written report of a full individual and initial evaluation of a student for purposes of special education services shall be completed as follows, except as otherwise provided by this section:

(1) not later than the 45th school day following the date on which the school district, in accordance with 20 U.S.C. Section 1414(a), as amended, receives written consent for the evaluation, signed by the student's parent or legal guardian, except that if a student has been absent from school during that period on three or more days, that period must be extended by a number of school days equal to the number of school days during that period on which the student has been absent; or

(2) for students under five years of age by September 1 of the school year and not enrolled in public school and for students enrolled in a private or home school setting, not later than the 45th school day following the date on which the school district receives written consent for the evaluation, signed by a student's parent or legal guardian.

(a-1) If a school district receives written consent signed by a student's parent or legal guardian for a full individual and initial evaluation of a student at least 35 but less than 45 school days before the last instructional day of the school year, the evaluation must be completed and the written report of the evaluation must be provided to the parent or legal guardian not later than June 30 of that year. The student's admission, review, and dismissal committee shall meet not later than the 15th school day of the following school year to consider the evaluation. If a district receives written consent signed by a student's parent or legal guardian less than 35 school days before the last instructional day of the school year or if the district receives the written consent at least 35 but less than 45 school days before the last instructional day of the school year but the student is absent from school during that period on three or more days, Subsection (a)(1) applies to the date the written report of the full individual and initial evaluation is required.

(a-2) For purposes of this section, "school day" does not include a day that falls after the last instructional day of the spring school term and before the first instructional day of the subsequent fall school term. The commissioner by rule may determine days during which year-round schools are recessed that, consistent with this subsection, are not considered to be school days for purposes of this section.

(a-3) Subsection (a) does not impair any rights of an infant or toddler with a disability who is receiving early intervention services in accordance with 20 U.S.C. Section 1431.

(b) The evaluation shall be conducted using procedures that are appropriate for the student's most proficient method of communication.

(c) If a parent or legal guardian makes a written request to a school district's director of special education services or to a district administrative employee for a full individual and initial evaluation of a student, the district shall, not later than the 15th school day after the date the district receives the request:

(1) provide an opportunity for the parent or legal guardian to give written consent for the evaluation; or

(2) refuse to provide the evaluation and provide the parent or legal guardian with notice of procedural safeguards under 20 U.S.C. Section 1415(b).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 767, Sec. 2, eff. June 13, 2001; Acts 2003, 78th Leg., ch. 539, Sec. 3, eff. Sept. 1, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 757 (S.B. 816), Sec. 1, eff. September 1, 2013.

Sec. 29.0041. INFORMATION AND CONSENT FOR CERTAIN PSYCHOLOGICAL EXAMINATIONS OR TESTS. (a) On request of a child's parent, before obtaining the parent's consent under 20 U.S.C. Section 1414 for the administration of any psychological examination or test to the child that is included as part of the evaluation of the child's need for special education, a school district shall provide to the child's parent:

(1) the name and type of the examination or test; and

(2) an explanation of how the examination or test will be used to develop an appropriate individualized education program for the child.

(b) If the district determines that an additional examination or test is required for the evaluation of a child's need for special education after obtaining consent from the child's parent under Subsection (a), the district shall provide the information described by Subsections (a)(1) and (2) to the child's parent regarding the additional examination or test and shall obtain additional consent for the examination or test.

(c) The time required for the district to provide information and seek consent under Subsection (b) may not be counted toward the 60 calendar days for completion of an evaluation under Section 29.004. If a parent does not give consent under Subsection (b) within 20 calendar days after the date the district provided to the parent the information required by that subsection, the parent's consent is considered denied.

Added by Acts 2003, 78th Leg., ch. 1008, Sec. 2, eff. June 20, 2003.

Sec. 29.005. INDIVIDUALIZED EDUCATION PROGRAM. (a) Before a child is enrolled in a special education program of a school district, the district shall establish a committee composed of the

persons required under 20 U.S.C. Section 1414(d) to develop the child's individualized education program. If a committee is required to include a regular education teacher, the regular education teacher included must, to the extent practicable, be a teacher who is responsible for implementing a portion of the child's individualized education program.

(b) The committee shall develop the individualized education program by agreement of the committee members or, if those persons cannot agree, by an alternate method provided by the agency. Majority vote may not be used to determine the individualized education program.

(b-1) The written statement of the individualized education program must document the decisions of the committee with respect to issues discussed at each committee meeting. The written statement must include:

(1) the date of the meeting;

(2) the name, position, and signature of each member participating in the meeting; and

(3) an indication of whether the child's parents, the adult student, if applicable, and the administrator agreed or disagreed with the decisions of the committee.

(c) If the individualized education program is not developed by agreement, the written statement of the program required under 20 U.S.C. Section 1414(d) must include the basis of the disagreement. Each member of the committee who disagrees with the individualized education program developed by the committee is entitled to include a statement of disagreement in the written statement of the program.

(d) If the child's parent is unable to speak English, the district shall:

(1) provide the parent with a written or audiotaped copy of the child's individualized education program translated into Spanish if Spanish is the parent's native language; or

(2) if the parent's native language is a language other than Spanish, make a good faith effort to provide the parent with a written or audiotaped copy of the child's individualized education program translated into the parent's native language.

(e) The commissioner by rule may require a school district to include in the individualized education program of a student with autism or another pervasive developmental disorder any information or requirement determined necessary to ensure the student receives a

free appropriate public education as required under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

(f) The written statement of a student's individualized education program may be required to include only information included in the model form developed under Section 29.0051(a).

(g) The committee may determine that a behavior improvement plan or a behavioral intervention plan is appropriate for a student for whom the committee has developed an individualized education program. If the committee makes that determination, the behavior improvement plan or the behavioral intervention plan shall be included as part of the student's individualized education program and provided to each teacher with responsibility for educating the student.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1372, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 767, Sec. 3, eff. June 13, 2001. Amended by:

Acts 2005, 79th Leg., Ch. 838 (S.B. 882), Sec. 12, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1250 (S.B. 1788), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 458 (S.B. 914), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1192 (S.B. 1259), Sec. 2, eff. June 19, 2015.

Sec. 29.0051. MODEL FORM. (a) The agency shall develop a model form for use in developing an individualized education program under Section 29.005(b). The form must be clear, concise, well organized, and understandable to parents and educators and may include only:

(1) the information included in the model form developed under 20 U.S.C. Section 1417(e)(1);

(2) a state-imposed requirement relevant to an individualized education program not required under federal law; and

(3) the requirements identified under 20 U.S.C. Section 1407(a)(2).

(b) The agency shall post on the agency's Internet website the

form developed under Subsection (a).

(c) A school district may use the form developed under Subsection (a) to comply with the requirements for an individualized education program under 20 U.S.C. Section 1414(d).

Added by Acts 2011, 82nd Leg., R.S., Ch. 1250 (S.B. 1788), Sec. 2, eff. June 17, 2011.

Sec. 29.006. CONTINUING ADVISORY COMMITTEE. (a) The governor shall appoint a continuing advisory committee, composed of 17 members, under 20 U.S.C. Section 1412(a)(21). At least one member appointed under this subsection must be a director of special education programs for a school district or for a shared services arrangement of multiple school districts as provided by Section 29.007.

(b) The appointments are not subject to confirmation by the senate.

(c) Members of the committee are appointed for staggered terms of four years with the terms of eight or nine members expiring on February 1 of each odd-numbered year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 767, Sec. 4, eff. June 13, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 44 (H.B. 861), Sec. 1, eff. May 12, 2011.

Sec. 29.007. SHARED SERVICES ARRANGEMENTS. School districts may enter into a written contract to jointly operate their special education programs. The contract must be approved by the commissioner. Funds to which the cooperating districts are entitled may be allocated to the districts jointly as shared services arrangement units or shared services arrangement funds in accordance with the shared services arrangement districts' agreement.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.008. CONTRACTS FOR SERVICES; RESIDENTIAL PLACEMENT.

(a) A school district, shared services arrangement unit, or regional education service center may contract with a public or private facility, institution, or agency inside or outside of this state for the provision of services to students with disabilities. Each contract for residential placement must be approved by the commissioner. The commissioner may approve a residential placement contract only after at least a programmatic evaluation of personnel qualifications, adequacy of physical plant and equipment, and curriculum content. The commissioner may approve either the whole or a part of a facility or program.

(b) Except as provided by Subsection (c), costs of an approved contract for residential placement may be paid from a combination of federal, state, and local funds. The local share of the total contract cost for each student is that portion of the local tax effort that exceeds the district's local fund assignment under Section 42.252, divided by the average daily attendance in the district. If the contract involves a private facility, the state share of the total contract cost is that amount remaining after subtracting the local share. If the contract involves a public facility, the state share is that amount remaining after subtracting the local share from the portion of the contract that involves the costs of instructional and related services. For purposes of this subsection, "local tax effort" means the total amount of money generated by taxes imposed for debt service and maintenance and operation less any amounts paid into a tax increment fund under Chapter 311, Tax Code.

(c) When a student, including one for whom the state is managing conservator, is placed primarily for care or treatment reasons in a private residential facility that operates its own private education program, none of the costs may be paid from public education funds. If a residential placement primarily for care or treatment reasons involves a private residential facility in which the education program is provided by the school district, the portion of the costs that includes appropriate education services, as determined by the school district's admission, review, and dismissal committee, shall be paid from state and federal education funds.

(d) A district that contracts for the provision of education services rather than providing the services itself shall oversee the implementation of the student's individualized education program and shall annually reevaluate the appropriateness of the arrangement. An

approved facility, institution, or agency with whom the district contracts shall periodically report to the district on the services the student has received or will receive in accordance with the contract as well as diagnostic or other evaluative information that the district requires in order to fulfill its obligations under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 3, eff. Sept. 1, 1997.

Sec. 29.009. PUBLIC NOTICE CONCERNING PRESCHOOL PROGRAMS FOR STUDENTS WITH DISABILITIES. Each school district shall develop a system to notify the population in the district with children who are at least three years of age but younger than six years of age and who are eligible for enrollment in a special education program of the availability of the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.010. COMPLIANCE. (a) The agency shall adopt and implement a comprehensive system for monitoring school district compliance with federal and state laws relating to special education. The monitoring system must provide for ongoing analysis of district special education data and of complaints filed with the agency concerning special education services and for inspections of school districts at district facilities. The agency shall use the information obtained through analysis of district data and from the complaints management system to determine the appropriate schedule for and extent of the inspection.

(b) To complete the inspection, the agency must obtain information from parents and teachers of students in special education programs in the district.

(c) The agency shall develop and implement a system of sanctions for school districts whose most recent monitoring visit shows a failure to comply with major requirements of the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), federal regulations, state statutes, or agency requirements necessary to carry out federal law or regulations or state law relating to

special education.

(d) For districts that remain in noncompliance for more than one year, the first stage of sanctions shall begin with annual or more frequent monitoring visits. Subsequent sanctions may range in severity up to the withholding of funds. If funds are withheld, the agency may use the funds to provide, through alternative arrangements, services to students and staff members in the district from which the funds are withheld.

(e) The agency's complaint management division shall develop a system for expedited investigation and resolution of complaints concerning a district's failure to provide special education or related services to a student eligible to participate in the district's special education program.

(f) This section does not create an obligation for or impose a requirement on a school district or open-enrollment charter school that is not also created or imposed under another state law or a federal law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1417, Sec. 1, eff. June 19, 1999.

Sec. 29.011. TRANSITION PLANNING. (a) The commissioner shall by rule adopt procedures for compliance with federal requirements relating to transition services for students who are enrolled in special education programs under this subchapter. The procedures must specify the manner in which a student's admission, review, and dismissal committee must consider, and if appropriate, address the following issues in the student's individualized education program:

(1) appropriate student involvement in the student's transition to life outside the public school system;

(2) if the student is younger than 18 years of age, appropriate parental involvement in the student's transition;

(3) if the student is at least 18 years of age, appropriate parental involvement in the student's transition, if the parent is invited to participate by the student or the school district in which the student is enrolled;

(4) any postsecondary education options;

(5) a functional vocational evaluation;

(6) employment goals and objectives;

(7) if the student is at least 18 years of age, the availability of age-appropriate instructional environments;

(8) independent living goals and objectives; and

(9) appropriate circumstances for referring a student or the student's parents to a governmental agency for services.

(b) The commissioner shall require each school district or shared services arrangement to designate at least one employee to serve as the district's or shared services arrangement's designee on transition and employment services for students enrolled in special education programs under this subchapter. The commissioner shall develop minimum training guidelines for a district's or shared services arrangement's designee. An individual designated under this subsection must provide information and resources about effective transition planning and services and interagency coordination to ensure that local school staff communicate and collaborate with:

(1) students enrolled in special education programs under this subchapter and the parents of those students; and

(2) as appropriate, local and regional staff of the:

(A) Health and Human Services Commission;

(B) Department of Aging and Disability Services;

(C) Department of Assistive and Rehabilitative Services;

(D) Department of State Health Services; and

(E) Department of Family and Protective Services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 704, Sec. 1, 2, eff. June 20, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 257 (H.B. 617), Sec. 2, eff. September 1, 2013.

Sec. 29.0111. BEGINNING OF TRANSITION PLANNING. Appropriate state transition planning under the procedure adopted under Section 29.011 must begin for a student not later than when the student reaches 14 years of age.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1250 (S.B. 1788), Sec. 3, eff. June 17, 2011.

Sec. 29.0112. TRANSITION AND EMPLOYMENT GUIDE. (a) The agency, with assistance from the Health and Human Services Commission, shall develop a transition and employment guide for students enrolled in special education programs and their parents to provide information on statewide services and programs that assist in the transition to life outside the public school system. The agency may contract with a private entity to prepare the guide.

(b) The transition and employment guide must contain information specific to this state regarding:

(1) transition services;

(2) employment and supported employment services;

(3) social security programs;

(4) community and long-term services and support;

(5) postsecondary educational programs and services, including the inventory maintained by the Texas Higher Education Coordinating Board under Section 61.0663;

(6) information sharing with health and human services agencies and providers;

(7) guardianship and alternatives to guardianship;

(8) self-advocacy, person-directed planning, and self-determination; and

(9) contact information for all relevant state agencies.

(c) The transition and employment guide must be produced in an electronic format and posted on the agency's website in a manner that permits the guide to be easily identified and accessed.

(d) The agency must update the transition and employment guide posted on the agency's website at least once every two years.

(e) A school district shall:

(1) post the transition and employment guide on the district's website if the district maintains a website; and

(2) provide written information and, if necessary, assistance to a parent regarding how to access the electronic version of the guide at:

(A) the first meeting of the student's admission, review, and dismissal committee at which transition is discussed; or

(B) the first committee meeting that occurs after the date the guide becomes available, if a student has already had an admission, review, and dismissal committee meeting discussing

transition.

Added by Acts 2013, 83rd Leg., R.S., Ch. 257 (H.B. 617), Sec. 3, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 747 (H.B. 1807), Sec. 2, eff. June 17, 2015.

Sec. 29.012. RESIDENTIAL FACILITIES. (a) Except as provided by Subsection (b)(2), not later than the third day after the date a person 22 years of age or younger is placed in a residential facility, the residential facility shall:

(1) if the person is three years of age or older, notify the school district in which the facility is located, unless the facility is an open-enrollment charter school; or

(2) if the person is younger than three years of age, notify a local early intervention program in the area in which the facility is located.

(b) An agency or political subdivision that funds, licenses, certifies, contracts with, or regulates a residential facility must:

(1) require the facility to comply with Subsection (a) as a condition of the funding, licensing, certification, or contracting; or

(2) if the agency or political subdivision places a person in a residential facility, provide the notice under Subsection (a) for that person.

(c) For purposes of enrollment in a school, a person who resides in a residential facility is considered a resident of the school district or geographical area served by the open-enrollment charter school in which the facility is located.

(d) The Texas Education Agency, the Texas Department of Mental Health and Mental Retardation, the Texas Department of Human Services, the Texas Department of Health, the Department of Protective and Regulatory Services, the Interagency Council on Early Childhood Intervention, the Texas Commission on Alcohol and Drug Abuse, and the Texas Juvenile Justice Department by a cooperative effort shall develop and by rule adopt a memorandum of understanding. The memorandum must:

(1) establish the respective responsibilities of school

districts and of residential facilities for the provision of a free, appropriate public education, as required by the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) and its subsequent amendments, including each requirement for children with disabilities who reside in those facilities;

(2) coordinate regulatory and planning functions of the parties to the memorandum;

(3) establish criteria for determining when a public school will provide educational services;

(4) provide for appropriate educational space when education services will be provided at the residential facility;

(5) establish measures designed to ensure the safety of students and teachers; and

(6) provide for binding arbitration consistent with Chapter 2009, Government Code, and Section 154.027, Civil Practice and Remedies Code.

(e) This section does not apply to a residential treatment facility for juveniles established under Section 221.056, Human Resources Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.13, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 767, Sec. 5, eff. June 13, 2001. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1187 (H.B. 3689), Sec. 4.002, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 85 (S.B. 653), Sec. 3.003, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 22, eff. September 1, 2015.

Sec. 29.013. NONEDUCATIONAL COMMUNITY-BASED SUPPORT SERVICES FOR CERTAIN STUDENTS WITH DISABILITIES. (a) The agency shall establish procedures and criteria for the allocation of funds appropriated under this section to school districts for the provision of noneducational community-based support services to certain students with disabilities and their families so that those students may receive an appropriate free public education in the least restrictive environment.

(b) The funds may be used only for eligible students with disabilities who would remain or would have to be placed in residential facilities primarily for educational reasons without the provision of noneducational community-based support services.

(c) The support services may include in-home family support, respite care, and case management for families with a student who otherwise would have been placed by a district in a private residential facility.

(d) The provision of services under this section does not supersede or limit the responsibility of other agencies to provide or pay for costs of noneducational community-based support services to enable any student with disabilities to receive a free appropriate public education in the least restrictive environment. Specifically, services provided under this section may not be used for a student with disabilities who is currently placed or who needs to be placed in a residential facility primarily for noneducational reasons.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.014. SCHOOL DISTRICTS THAT PROVIDE EDUCATION SOLELY TO STUDENTS CONFINED TO OR EDUCATED IN HOSPITALS. (a) This section applies only to a school district that provides education and related services only to students who are confined in or receive educational services in a hospital.

(b) A school district to which this section applies may operate an extended year program for a period not to exceed 45 days. The district's average daily attendance shall be computed for the regular school year plus the extended year.

(c) Notwithstanding any other provision of this code, a student whose appropriate education program is a regular education program may receive services and be counted for attendance purposes for the number of hours per week appropriate for the student's condition if the student:

(1) is temporarily classified as eligible for participation in a special education program because of the student's confinement in a hospital; and

(2) the student's education is provided by a district to which this section applies.

(d) The basic allotment for a student enrolled in a district to

which this section applies is adjusted by:

(1) the cost of education adjustment under Section 42.102 for the school district in which the district is geographically located; and

(2) the weight for a homebound student under Section 42.151(a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.015. FOSTER PARENTS. (a) The school district shall give preferential consideration to a foster parent of a child with a disability when assigning a surrogate parent for the child.

(b) A foster parent may act as a parent of a child with a disability, as authorized under 20 U.S.C. Section 1415(b) and its subsequent amendments, if:

(1) the Department of Protective and Regulatory Services is appointed as the temporary or permanent managing conservator of the child;

(2) the child has been placed with the foster parent for at least 60 days;

(3) the foster parent agrees to:

(A) participate in making educational decisions on the child's behalf; and

(B) complete a training program for surrogate parents that complies with minimum standards established by agency rule; and

(4) the foster parent has no interest that conflicts with the child's interests.

(c) A foster parent who is denied the right to act as a surrogate parent or a parent under this section by a school district may file a complaint with the agency in accordance with federal law and regulations.

Added by Acts 1999, 76th Leg., ch. 430, Sec. 2, eff. Sept. 1, 1999.

Sec. 29.016. EVALUATION CONDUCTED PURSUANT TO A SPECIAL EDUCATION DUE PROCESS HEARING. A special education hearing officer in an impartial due process hearing brought under 20 U.S.C. Section 1415 may issue an order or decision that authorizes one or more evaluations of a student who is eligible for, or who is suspected as

being eligible for, special education services. Such an order or decision authorizes the evaluation of the student without parental consent as if it were a court order for purposes of any state or federal law providing for consent by order of a court.

Added by Acts 2001, 77th Leg., ch. 767, Sec. 8, eff. June 13, 2001.

Sec. 29.0161. CONTRACT WITH STATE OFFICE OF ADMINISTRATIVE HEARINGS FOR SPECIAL EDUCATION DUE PROCESS HEARINGS. Not later than December 1, 2003, the agency and the State Office of Administrative Hearings shall jointly determine whether it would be cost-effective for the agency to enter an interagency contract with the office under which the office would conduct all or part of the agency's special education due process hearings under 20 U.S.C. Section 1415 and its subsequent amendments.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 18, eff. Sept. 1, 2003.

Sec. 29.0162. REPRESENTATION IN SPECIAL EDUCATION DUE PROCESS HEARING. (a) A person in an impartial due process hearing brought under 20 U.S.C. Section 1415 may be represented by:

(1) an attorney who is licensed in this state; or

(2) an individual who is not an attorney licensed in this state but who has special knowledge or training with respect to problems of children with disabilities and who satisfies qualifications under Subsection (b).

(b) The commissioner by rule shall adopt additional qualifications required of a representative for purposes of Subsection (a)(2). The rules must:

(1) prohibit an individual from being a representative under Subsection (a)(2) opposing a school district if:

(A) the individual has prior employment experience with the district; and

(B) the district raises an objection to the individual serving as a representative; and

(2) include requirements that the representative have knowledge of:

(A) special education due process rules, hearings, and procedure; and

(B) federal and state special education laws.

(c) A special education due process hearing officer shall determine whether an individual satisfies qualifications under Subsections (a)(2) and (b).

(d) The agency is not required to license or in any way other than as provided by Subsection (b) regulate representatives described by Subsection (a)(2) in a special education impartial due process hearing.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1333 (S.B. 709), Sec. 1, eff. June 14, 2013.

Sec. 29.017. TRANSFER OF PARENTAL RIGHTS AT AGE OF MAJORITY. (a) A student with a disability who is 18 years of age or older or whose disabilities of minority have been removed for general purposes under Chapter 31, Family Code, shall have the same right to make educational decisions as a student without a disability, except that the school district shall provide any notice required by this subchapter or 20 U.S.C. Section 1415 to both the student and the parents. All other rights accorded to parents under this subchapter or 20 U.S.C. Section 1415 transfer to the student.

(b) All rights accorded to parents under this subchapter or 20 U.S.C. Section 1415 transfer to students who are incarcerated in an adult or juvenile, state or local correctional institution.

(c) In accordance with 34 C.F.R. Section 300.517, the school district shall notify the student and the parents of the transfer of rights under this section.

(d) The commissioner shall adopt rules implementing the provisions of 34 C.F.R. Section 300.517(b).

Added by Acts 2001, 77th Leg., ch. 767, Sec. 8, eff. June 13, 2001.

Sec. 29.018. SPECIAL EDUCATION GRANT. (a) From funds appropriated for the purposes of this section, federal funds, or any other funds available, the commissioner shall make grants available to school districts to assist districts in covering the cost of educating students with disabilities.

(b) A school district is eligible to apply for a grant under this section if:

(1) the district does not receive sufficient funds, including state funds provided under Section 42.151 and federal funds, for a student with disabilities to pay for the special education services provided to the student; or

(2) the district does not receive sufficient funds, including state funds provided under Section 42.151 and federal funds, for all students with disabilities in the district to pay for the special education services provided to the students.

(c) A school district that applies for a grant under this section must provide the commissioner with a report comparing the state and federal funds received by the district for students with disabilities and the expenses incurred by the district in providing special education services to students with disabilities.

(d) Expenses that may be included by a school district in applying for a grant under this section include the cost of training personnel to provide special education services to a student with disabilities.

(e) A school district that receives a grant under this section must educate students with disabilities in the least restrictive environment that is appropriate to meet the student's educational needs.

(f) The commissioner shall adopt rules as necessary to administer this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 16, eff. September 1, 2009.

Sec. 29.019. INDIVIDUALIZED EDUCATION PROGRAM FACILITATION. (a) The agency shall provide information to parents regarding individualized education program facilitation as an alternative dispute resolution method that may be used to avoid a potential dispute between a school district and a parent of a student with a disability. A district that chooses to use individualized education program facilitation shall provide information to parents regarding individualized education program facilitation. The information:

(1) must be included with other information provided to the parent of a student with a disability, although it may be provided as a separate document; and

(2) may be provided in a written or electronic format.

(b) Information provided by the agency under this section must indicate that individualized education program facilitation is an alternative dispute resolution method that some districts may choose to provide.

(c) If a school district chooses to offer individualized education program facilitation as an alternative dispute resolution method:

(1) the district may determine whether to use independent contractors, district employees, or other qualified individuals as facilitators;

(2) the information provided by the district under this section must include a description of any applicable procedures for requesting the facilitation; and

(3) the facilitation must be provided at no cost to a parent.

(d) The use of any alternative dispute resolution method, including individualized education program facilitation, must be voluntary on the part of the participants, and the use or availability of any such method may not in any manner be used to deny or delay the right to pursue a special education complaint, mediation, or due process hearing in accordance with federal law.

(e) Nothing in this section prohibits a school district from using individualized education program facilitation as the district's preferred method of conducting initial and annual admission, review, and dismissal committee meetings.

(f) The commissioner shall adopt rules necessary to implement this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 539 (S.B. 542), Sec. 1, eff. June 14, 2013.

Sec. 29.020. INDIVIDUALIZED EDUCATION PROGRAM FACILITATION PROJECT. (a) The agency shall develop rules in accordance with this section applicable to the administration of a state individualized education program facilitation project. The program shall include the provision of an independent individualized education program facilitator to facilitate an admission, review, and dismissal committee meeting with parties who are in a dispute about decisions relating to the provision of a free appropriate public education to a

student with a disability. Facilitation implemented under the project must comply with rules developed under this subsection.

(b) The rules must include:

(1) a definition of independent individualized education program facilitation;

(2) forms and procedures for requesting, conducting, and evaluating independent individualized education program facilitation;

(3) training, knowledge, experience, and performance requirements for independent facilitators; and

(4) conditions required to be met in order for the agency to provide individualized education program facilitation at no cost to the parties.

(c) If the commissioner determines that adequate funding is available, the commissioner may authorize the use of federal funds to implement the individualized education program facilitation project in accordance with this section.

(d) The commissioner shall adopt rules necessary to implement this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 539 (S.B. 542), Sec. 1, eff. June 14, 2013.

Sec. 29.022. VIDEO SURVEILLANCE OF SPECIAL EDUCATION SETTINGS. (a) In order to promote student safety on request by a parent, trustee, or staff member, a school district or open-enrollment charter school shall provide equipment, including a video camera, to each school in the district or each charter school campus in which a student who receives special education services in a self-contained classroom or other special education setting is enrolled. Each school or campus that receives equipment shall place, operate, and maintain one or more video cameras in each self-contained classroom or other special education setting in which a majority of the students in regular attendance are:

(1) provided special education and related services; and

(2) assigned to a self-contained classroom or other special education setting for at least 50 percent of the instructional day.

(b) A school or campus that places a video camera in a classroom or other special education setting in accordance with Subsection (a) shall operate and maintain the camera in the classroom

or setting as long as the classroom or setting continues to satisfy the requirements under Subsection (a).

(c) Video cameras placed under this section must be capable of:

(1) covering all areas of the classroom or other special education setting, except that the inside of a bathroom or any area in the classroom or setting in which a student's clothes are changed may not be visually monitored; and

(2) recording audio from all areas of the classroom or other special education setting.

(d) Before a school or campus places a video camera in a classroom or other special education setting under this section, the school or campus shall provide written notice of the placement to all school or campus staff and to the parents of a student receiving special education services in the classroom or setting.

(e) A school district or open-enrollment charter school shall retain video recorded from a camera placed under this section for at least six months after the date the video was recorded.

(f) A school district or open-enrollment charter school may solicit and accept gifts, grants, and donations from any person for use in placing video cameras in classrooms or other special education settings under this section.

(g) This section does not:

(1) waive any immunity from liability of a school district or open-enrollment charter school, or of district or school officers or employees; or

(2) create any liability for a cause of action against a school district or open-enrollment charter school or against district or school officers or employees.

(h) A school district or open-enrollment charter school may not:

(1) allow regular or continual monitoring of video recorded under this section; or

(2) use video recorded under this section for teacher evaluation or for any other purpose other than the promotion of safety of students receiving special education services in a self-contained classroom or other special education setting.

(i) A video recording of a student made according to this section is confidential and may not be released or viewed except as provided by this subsection or Subsection (j). A school district or open-enrollment charter school shall release a recording for viewing

by:

(1) a school district employee or a parent or guardian of a student who is involved in an incident documented by the recording for which a complaint has been reported to the district, on request of the employee, parent, or guardian, respectively;

(2) appropriate Department of Family and Protective Services personnel as part of an investigation under Section 261.406, Family Code;

(3) a peace officer, a school nurse, a district administrator trained in de-escalation and restraint techniques as provided by commissioner rule, or a human resources staff member designated by the board of trustees of the school district or the governing body of the open-enrollment charter school in response to a complaint or an investigation of district or school personnel or a complaint of abuse committed by a student; or

(4) appropriate agency or State Board for Educator Certification personnel or agents as part of an investigation.

(j) If a person described by Subsection (i)(3) or (4) who views the video recording believes that the recording documents a possible violation under Subchapter E, Chapter 261, Family Code, the person shall notify the Department of Family and Protective Services for investigation in accordance with Section 261.406, Family Code. If any person described by Subsection (i)(2), (3), or (4) who views the recording believes that the recording documents a possible violation of district or school policy, the person may allow access to the recording to appropriate legal and human resources personnel. A recording believed to document a possible violation of district or school policy may be used as part of a disciplinary action against district or school personnel and shall be released at the request of the student's parent or guardian in a legal proceeding. This subsection does not limit the access of a student's parent to a record regarding the student under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or other law.

(k) The commissioner may adopt rules to implement and administer this section, including rules regarding the special education settings to which this section applies.

Added by Acts 2015, 84th Leg., R.S., Ch. 1147 (S.B. 507), Sec. 2, eff. June 19, 2015.

SUBCHAPTER B. BILINGUAL EDUCATION AND SPECIAL LANGUAGE PROGRAMS

Sec. 29.051. STATE POLICY. English is the basic language of this state. Public schools are responsible for providing a full opportunity for all students to become competent in speaking, reading, writing, and comprehending the English language. Large numbers of students in the state come from environments in which the primary language is other than English. Experience has shown that public school classes in which instruction is given only in English are often inadequate for the education of those students. The mastery of basic English language skills is a prerequisite for effective participation in the state's educational program. Bilingual education and special language programs can meet the needs of those students and facilitate their integration into the regular school curriculum. Therefore, in accordance with the policy of the state to ensure equal educational opportunity to every student, and in recognition of the educational needs of students of limited English proficiency, this subchapter provides for the establishment of bilingual education and special language programs in the public schools and provides supplemental financial assistance to help school districts meet the extra costs of the programs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.052. DEFINITIONS. In this subchapter:

(1) "Student of limited English proficiency" means a student whose primary language is other than English and whose English language skills are such that the student has difficulty performing ordinary classwork in English.

(2) "Parent" includes a legal guardian of a student.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.053. ESTABLISHMENT OF BILINGUAL EDUCATION AND SPECIAL LANGUAGE PROGRAMS. (a) The agency shall establish a procedure for identifying school districts that are required to offer bilingual education and special language programs in accordance with this subchapter.

(b) Within the first four weeks following the first day of school, the language proficiency assessment committee established

under Section 29.063 shall determine and report to the board of trustees of the district the number of students of limited English proficiency on each campus and shall classify each student according to the language in which the student possesses primary proficiency. The board shall report that information to the agency before November 1 each year.

(c) Each district with an enrollment of 20 or more students of limited English proficiency in any language classification in the same grade level shall offer a bilingual education or special language program.

(d) Each district that is required to offer bilingual education and special language programs under this section shall offer the following for students of limited English proficiency:

(1) bilingual education in kindergarten through the elementary grades;

(2) bilingual education, instruction in English as a second language, or other transitional language instruction approved by the agency in post-elementary grades through grade 8; and

(3) instruction in English as a second language in grades 9 through 12.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.054. EXCEPTION. (a) If a program other than bilingual education must be used in kindergarten through the elementary grades, documentation for the exception must be filed with and approved by the agency.

(b) An application for an exception may be filed with the agency when a district is unable to hire a sufficient number of teachers with teaching certificates appropriate for bilingual education instruction to staff the required program. The application must be accompanied by:

(1) documentation showing that the district has taken all reasonable affirmative steps to secure teachers with teaching certificates appropriate for bilingual education instruction and has failed;

(2) documentation showing that the district has affirmative hiring policies and procedures consistent with the need to serve limited English proficiency students;

(3) documentation showing that, on the basis of district records, no teacher having a teaching certificate appropriate for bilingual instruction or emergency credentials has been unjustifiably denied employment by the district within the past 12 months; and

(4) a plan detailing specific measures to be used by the district to eliminate the conditions that created the need for an exception.

(c) An exception shall be granted under this section on an individual district basis and is valid for only one year. Application for an exception for a second or succeeding year must be accompanied by the documentation prescribed by Subsection (b).

(d) During the period for which a district is granted an exception under this section, the district must use alternative methods approved by the agency to meet the needs of its students of limited English proficiency, including hiring teaching personnel under a bilingual emergency permit.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.055. PROGRAM CONTENT; METHOD OF INSTRUCTION. (a) A bilingual education program established by a school district shall be a full-time program of dual-language instruction that provides for learning basic skills in the primary language of the students enrolled in the program and for carefully structured and sequenced mastery of English language skills. A program of instruction in English as a second language established by a school district shall be a program of intensive instruction in English from teachers trained in recognizing and dealing with language differences.

(b) A program of bilingual education or of instruction in English as a second language shall be designed to consider the students' learning experiences and shall incorporate the cultural aspects of the students' backgrounds.

(c) In subjects such as art, music, and physical education, students of limited English proficiency shall participate fully with English-speaking students in regular classes provided in the subjects.

(d) Elective courses included in the curriculum may be taught in a language other than English.

(e) Each school district shall provide students enrolled in the

program a meaningful opportunity to participate fully with other students in all extracurricular activities.

(f) If money is appropriated for the purpose, the agency shall establish a limited number of pilot programs for the purpose of examining alternative methods of instruction in bilingual education and special language programs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.056. ENROLLMENT OF STUDENTS IN PROGRAM. (a) The agency shall establish standardized criteria for the identification, assessment, and classification of students of limited English proficiency eligible for entry into the program or exit from the program. The student's parent must approve a student's entry into the program, exit from the program, or placement in the program. The school district or parent may appeal the decision under Section 29.064. The criteria for identification, assessment, and classification may include:

(1) results of a home language survey conducted within four weeks of each student's enrollment to determine the language normally used in the home and the language normally used by the student, conducted in English and the home language, signed by the student's parents if the student is in kindergarten through grade 8 or by the student if the student is in grades 9 through 12, and kept in the student's permanent folder by the language proficiency assessment committee;

(2) the results of an agency-approved English language proficiency test administered to all students identified through the home survey as normally speaking a language other than English to determine the level of English language proficiency, with students in kindergarten or grade 1 being administered an oral English proficiency test and students in grades 2 through 12 being administered an oral and written English proficiency test; and

(3) the results of an agency-approved proficiency test in the primary language administered to all students identified under Subdivision (2) as being of limited English proficiency to determine the level of primary language proficiency, with students in kindergarten or grade 1 being administered an oral primary language proficiency test and students in grades 2 through 12 being

administered an oral and written primary language proficiency test.

(b) Tests under Subsection (a) shall be administered by professionals or paraprofessionals with the appropriate English and primary language skills and the training required by the test publisher.

(c) The language proficiency assessment committee may classify a student as limited English proficiency if:

(1) the student's ability in English is so limited or the student's disabilities are so severe that assessment procedures cannot be administered;

(2) the student's score or relative degree of achievement on the agency-approved English proficiency test is below the levels established by the agency as indicative of reasonable proficiency;

(3) the student's primary language proficiency score as measured by an agency-approved test is greater than the student's proficiency in English; or

(4) the language proficiency assessment committee determines, based on other information, including a teacher evaluation, parental viewpoint, or student interview, that the student's primary language proficiency is greater than the student's proficiency in English or that the student is not reasonably proficient in English.

(d) Not later than the 10th day after the date of the student's classification as a student of limited English proficiency, the language proficiency assessment committee shall give written notice of the classification to the student's parent. The notice must be in English and the parent's primary language. The parents of students eligible to participate in the required bilingual education program shall be informed of the benefits of the bilingual education or special language program and that it is an integral part of the school program.

(e) The language proficiency assessment committee may retain, for documentation purposes, all records obtained under this section.

(f) The district may not refuse to provide instruction in a language other than English to a student solely because the student has a disability.

(g) A district may transfer a student of limited English proficiency out of a bilingual education or special language program for the first time or a subsequent time if the student is able to participate equally in a regular all-English instructional program as

determined by:

(1) agency-approved tests administered at the end of each school year to determine the extent to which the student has developed oral and written language proficiency and specific language skills in English;

(2) satisfactory performance on the reading assessment instrument under Section 39.023(a) or an English language arts assessment instrument under Section 39.023(c), as applicable, with the assessment instrument administered in English, or, if the student is enrolled in the first or second grade, an achievement score at or above the 40th percentile in the reading and language arts sections of an English standardized test approved by the agency; and

(3) agency-approved criterion-referenced tests and the results of a subjective teacher evaluation.

(h) If later evidence suggests that a student who has been transferred out of a bilingual education or special language program has inadequate English proficiency and achievement, the language proficiency assessment committee may reenroll the student in the program. Classification of students for reenrollment must be based on the criteria required by this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.06, eff. May 31, 2006.

Sec. 29.0561. EVALUATION OF TRANSFERRED STUDENTS; REENROLLMENT. (a) The language proficiency assessment committee shall reevaluate a student who is transferred out of a bilingual education or special language program under Section 29.056(g) if the student earns a failing grade in a subject in the foundation curriculum under Section 28.002(a)(1) during any grading period in the first two school years after the student is transferred to determine whether the student should be reenrolled in a bilingual education or special language program.

(b) During the first two school years after a student is transferred out of a bilingual education or special language program under Section 29.056(g), the language proficiency assessment committee shall review the student's performance and consider:

(1) the total amount of time the student was enrolled in a bilingual education or special language program;

(2) the student's grades each grading period in each subject in the foundation curriculum under Section 28.002(a)(1);

(3) the student's performance on each assessment instrument administered under Section 39.023(a) or (c);

(4) the number of credits the student has earned toward high school graduation, if applicable; and

(5) any disciplinary actions taken against the student under Subchapter A, Chapter 37.

(c) After an evaluation under this section, the language proficiency assessment committee may require intensive instruction for the student or reenroll the student in a bilingual education or special language program.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.07, eff. May 31, 2006.

Sec. 29.057. FACILITIES; CLASSES. (a) Bilingual education and special language programs must be located in the regular public schools of the district rather than in separate facilities.

(b) Students enrolled in bilingual education or a special language program shall be placed in classes with other students of approximately the same age and level of educational attainment. The school district shall ensure that the instruction given each student is appropriate to the student's level of educational attainment, and the district shall keep adequate records of the educational level and progress of each student enrolled in the program.

(c) The maximum student-teacher ratio shall be set by the agency and shall reflect the special educational needs of students enrolled in the programs.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.058. ENROLLMENT OF STUDENTS WHO DO NOT HAVE LIMITED ENGLISH PROFICIENCY. With the approval of the school district and a student's parents, a student who does not have limited English proficiency may also participate in a bilingual education program. The number of participating students who do not have limited English

proficiency may not exceed 40 percent of the number of students enrolled in the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.059. COOPERATION AMONG DISTRICTS. (a) A school district may join with one or more other districts to provide the bilingual education and special language programs required by this subchapter. The availability of the programs shall be publicized throughout the districts involved.

(b) A school district may allow a nonresident student of limited English proficiency to enroll in or attend its bilingual education or special language programs if the student's district of residence does not provide an appropriate program. The tuition for the student shall be paid by the district in which the student resides.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.060. PRESCHOOL, SUMMER SCHOOL, AND EXTENDED TIME PROGRAMS. (a) Each school district that is required to offer a bilingual education or special language program shall offer a voluntary program for children of limited English proficiency who will be eligible for admission to kindergarten or the first grade at the beginning of the next school year. A school that operates on a system permitted by this code other than a semester system shall offer 120 hours of instruction on a schedule the board of trustees of the district establishes. A school that operates on a semester system shall offer the program:

(1) during the period school is recessed for the summer; and

(2) for one-half day for eight weeks or on a similar schedule approved by the board of trustees.

(b) Enrollment of a child in the program is optional with the parent of the child.

(c) The program must be an intensive bilingual education or special language program that meets standards established by the agency. The student/teacher ratio for the program may not exceed 18/1.

(d) A school district may establish on a full- or part-time basis other summer school, extended day, or extended week bilingual education or special language programs for students of limited English proficiency and may join with other districts in establishing the programs.

(e) The programs required or authorized by this section may not be a substitute for programs required to be provided during the regular school year.

(f) The legislature may appropriate money from the foundation school fund for support of a program under Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.061. BILINGUAL EDUCATION AND SPECIAL LANGUAGE PROGRAM TEACHERS. (a) The State Board for Educator Certification shall provide for the issuance of teaching certificates appropriate for bilingual education instruction to teachers who possess a speaking, reading, and writing ability in a language other than English in which bilingual education programs are offered and who meet the general requirements of Chapter 21. The board shall also provide for the issuance of teaching certificates appropriate for teaching English as a second language. The board may issue emergency endorsements in bilingual education and in teaching English as a second language.

(b) A teacher assigned to a bilingual education program using one of the following program models must be appropriately certified for bilingual education by the board:

(1) transitional bilingual/early exit program model; or

(2) transitional bilingual/late exit program model.

(b-1) A teacher assigned to a bilingual education program using a dual language immersion/one-way or two-way program model must be appropriately certified by the board for:

(1) bilingual education for the component of the program provided in a language other than English; and

(2) bilingual education or English as a second language for the component of the program provided in English.

(b-2) A school district that provides a bilingual education program using a dual language immersion/one-way or two-way program model may assign a teacher certified under Subsection (b-1)(1) for

the language other than English component of the program and a different teacher certified under Subsection (b-1)(2) for the English language component.

(c) A teacher assigned to an English as a second language program must be appropriately certified for English as a second language by the board.

(d) A school district may compensate a bilingual education or special language teacher for participating in a continuing education program that is in addition to the teacher's regular contract. The continuing education program must be designed to provide advanced bilingual education or special language program endorsement or skills.

(e) The State Board for Educator Certification and the Texas Higher Education Coordinating Board shall develop a comprehensive plan for meeting the teacher supply needs created by the programs outlined in this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 453 (H.B. 218), Sec. 1, eff. June 15, 2015.

Sec. 29.062. COMPLIANCE. (a) The legislature recognizes that compliance with this subchapter is an imperative public necessity. Therefore, in accordance with the policy of the state, the agency shall evaluate the effectiveness of programs under this subchapter based on the achievement indicators adopted under Sections 39.053(c)(1)-(4), including the results of assessment instruments. The agency may combine evaluations under this section with federal accountability measures concerning students of limited English proficiency.

(b) The areas to be monitored shall include:

(1) program content and design;

(2) program coverage;

(3) identification procedures;

(4) classification procedures;

(5) staffing;

(6) learning materials;

(7) testing materials;

(8) reclassification of students for either entry into regular classes conducted exclusively in English or reentry into a bilingual education or special education program; and

(9) activities of the language proficiency assessment committees.

(c) Not later than the 30th day after the date of an on-site monitoring inspection, the agency shall report its findings to the school district or open-enrollment charter school and to the division of accreditation.

(d) The agency shall notify a school district or open-enrollment charter school found in noncompliance in writing, not later than the 30th day after the date of the on-site monitoring. The district or open-enrollment charter school shall take immediate corrective action.

(e) If a school district or open-enrollment charter school fails to satisfy appropriate standards adopted by the commissioner for purposes of Subsection (a), the agency shall apply sanctions, which may include the removal of accreditation, loss of foundation school funds, or both.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 19, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 33, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 12, eff. June 19, 2015.

Sec. 29.063. LANGUAGE PROFICIENCY ASSESSMENT COMMITTEES. (a) Each school district that is required to offer bilingual education and special language programs shall establish a language proficiency assessment committee.

(b) Each committee shall include a professional bilingual educator, a professional transitional language educator, a parent of a limited English proficiency student, and a campus administrator.

(c) The language proficiency assessment committee shall:

(1) review all pertinent information on limited English proficiency students, including the home language survey, the

language proficiency tests in English and the primary language, each student's achievement in content areas, and each student's emotional and social attainment;

(2) make recommendations concerning the most appropriate placement for the educational advancement of the limited English proficiency student after the elementary grades;

(3) review each limited English proficiency student's progress at the end of the school year in order to determine future appropriate placement;

(4) monitor the progress of students formerly classified as limited English proficiency who have transferred out of the bilingual education or special language program and, based on the information, designate the most appropriate placement for such students; and

(5) determine the appropriateness of a program that extends beyond the regular school year based on the needs of each limited English proficiency student.

(d) The agency may prescribe additional duties for language proficiency assessment committees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.064. APPEALS. A parent of a student enrolled in a school district offering bilingual education or special language programs may appeal to the commissioner if the district fails to comply with the requirements established by law or by the agency as authorized by this subchapter. If the parent disagrees with the placement of the student in the program, the parent may appeal that decision to the board of trustees. Appeals shall be conducted in accordance with procedures adopted by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.066. PEIMS REPORTING REQUIREMENTS. (a) A school district that is required to offer bilingual education or special language programs shall include the following information in the district's Public Education Information Management System (PEIMS) report:

(1) demographic information, as determined by the commissioner, on students enrolled in district bilingual education or

special language programs;

(2) the number and percentage of students enrolled in each instructional model of a bilingual education or special language program offered by the district; and

(3) the number and percentage of students identified as students of limited English proficiency who do not receive specialized instruction.

(b) For purposes of this section, the commissioner shall adopt rules to classify programs under this section as follows:

(1) if the program is a bilingual education program, the program must be classified under the Public Education Information Management System (PEIMS) report as:

(A) transitional bilingual/early exit: a bilingual program that serves students identified as students of limited English proficiency in both English and Spanish and transfers a student to English-only instruction not earlier than two or later than five years after the student enrolls in school;

(B) transitional bilingual/late exit: a bilingual program that serves students identified as students of limited English proficiency in both English and Spanish and transfers a student to English-only instruction not earlier than six or later than seven years after the student enrolls in school;

(C) dual language immersion/two-way: a biliteracy program that integrates students proficient in English and students identified as students of limited English proficiency in both English and Spanish and transfers a student identified as a student of limited English proficiency to English-only instruction not earlier than six or later than seven years after the student enrolls in school; or

(D) dual language immersion/one-way: a biliteracy program that serves only students identified as students of limited English proficiency in both English and Spanish and transfers a student to English-only instruction not earlier than six or later than seven years after the student enrolls in school; and

(2) if the program is a special language program, the program must be classified under the Public Education Information Management System (PEIMS) report as:

(A) English as a second language/content-based: an English program that serves students identified as students of limited English proficiency in English only by providing a full-time

teacher certified under Section 29.061(c) to provide supplementary instruction for all content area instruction; or

(B) English as a second language/pull-out: an English program that serves students identified as students of limited English proficiency in English only by providing a part-time teacher certified under Section 29.061(c) to provide English language arts instruction exclusively, while the student remains in a mainstream instructional arrangement in the remaining content areas.

(c) If the school district has received a waiver and is not required to offer a bilingual education or special language program in a student's native language or if the student's parents have refused to approve the student's entry into a program as provided by Section 29.056, the program must be classified under the Public Education Information Management System (PEIMS) report as: no bilingual education or special language services provided.

Added by Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 2, eff. June 15, 2007.

SUBCHAPTER C. COMPENSATORY EDUCATION PROGRAMS

Sec. 29.081. COMPENSATORY, INTENSIVE, AND ACCELERATED INSTRUCTION. (a) Each school district shall use the student performance data resulting from the basic skills assessment instruments and achievement tests administered under Subchapter B, Chapter 39, to design and implement appropriate compensatory, intensive, or accelerated instructional services for students in the district's schools that enable the students to be performing at grade level at the conclusion of the next regular school term.

(b) Each district shall provide accelerated instruction to a student enrolled in the district who has taken an end-of-course assessment instrument administered under Section 39.023(c) and has not performed satisfactorily on the assessment instrument or who is at risk of dropping out of school.

(b-1) Each school district shall offer before the next scheduled administration of the assessment instrument, without cost to the student, additional accelerated instruction to each student in any subject in which the student failed to perform satisfactorily on an end-of-course assessment instrument required for graduation.

(b-2) A district that is required to provide accelerated

instruction under Subsection (b-1) shall separately budget sufficient funds, including funds under Section 42.152, for that purpose. A district may not budget funds received under Section 42.152 for any other purpose until the district adopts a budget to support additional accelerated instruction under Subsection (b-1).

(b-3) A district shall evaluate the effectiveness of accelerated instruction programs under Subsection (b-1) and annually hold a public hearing to consider the results.

(c) Each school district shall evaluate and document the effectiveness of the accelerated instruction in reducing any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the rates of high school completion between students at risk of dropping out of school and all other district students.

(d) For purposes of this section, "student at risk of dropping out of school" includes each student who is under 26 years of age and who:

(1) was not advanced from one grade level to the next for one or more school years;

(2) if the student is in grade 7, 8, 9, 10, 11, or 12, did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;

(3) did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, and who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 110 percent of the level of satisfactory performance on that instrument;

(4) if the student is in prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;

(5) is pregnant or is a parent;

(6) has been placed in an alternative education program in accordance with Section 37.006 during the preceding or current school year;

(7) has been expelled in accordance with Section 37.007 during the preceding or current school year;

(8) is currently on parole, probation, deferred prosecution, or other conditional release;

(9) was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;

(10) is a student of limited English proficiency, as defined by Section 29.052;

(11) is in the custody or care of the Department of Protective and Regulatory Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official;

(12) is homeless, as defined by 42 U.S.C. Section 11302, and its subsequent amendments; or

(13) resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including a detention facility, substance abuse treatment facility, emergency shelter, psychiatric hospital, halfway house, or foster group home.

(d-1) Notwithstanding Subsection (d)(1), a student is not considered a student at risk of dropping out of school if the student did not advance from prekindergarten or kindergarten to the next grade level only as the result of the request of the student's parent.

(e) A school district may use a private or public community-based dropout recovery education program to provide alternative education programs for students at risk of dropping out of school. The programs must:

(1) provide not less than four hours of instructional time per day;

(2) employ as faculty and administrators persons with baccalaureate or advanced degrees;

(3) provide at least one instructor for each 28 students;

(4) perform satisfactorily according to performance indicators and accountability standards adopted for alternative education programs by the commissioner; and

(5) comply with this title and rules adopted under this title except as otherwise provided by this subsection.

(f) The commissioner shall include students in attendance in a program under Subsection (e) in the computation of the district's average daily attendance for funding purposes.

(g) In addition to students described by Subsection (d), a

student who satisfies local eligibility criteria adopted by the board of trustees of a school district may receive instructional services under this section. The number of students receiving services under this subsection during a school year may not exceed 10 percent of the number of students described by Subsection (d) who received services from the district during the preceding school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1588, Sec. 1, eff. Aug. 30, 1999; Acts 2001, 77th Leg., ch. 725, Sec. 1, 2, eff. June 13, 2001. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 4, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 690 (H.B. 2703), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 20, eff. June 10, 2013.

Sec. 29.082. OPTIONAL EXTENDED YEAR PROGRAM. (a) A school district may set aside an amount from the district's allotment under Section 42.152 or may apply to the agency for funding of an extended year program for a period not to exceed 30 instructional days for students in:

(1) kindergarten through grade 11 who are identified as likely not to be promoted to the next grade level for the succeeding school year; or

(2) grade 12 who are identified as likely not to graduate from high school before the beginning of the succeeding school year.

(b) The commissioner may adopt rules for the administration of programs provided under this section.

(c) A school district may not enroll more than 16 students in a class provided under this section.

(d) Each class provided under this section shall be taught by a teacher who has completed successfully a program that provides training to teach a class under this section and that satisfies standards the commissioner establishes.

(e) A student who attends at least 90 percent of the program days of a program under this section and who satisfies the requirements for promotion prescribed by Section 28.021 shall be

promoted to the next grade level at the beginning of the next school year unless a parent of the student presents a written request to the school principal that the student not be promoted to the next grade level. As soon as practicable after receiving the request from a parent, the principal shall hold a formal meeting with the student's parent, extended year program teacher, and school counselor. During the meeting, the principal, teacher, or school counselor shall explain the longitudinal statistics on the academic performance of students who are not promoted to the next grade level and provide information on the effect of retention on a student's self-esteem and on the likelihood of a student dropping out of school. After the meeting, the parent may withdraw the request that the student not be promoted to the next grade level. If the parent of a student eligible for promotion under this subsection withdraws the request, the student shall be promoted. If a student is promoted under this subsection, the school district shall continue to use innovative practices to ensure that the student is successful in school in succeeding years.

(f) A school district that provides a program under this section shall adopt a policy designed to lead to immediate reduction and ultimate elimination of student retention.

(g) A school district shall provide transportation to each student who is required to attend a program under this section and who is eligible for regular transportation services.

(h) The commissioner shall give priority to applications for extended year programs to districts with high concentrations of educationally disadvantaged students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 738, Sec. 1, eff. June 17, 1997; Acts 2003, 78th Leg., ch. 1212, Sec. 8, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 17, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 22, eff. June 14, 2013.

Sec. 29.0821. OPTIONAL FLEXIBLE YEAR PROGRAM. (a) A school district may provide a flexible year program for students who did not

or are likely not to perform successfully on an assessment instrument administered under Section 39.023 or who would not otherwise be promoted to the next grade level.

(b) To enable a school district to provide additional instructional days for a program under this section, with the approval of the commissioner, a school district may:

(1) provide a number of days of instruction during the regular school year that is not more than 10 days fewer than the number required under Section 25.081(a); and

(2) use for instructional purposes not more than five days that would otherwise be used for staff development or teacher preparation.

(c) Notwithstanding any reduction in the number of instructional days in the regular school year or in the number of staff development days, each educator employed under a 10-month contract must provide the minimum days of service required under Section 21.401.

(d) A school district may require educational support personnel to provide service as necessary for an optional flexible year program.

(e) The commissioner may adopt rules for the administration of programs provided under this section.

Added by Acts 2003, 78th Leg., ch. 824, Sec. 1, eff. June 20, 2003.

Sec. 29.0822. OPTIONAL FLEXIBLE SCHOOL DAY PROGRAM. (a) Notwithstanding Section 25.081 or 25.082, a school district may apply to the commissioner to provide a flexible school day program for students who:

(1) have dropped out of school or are at risk of dropping out of school as defined by Section 29.081;

(2) attend a campus that is implementing an innovative redesign of the campus or an early college high school under a plan approved by the commissioner; or

(3) as a result of attendance requirements under Section 25.092, will be denied credit for one or more classes in which the students have been enrolled.

(b) To enable a school district to provide a program under this section that meets the needs of students described by Subsection (a),

a school district that meets application requirements may:

(1) provide flexibility in the number of hours each day a student attends;

(2) provide flexibility in the number of days each week a student attends; or

(3) allow a student to enroll in less than or more than a full course load.

(c) Except in the case of a course designed for a student described by Subsection (a)(3), a course offered in a program under this section must provide for at least the same number of instructional hours as required for a course offered in a program that meets the required minimum number of instructional days under Section 25.081 and the required length of school day under Section 25.082.

(d) The commissioner may adopt rules for the administration of this section, including rules establishing application requirements. Subject to Subsection (d-1), the commissioner shall calculate average daily attendance for students served under this section. The commissioner shall allow accumulations of hours of instruction for students whose schedule would not otherwise allow full state funding. Funding under this subsection shall be determined based on the number of instructional days in the school district calendar and a seven-hour school day, but attendance may be cumulated over a school year, including any summer or vacation session. The attendance of students who accumulate less than the number of attendance hours required under this subsection shall be proportionately reduced for funding purposes. The commissioner may:

(1) set maximum funding amounts for an individual course under this section; and

(2) limit funding for the attendance of a student described by Subsection (a)(3) in a course under this section to funding only for the attendance necessary for the student to earn class credit that, as a result of attendance requirements under Section 25.092, the student would not otherwise be able to receive without retaking the class.

(d-1) In calculating average daily attendance for students served under this section, the commissioner shall ensure that funding for attendance in a course in a program under this section is based on the same instructional hour requirements of the regular program rather than a full-time equivalent student basis that requires six

hours of student contact time to qualify for a full day of attendance.

(e) A student described by Subsection (a)(3) may enroll in a course in a program under this section offered during the school year or during the period in which school is recessed for the summer to enable the student to earn class credit that, as a result of attendance requirements under Section 25.092, the student would not otherwise be able to receive without retaking the class.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.03, eff. May 31, 2006.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 364 (H.B. 1297), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 18, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 791 (H.B. 2660), Sec. 1, eff. June 17, 2015.

Sec. 29.083. STUDENT RETENTION INFORMATION. The agency shall collect data from school districts through the Public Education Information Management System (PEIMS) relating to grade level retention of students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.084. TUTORIAL SERVICES. (a) Each school district may provide tutorial services at the district's schools.

(b) A district that provides tutorial services shall require a student whose grade in a subject for a grade reporting period is lower than the equivalent of 70 on a scale of 100 to attend tutorials.

(c) A district may provide transportation for a student who is required to attend tutorial services and who is eligible for regular transportation services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.085. LIFE SKILLS PROGRAM FOR STUDENT PARENTS. (a) A school district may provide an integrated program of educational and support services for students who are pregnant or who are parents.

(b) The program shall include:

(1) individual counseling, peer counseling, and self-help programs;

(2) career counseling and job readiness training;

(3) day care for the students' children on the campus or at a day-care facility in close proximity to the campus;

(4) transportation for children of students to and from the campus or day-care facility;

(5) transportation for students, as appropriate, to and from the campus or day-care facility;

(6) instruction related to knowledge and skills in child development, parenting, and home and family living; and

(7) assistance to students in the program in obtaining available services from government agencies or community service organizations, including prenatal and postnatal health and nutrition programs.

(c) The district shall solicit recommendations for obtaining community support for the students and their children from organizations for parents of students in the district and from other community organizations.

(d) School districts may operate shared services arrangement programs under this section.

(e) From funds appropriated for the purpose, the commissioner shall distribute funds for programs under this section. In distributing those funds, the commissioner shall give preference to school districts that received funds for a program under this section for the preceding school year and then to the districts that have the highest concentration of students who are pregnant or who are parents. To receive funds for a program under this section, a school district must apply to the commissioner. A program established under this section is required only in school districts in which the program is financed by funds distributed under this subsection and any other funds available for the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 19, eff.

September 1, 2009.

Sec. 29.086. BASIC SKILLS PROGRAMS FOR HIGH SCHOOL STUDENTS. (a) A school district may apply to the commissioner for funding of special programs for students in grade nine who are at risk of not earning sufficient credit or who have not earned sufficient credit to advance to grade 10 and who fail to meet minimum skills levels established by the commissioner. A school district may, with the consent of a student's parent or guardian, assign a student to a program under this section. A program under this section may not exceed 210 instructional days.

(b) A program under this section must emphasize basic skills in areas of the required curriculum under Section 28.002 and must offer students the opportunity to increase credits required for high school graduation under state or school district policy. A program under this section may be provided by a school district or an entity contracting with a school district to provide the program.

(c) The commissioner shall award funds to districts in accordance with a competitive grant process developed by the commissioner. A grant may be made to a consortium of school districts. The criteria by which the commissioner awards a grant must include the quality of the proposed program and the school district's demonstrated need for the program. An approved program must include criteria that permit measurement of student progress, and the district shall:

(1) annually evaluate the progress of students in the program; and

(2) submit the results of the evaluation to the commissioner at the end of the school year.

(d) The commissioner shall establish minimum levels of student enrollment and standards of student progress required for continued funding of a program under this section. The commissioner may eliminate funding for a program in a subsequent school year if the program fails to achieve sufficient levels of student progress.

(e) The amount of a grant under this section must take into account funds distributed to the school district under Chapter 42.

(f) The commissioner may adopt rules for the administration of programs under this section.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.02, eff. Sept. 1, 1999.

Sec. 29.087. HIGH SCHOOL EQUIVALENCY PROGRAMS. (a) The agency shall develop a process by which a school district or open-enrollment charter school may apply to the commissioner for authority to operate a program to prepare eligible students to take a high school equivalency examination.

(b) Any school district or open-enrollment charter school may apply for authorization to operate a program under this section. As part of the application process, the commissioner shall require a district or school to provide information regarding the operation of any similar program during the preceding five years.

(b-1) A school district or open-enrollment charter school authorized by the commissioner on or before August 31, 2003, to operate a program under this section may continue to operate that program in accordance with this section.

(c) A school district or open-enrollment charter school may not increase enrollment of students in a program authorized by this section by more than five percent of the number of students enrolled in the similar program operated by the district or school during the 2000-2001 school year.

(d) A student is eligible to participate in a program authorized by this section if:

(1) the student has been ordered by a court under Section 65.103, Family Code, or by the Texas Juvenile Justice Department to:

(A) participate in a preparatory class for the high school equivalency examination; or

(B) take the high school equivalency examination administered under Section 7.111; or

(2) the following conditions are satisfied:

(A) the student is at least 16 years of age at the beginning of the school year or semester;

(B) the student is a student at risk of dropping out of school, as defined by Section 29.081;

(C) the student and the student's parent or guardian agree in writing to the student's participation;

(D) at least two school years have elapsed since the student first enrolled in ninth grade and the student has accumulated

less than one third of the credits required to graduate under the minimum graduation requirements of the district or school; and

(E) any other conditions specified by the commissioner.

(e) A school district or open-enrollment charter school shall inform each student who has completed a program authorized by this section of the time and place at which the student may take the high school equivalency examination. Notwithstanding any provision of this section, a student may not take the high school equivalency examination except as authorized by Section 7.111.

(f) A student participating in a program authorized by this section, other than a student ordered to participate under Subsection (d)(1), must have taken the appropriate end-of-course assessment instruments specified by Section 39.023(c) before entering the program and must take each appropriate end-of-course assessment instrument administered during the period in which the student is enrolled in the program. Except for a student ordered to participate under Subsection (d)(1), a student participating in the program may not take the high school equivalency examination unless the student has taken the assessment instruments required by this subsection.

(g) A student enrolled in a program authorized by this section may not participate in a competition or other activity sanctioned or conducted by the University Interscholastic League.

(h) A student who has received a high school equivalency certificate is entitled to enroll in a public school as authorized by Section 25.001 and is entitled to the benefits of the Foundation School Program under Section 42.003 in the same manner as any other student who has not received a high school diploma.

(i) The agency shall request permission from the General Educational Development Testing Service to administer the service's high school equivalency examination to students enrolled in high school who participate in a program authorized by this section. From funds appropriated to the agency that may be used for the purpose, the agency may pay a fee imposed by the service for granting permission to the agency necessary to allow operation of programs authorized by this section.

(j) For purposes of funding under Chapters 41, 42, and 46, a student attending a program authorized by this section may be counted in attendance only for the actual number of hours each school day the student attends the program, in accordance with Sections 25.081 and 25.082.

(k) The board of trustees of a school district or the governing board of an open-enrollment charter school shall:

(1) hold a public hearing concerning the proposed application of the district or school before applying to operate a program authorized by this section; and

(2) subsequently hold a public hearing annually to review the performance of the program.

(l) The commissioner may revoke a school district's or open-enrollment charter school's authorization under this section after consideration of relevant factors, including performance of students participating in the district's or school's program on assessment instruments required under Chapter 39, the percentage of students participating in the district's or school's program who complete the program and perform successfully on the high school equivalency examination, and other criteria adopted by the commissioner. A decision by the commissioner under this subsection is final and may not be appealed.

(m) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(9), eff. June 17, 2011.

(n) The commissioner may adopt rules to implement this section.

(o) Repealed by Acts 2003, 78th Leg., ch. 373, Sec. 2, eff. June 18, 2003.

Added by Acts 2001, 77th Leg., ch. 1514, Sec. 7, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 283, Sec. 41, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 373, Sec. 1, 2, eff. June 18, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 5, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(9), eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 23, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 15, eff. September 1, 2015.

Sec. 29.088. AFTER-SCHOOL AND SUMMER INTENSIVE MATHEMATICS INSTRUCTION PROGRAMS. (a) A school district may provide an intensive after-school program or an intensive program during the

period that school is recessed for the summer to provide mathematics instruction to:

(1) students who are not performing at grade level in mathematics to assist those students in performing at grade level;

(2) students who are not performing successfully in a mathematics course to assist those students in successfully completing the course; or

(3) students other than those described by Subdivision (1) or (2), as determined by the district.

(b) Before providing a program under this section, the board of trustees of a school district must adopt a policy for:

(1) determining student eligibility for participating in the program that:

(A) prescribes the grade level or course a student must be enrolled in to be eligible; and

(B) provides for considering teacher recommendations in determining eligibility;

(2) ensuring that parents of or persons standing in parental relation to eligible students are provided notice of the program;

(3) ensuring that eligible students are encouraged to attend the program;

(4) ensuring that the program is offered at one or more locations in the district that are easily accessible to eligible students; and

(5) measuring student progress on completion of the program.

(c) The commissioner by rule shall:

(1) prescribe a procedure that a school district must follow to apply for and receive funding for a program under this section;

(2) adopt guidelines for determining which districts receive funding if there is not sufficient funding for each district that applies;

(3) require each district providing a program to report student performance results to the commissioner within the period and in the manner prescribed by the rule; and

(4) based on district reports under Subdivision (3) and any required analysis and verification of those reports, disseminate to each district in this state information concerning instructional

methods that have proved successful in improving student performance in mathematics.

(d) A program provided under this section shall be paid for with funds appropriated for that purpose.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 8, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 29.087 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(15), eff. Sept. 1, 2003.

Sec. 29.089. MENTORING SERVICES PROGRAM. (a) Each school district may provide a mentoring services program to students at risk of dropping out of school, as defined by Section 29.081.

(b) The commissioner, in consultation with the governor, lieutenant governor, and speaker of the house of representatives, by rule shall determine accountability standards under this section for a school district providing a mentoring services program using funds allocated under Section 42.152.

(c) The board of trustees of the district shall obtain the consent of a student's parent or guardian before allowing the student to participate in the program.

(d) The board of trustees of the district may arrange for any public or nonprofit community-based organization to come to the district's schools and implement the program.

Added by Acts 2003, 78th Leg., ch. 783, Sec. 1, eff. Sept. 1, 2003.

Sec. 29.090. AFTER-SCHOOL AND SUMMER INTENSIVE SCIENCE INSTRUCTION PROGRAMS. (a) A school district may provide an intensive after-school program or an intensive program during the period that school is recessed for the summer to provide science instruction to:

(1) students who are not performing at grade level in science to assist those students in performing at grade level;

(2) students who are not performing successfully in a science course to assist those students in successfully completing the course; or

(3) students other than those described by Subdivision (1) or (2), as determined by the district.

(b) Before providing a program under this section, the board of

trustees of a school district must adopt a policy for:

(1) determining student eligibility for participating in the program that:

(A) prescribes the grade level or course a student must be enrolled in to be eligible; and

(B) provides for considering teacher recommendations in determining eligibility;

(2) ensuring that parents of or persons standing in parental relation to eligible students are provided notice of the program;

(3) ensuring that eligible students are encouraged to attend the program;

(4) ensuring that the program is offered at one or more locations in the district that are easily accessible to eligible students; and

(5) measuring student progress on completion of the program.

(c) The commissioner by rule shall:

(1) prescribe a procedure that a school district must follow to apply for and receive funding for a program under this section;

(2) adopt guidelines for determining which districts receive funding if there is not sufficient funding for each district that applies;

(3) require each district providing a program to report student performance results to the commissioner within the period and in the manner prescribed by the rule; and

(4) based on district reports under Subdivision (3) and any required analysis and verification of those reports, disseminate to each district in this state information concerning instructional methods that have proved successful in improving student performance in science.

(d) A program provided under this section shall be paid for with funds appropriated for that purpose.

Added by Acts 2003, 78th Leg., ch. 430, Sec. 4, eff. Sept. 1, 2003. Renumbered from Education Code, Section 29.089 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(14-a), eff. September 1, 2005.

Sec. 29.091. GRANT PROGRAM FOR DISTRICTS THAT HAVE HIGH ENROLLMENT OF EDUCATIONALLY DISADVANTAGED STUDENTS AND THAT PROVIDE SUMMER INSTRUCTION. (a) In this section:

(1) "New teacher" means a teacher who:

(A) will be teaching for the first time during the next school year; or

(B) first began teaching:

(i) during the preceding two years; or

(ii) in the school district in which the teacher is currently employed during the preceding year.

(2) "Program" means the grant program for school districts to provide summer instruction primarily for students who are educationally disadvantaged, as established under this section.

(b) The commissioner shall establish and administer a competitive program to provide grants to not more than 10 school districts to use in providing instructional programs to students in prekindergarten through eighth grade during the period in which school is recessed for the summer. The program shall be designed to:

(1) encourage participation in the program by a district's most educationally disadvantaged students;

(2) close the academic achievement gap between students who are educationally disadvantaged and students who are not educationally disadvantaged;

(3) ensure that during the period in which school is recessed for the summer, students participating in the program retain knowledge and skills learned during the school year and continue learning;

(4) provide apprenticeship, mentorship, and other professional development opportunities for new teachers and student teachers; and

(5) add to the compensation of a district's highest performing teachers by providing those teachers with summer employment teaching students, new teachers, and student teachers.

(c) To be eligible to participate in the program, a school district must:

(1) have an enrollment of students who are educationally disadvantaged that is greater than 50 percent of total district enrollment;

(2) apply to the commissioner in the manner and within the time prescribed by commissioner rule; and

(3) provide as part of the application materials a plan that is designed to achieve the purposes described by Subsections (b)(1) through (5).

(d) In selecting from among eligible school districts to participate in the program, the commissioner shall select those districts that provide plans under Subsection (c)(3) that are the most innovative and represent a variety of approaches so that the effectiveness of various plans can be compared and evaluated.

(e) A grant awarded under this section may be funded only with money appropriated for the program and any gifts, grants, or donations made to the agency that may be used for and that the commissioner applies to funding the program. The commissioner, in accordance with commissioner rule and based on the amount available for the program, shall determine the amount of each grant awarded under this section. A school district awarded a grant under this section may use the grant only for implementing and administering a plan as described by Subsection (c)(3), including providing compensation to teachers in accordance with Subsection (b)(5) and commissioner rule.

(f) Each school district participating in the program shall, in the manner and within the time prescribed by commissioner rule, provide to the agency an annual written report that includes:

(1) a detailed description of the district's plan, as implemented;

(2) the number and grade levels of participating students;

(3) demographic information for participating students, including the percentage of students of each applicable race and ethnicity, the percentage of educationally disadvantaged students, the percentage of students of limited English proficiency as defined by Section 29.052, the percentage of students enrolled in a school district special education program under Subchapter A, and the percentage of students enrolled in a district bilingual education program under Subchapter B;

(4) school attendance rates for participating students, before, during, and after program participation, as applicable;

(5) specific information that demonstrates whether the purposes described by Subsections (b)(2) and (3) have been achieved, including the results of assessment instruments administered under Section 39.023 for participating students, before, during, and after program participation, as applicable;

(6) aggregate results of assessment instruments administered under Section 39.023 for students of participating classroom teachers, new teachers, and student teachers, before, during, and after program participation by the students, as applicable;

(7) information regarding the manner in which teachers are selected for participation in the program and the manner in which teachers are compensated for their participation;

(8) statistical information for participating classroom teachers, new teachers, and student teachers, including the number of years employed in the teaching profession, the number of years teaching in the district in which the program is provided, the category and class of educator certification held, the highest level of academic degree earned, race, ethnicity, and gender;

(9) information regarding whether:

(A) the program is provided on a full-day or half-day basis;

(B) the program is voluntary or mandatory for educationally disadvantaged students;

(C) the district has partnered with an outside provider to provide any supplemental service;

(D) the district provides transportation to participating students; and

(E) the district offers the program to students who are not educationally disadvantaged and, if so, under what circumstances;

(10) information on retention in the teaching profession of the participating teachers, including new teachers and student teachers; and

(11) any other information required by commissioner rule.

(g) The agency shall contract with an experienced and recognized third-party program evaluator to determine and prepare a report regarding the effectiveness of the program. The evaluator's report must include the evaluator's best effort to project the cost and academic effects of implementing the best practices of the program in school districts throughout this state and must describe the effectiveness of the program in:

(1) improving academic performance among participating students;

(2) improving the professional development and performance of new teachers; and

(3) rewarding and retaining the highest performing teachers.

(h) Not later than November 1 of each even-numbered year, the agency shall submit to each member of the legislature a report specifically describing the results of the program. The report may be in the form of a summary of the information required under Subsections (f) and (g).

(i) The commissioner shall adopt rules as necessary to administer this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1263 (H.B. 742), Sec. 1, eff. September 1, 2013.

Sec. 29.094. INTENSIVE READING OR LANGUAGE INTERVENTION PILOT PROGRAM. (a) In this section, "pilot program" means the intensive reading or language intervention pilot program.

(b) The commissioner by rule shall establish a pilot program in which a participating campus provides intensive reading or language intervention to participating students.

(c) A campus may apply to the commissioner to participate in the pilot program. The commissioner may select for participation in the pilot program only campuses that have failed to improve student performance in reading according to standards established by the commissioner. The standards established by the commissioner for purposes of this subsection must be based on reading performance standards considered for student promotion under Section 28.021.

(d) The commissioner shall adopt minimum criteria that a program must meet to be selected by a participating campus for use in providing intensive reading or language intervention. The criteria must include neuroscience-based, scientifically validated methods, scientifically based reading interventions, or instructional tools that have been proven to accelerate language acquisition and reading proficiency for struggling readers. A participating campus shall submit a summary of the campus's proposed intensive intervention program to the commissioner for approval. The commissioner may approve only a program that follows the minimum criteria adopted under this subsection.

(e) The principal of a participating campus, in consultation with classroom teachers at the campus, shall select students to

participate in the pilot program based on assessment data. Benchmark measures shall be administered at the beginning and end of the program.

(f) Not later than December 31, 2008, any vendor of an intensive intervention program approved under Subsection (d), in consultation with the agency and each school district with which the vendor contracts under this section, shall provide the legislature with a report describing student progress under the assessments administered to participating students under Subsection (e).

(g) Notwithstanding any other law, the commissioner shall provide funding for the pilot program using not more than $6 million of funding appropriated for purposes of Section 28.0211.

(h) The commissioner shall adopt rules necessary to implement this section.

(i) The commissioner shall make the pilot program available to participating campuses during the 2007-2008 and 2008-2009 school years.

Added by Acts 2005, 79th Leg., Ch. 1165 (H.B. 3468), Sec. 1, eff. September 1, 2005.
Reenacted and amended by Acts 2007, 80th Leg., R.S., Ch. 1015 (H.B. 1270), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 34, eff. June 19, 2009.

Sec. 29.095. GRANTS FOR STUDENT CLUBS. (a) In this section:

(1) "Council" means the High School Completion and Success Initiative Council established under Subchapter M, Chapter 39.

(2) "Student at risk of dropping out of school" has the meaning assigned by Section 29.081(d).

(b) The commissioner shall administer a pilot program to provide grants to school districts to fund student club activities for students at risk of dropping out of school. From funds appropriated for purposes of this subchapter, the commissioner shall spend an amount not to exceed $4 million in any state fiscal biennium on the program.

(c) The commissioner may award a grant in an amount not to exceed $5,000 in a school year to a school district on behalf of a

student club at a district high school campus that is eligible under the criteria established under Section 39.408. To be eligible for a grant, the student club and the club's sponsor must be sanctioned by the campus and district. A grant awarded under this program must be matched by other federal, state, or local funds, including donations, in an amount equal to the amount of the grant. A district shall seek donations or sponsorships from local businesses or community organizations to raise the matching funds. The commissioner may award a grant on behalf of more than one student club at a campus in the same school year.

(d) The commissioner shall establish application criteria for receipt of a grant under this section. The criteria must require confirmation that the appropriate campus-level planning and decision-making committee established under Subchapter F, Chapter 11, and the school district board of trustees have approved a plan that includes:

(1) a description of the student club;

(2) a statement of the student club's goals, intent, and activities;

(3) a statement of the source of funds to be used to match the grant;

(4) a budget for the student club;

(5) a statement showing that the student club's finances are sustainable; and

(6) any other information the council requires.

(e) The commissioner shall establish the minimum requirements for a local grant agreement, including requiring:

(1) the agreement to be signed by the sponsor of a student club receiving a grant and another authorized school district officer; and

(2) the district and the student club to participate in an evaluation, as determined by the council, of the club's program and the program's effect on student achievement and dropout rates.

(f) A student club may use funds awarded under this section to support academic or co-curricular club activities, other than athletics, in which at least 50 percent of the participating students have been identified as students at risk of dropping out of school. A student club may use funds for materials, sponsor stipends, and other needs that directly support the club's activities. A student club must use the entire amount of the grant to directly fund the club's activities described in the plan approved as provided by Subsection

(d). A student club may not use more than 50 percent of a grant to pay sponsor stipends.

(g) The school district board of trustees shall ensure that funds awarded under this section are expended in compliance with Subsection (f). At the end of the school year, a student club that receives a grant must submit a report to the board of trustees summarizing the club's activities and the extent to which the club met the club's goals and achieved the club's intent. The decision of the board of trustees under this subsection relating to compliance with Subsection (f) is final and may not be appealed.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 11, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 35, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 36, eff. June 19, 2009.

Sec. 29.096. COLLABORATIVE DROPOUT REDUCTION PILOT PROGRAM. (a) In this section, "council" means the High School Completion and Success Initiative Council established under Subchapter M, Chapter 39.

(b) Using funds appropriated for that purpose in an amount not to exceed $4 million each year, the commissioner shall establish a pilot program under which a school district or open-enrollment charter school may receive a grant to implement a local collaborative dropout reduction program.

(c) A school district or open-enrollment charter school is eligible to participate and receive a grant under this section under the eligibility criteria established under Section 39.408.

(d) The commissioner shall establish application criteria for receiving a grant under this section. The criteria must require a school district or open-enrollment charter school that applies for a grant to collaborate with local businesses, other local governments or law enforcement agencies, nonprofit organizations, faith-based organizations, and institutions of higher education to deliver proven, research-based intervention services. The goal of the program is to coordinate services and programs among local entities

to:

(1) comprehensively reduce the number of students who drop out of school in that community; and

(2) increase the job skills, employment opportunities, and continuing education opportunities of students who might otherwise have dropped out of school.

(e) The commissioner shall establish minimum standards for a local collaborative agreement, including a requirement that the agreement must be signed by an authorized school district or open-enrollment charter school officer and an authorized representative of each of the other participating entities that is a partner in the collaboration. The program must:

(1) limit participation in the program to students authorized to participate by a parent or other person standing in parental relationship;

(2) have as a primary goal graduation from high school;

(3) provide for local businesses or other employers to offer paid employment or internship opportunities and advanced career and vocational training;

(4) include an outreach component and a lead educational staff member to identify and involve eligible students and public and private entities in participating in the program;

(5) serve a population of students of which at least 50 percent are identified as students at risk of dropping out of school, as described by Section 29.081(d);

(6) allocate not more than 15 percent of grant funds and matching funds, as determined by the commissioner, to administrative expenses;

(7) include matching funds from any of the participating entities; and

(8) include any other requirements as determined by the council.

(f) A local collaborative agreement under this section may:

(1) be coordinated with other services provided to students or their families by public or private entities;

(2) provide for local businesses to support the program, including:

(A) encouraging employees to engage in mentoring students and other school-related volunteer activities; and

(B) using matching funds to provide paid time off for

volunteer activities under Paragraph (A) and other activities related to encouraging school involvement of parents of students enrolled in the program;

(3) allow grant funds to reimburse reasonable costs of participating entities;

(4) provide for electronic course delivery by a school district, an open-enrollment charter school, or an institution of higher education; and

(5) be hosted or housed by a chamber of commerce, local workforce agency, local employer, or other public or private participating entity.

(g) The commissioner may approve innovative instructional techniques for courses in the enrichment curriculum leading to high school graduation under a local collaborative dropout reduction program and shall develop accountability measures appropriate to those programs. From funds appropriated, the commissioner may fund electronic courses that are part of a collaborative program and that are otherwise eligible for state funds. Funding for an electronic course may not exceed the total amount of state and local funding for a student to which the school district or open-enrollment charter school would otherwise be entitled.

(h) Nothing in this section authorizes the award of a high school diploma other than in compliance with Section 28.025.

(i) The commissioner shall adopt rules necessary to administer the pilot program under this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 11, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 37, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 21(a), eff. June 10, 2013.

Sec. 29.097. INTENSIVE TECHNOLOGY-BASED ACADEMIC INTERVENTION PILOT PROGRAM. (a) In this section:

(1) "Council" means the High School Completion and Success Initiative Council established under Subchapter M, Chapter 39.

(2) "Pilot program" means the intensive technology-based

academic intervention pilot program.

(b) From funds appropriated for that purpose in an amount not to exceed $3 million each year, the commissioner shall establish a pilot program for the commissioner to award grants to participating campuses to provide intensive technology-based supplementary instruction in English, mathematics, science, or social studies to students in grades nine through 12 identified as being at risk of dropping out of school, as described by Section 29.081(d). Instruction techniques and technology used by a campus under this section must be based on the best available research, as determined by the council, regarding college and workforce readiness.

(c) The commissioner may select for participation in the pilot program only a campus that is eligible under the criteria established under Section 39.408.

(d) A program supported by a grant under this section to provide intensive technology-based supplementary instruction at a campus may:

(1) include comprehensive course plans and teacher guides that are aligned with one or more subjects of the foundation curriculum described by Section 28.002(a)(1);

(2) include technology-based supplementary instruction;

(3) include training, professional development, and mentoring for teachers;

(4) provide students individual access to technology-based supplementary instruction at least 90 minutes each week;

(5) demonstrate significant effectiveness in high schools serving students identified as being at risk of dropping out of school, as described by Section 29.081(d);

(6) be selected in consultation with the teachers at the affected campus; and

(7) be implemented in partnership with institutions of higher education.

(e) The primary purpose of a program supported by a grant under this section to provide intensive technology-based supplementary instruction at a campus is to benefit students identified as being at risk of dropping out of school, as described by Section 29.081(d), but grant funds may be used to benefit a campus-wide program if the use of the funds does not defeat the primary purpose provided by this subsection.

(f) A grant awarded under this section:

(1) may not exceed $50 for each participating student; and

(2) must be matched by other federal, state, or local funds, including private donations.

(g) For purposes of Subsection (f)(2), a school district is encouraged to use funds allocated under Section 42.160.

(h) A grant awarded under this section may not be used to replace federal, state, or local funds previously spent on an instructional program, but may be used to expand an existing program.

(i) The entire amount of a grant awarded under this section:

(1) must fund the program described in the application for the grant; and

(2) may be used for:

(A) supplementary instructional support systems;

(B) technology used primarily for the delivery of supplementary instruction;

(C) teacher training and professional development; and

(D) other necessary costs, as determined by the commissioner.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 11, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 38, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 39, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 20, eff. September 1, 2009.

Sec. 29.098. INTENSIVE SUMMER PROGRAMS. (a) In this section, "pilot program" means the intensive summer pilot program for students identified as being at risk of dropping out of school or college.

(b) The commissioner shall establish a pilot program to award grants to participating campuses to provide intensive academic instruction during the period in which school is recessed for the summer to promote college and workforce readiness to students identified as being at risk of dropping out of school, as defined by Section 29.081. A grant awarded under this section may be used to fund any of the following categories of programs:

(1) a program administered by a school district in partnership with an institution of higher education to provide intensive academic instruction in English language arts, mathematics, and science to promote high school completion and college readiness; and

(2) a program administered by a school district in partnership with an institution of higher education to provide intensive academic instruction in reading and mathematics to students in grades six through eight to promote high school completion and college readiness.

(c) The commissioner may select for participation in the pilot program only a campus that is eligible under the criteria established under Section 39.408.

(d) A grant awarded under this section:

(1) may not exceed $750 for each participating student; and

(2) must be matched by not less than $250 for each participating student in other federal, state, or local funds, including private donations.

(e) For purposes of Subsection (d)(2), a school district is encouraged to use funds allocated under Section 42.160.

(f) A grant awarded under this section may not be used to replace federal, state, or local funds previously spent on a summer intensive program, but may be used to expand an existing program.

(g) The entire amount of a grant awarded under this section:

(1) must fund the program described in the application for the grant; and

(2) may be used for:

(A) instructional materials;

(B) technology used primarily for the delivery of supplementary instruction;

(C) teacher training and professional development, including educator stipends; and

(D) other necessary costs, as determined by the commissioner.

(h) Instructional materials adopted by the State Board of Education shall be used for instruction in a program under this section. The State Board of Education may adopt any additional instructional materials as necessary for a program under this section.

(i) The State Board of Education shall include information

technology instructional resources that incorporate established best practices for instruction among approved instructional materials for intensive summer programs under this section to enhance the effectiveness of the programs.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 11, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 851 (S.B. 2258), Sec. 1, eff. June 19, 2009.
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 40, eff. June 19, 2009.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 21, eff. September 1, 2009.

Sec. 29.099. INTENSIVE MATHEMATICS AND ALGEBRA INTERVENTION PILOT PROGRAM. (a) In this section, "intervention program" means the intensive mathematics and algebra intervention pilot program.

(b) The commissioner by rule shall establish an intervention pilot program in which a participating district will provide:

(1) intensive mathematics intervention for students who are not performing at grade level in mathematics in grades four through seven; and

(2) algebra readiness intervention for students who are not performing at grade level in mathematics in grade eight.

(c) Districts may implement the intensive mathematics and algebra intervention pilot program at a campus whose population of at-risk students exceeds the state average proportion of at-risk students.

(d) A participating campus shall identify a student who does not perform at grade level on an assessment instrument administered under Section 39.023(a)(1), or an equivalent assessment instrument administered under Section 39.023(l), as a student eligible for participation in the intervention program. During a student's placement in the intervention program, a campus shall use progress monitoring assessments to ensure that a student is making appropriate progress in the program.

(e) The commissioner shall adopt a list of mathematics and algebra intervention programs that may be implemented by a school

district and funded under this program. Programs placed on the commissioner's list will be reviewed and recommended by a panel of recognized experts in mathematics education.

(f) The commissioner shall adopt minimum criteria that a program must meet to be included on the list adopted by the commissioner. The criteria must:

(1) include comprehensive course plans and teacher guides that are organized around the essential knowledge and skills curriculum for mathematics;

(2) include technology-based supplementary instruction that can diagnose and address areas in which a student is identified to need improvement;

(3) include at least three cumulative days of training, professional development, and mentoring for teachers;

(4) provide students individual access to technology-based supplementary instruction at least 90 minutes each week;

(5) provide teachers daily access to required technology;

(6) demonstrate significant effectiveness in schools serving students identified as being at risk of dropping out of school, as described by Section 29.081(d); and

(7) be selected in consultation with the teachers at the affected campus from the list adopted pursuant to Subsection (e).

(g) The commissioner shall adopt rules necessary to implement this section.

(h) Program Evaluation. The commissioner of education shall contract for the evaluation of the effectiveness of the intervention program established under this section. The commissioner may consider centers for education research to conduct this evaluation. The evaluation shall describe progress under the assessment instruments administered under Section 39.023(a)(1) or equivalent assessment instruments administered under Section 39.023(l) to students participating in the intervention program.

(i) Report to the Legislature. Not later than December 1 of each even-numbered year, the commissioner shall prepare and deliver a report to the legislature that recommends any statutory changes the commissioner considers appropriate to promote improved mathematics and algebra readiness in Texas schools.

Added by Acts 2007, 80th Leg., R.S., Ch. 893 (H.B. 2504), Sec. 1, eff. June 15, 2007.

Renumbered from Education Code, Section 29.095 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(5), eff. September 1, 2009.

SUBCHAPTER D. EDUCATIONAL PROGRAMS FOR GIFTED AND TALENTED STUDENTS

Sec. 29.121. DEFINITION. In this subchapter, "gifted and talented student" means a child or youth who performs at or shows the potential for performing at a remarkably high level of accomplishment when compared to others of the same age, experience, or environment and who:

(1) exhibits high performance capability in an intellectual, creative, or artistic area;

(2) possesses an unusual capacity for leadership; or

(3) excels in a specific academic field.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.122. ESTABLISHMENT. Using criteria established by the State Board of Education, each school district shall adopt a process for identifying and serving gifted and talented students in the district and shall establish a program for those students in each grade level. A district may establish a shared services arrangement program with one or more other districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.123. STATE PLAN; ASSISTANCE. The State Board of Education shall develop and periodically update a state plan for the education of gifted and talented students to guide school districts in establishing and improving programs for identified students. The regional education service centers may assist districts in implementing the state plan. In addition to obtaining assistance from a regional education service center, a district may obtain other assistance in implementing the plan. The plan shall be used for accountability purposes to measure the performance of districts in providing services to students identified as gifted and talented.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER E. KINDERGARTEN AND PREKINDERGARTEN PROGRAMS

Sec. 29.151. FREE KINDERGARTEN. The board of trustees of each school district shall establish and maintain one or more kindergartens for the training of children residing in the district who are at least five years of age on September 1 of the school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.152. OPERATION OF KINDERGARTENS ON HALF-DAY OR FULL-DAY BASIS. A public school kindergarten may be operated on a half-day or a full-day basis at the option of the board of trustees of the school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.153. FREE PREKINDERGARTEN FOR CERTAIN CHILDREN. (a) In this section:

(1) "Child" includes a stepchild.

(2) "Parent" includes a stepparent.

(a-1) A district shall offer prekindergarten classes if the district identifies 15 or more children who are eligible under Subsection (b) and are at least four years of age. A school district may offer prekindergarten classes if the district identifies 15 or more eligible children who are at least three years of age. A district may not charge tuition for a prekindergarten class offered under this section.

(b) A child is eligible for enrollment in a prekindergarten class under this section if the child is at least three years of age and:

(1) is unable to speak and comprehend the English language;

(2) is educationally disadvantaged;

(3) is a homeless child, as defined by 42 U.S.C. Section 11434a, regardless of the residence of the child, of either parent of the child, or of the child's guardian or other person having lawful control of the child;

(4) is the child of an active duty member of the armed forces of the United States, including the state military forces or a

reserve component of the armed forces, who is ordered to active duty by proper authority;

(5) is the child of a member of the armed forces of the United States, including the state military forces or a reserve component of the armed forces, who was injured or killed while serving on active duty; or

(6) is or ever has been in the conservatorship of the Department of Family and Protective Services following an adversary hearing held as provided by Section 262.201, Family Code.

(c) A prekindergarten class under this section shall be operated on a half-day basis. A district is not required to provide transportation for a prekindergarten class, but transportation, if provided, is included for funding purposes as part of the regular transportation system.

(d) On application of a district, the commissioner may exempt a district from the application of this section if the district would be required to construct classroom facilities in order to provide prekindergarten classes.

(e) Each school district shall develop a system to notify the population in the district with children who are eligible for enrollment in a prekindergarten class under this section of the availability of the class. The system must include public notices issued in English and Spanish.

(f) A child who is eligible for enrollment in a prekindergarten class under Subsection (b)(4) or (5) remains eligible for enrollment if the child's parent leaves the armed forces, or is no longer on active duty, after the child begins a prekindergarten class.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 62, Sec. 4.01, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 596, Sec. 1, eff. June 11, 2001. Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 6.01, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 850 (H.B. 1137), Sec. 4, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1406 (S.B. 758), Sec. 1(a), eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 975 (H.B. 3643), Sec. 1, eff. June 19, 2009.

Sec. 29.1531. TUITION-SUPPORTED AND DISTRICT-FINANCED PREKINDERGARTEN. (a) A school district may offer on a tuition basis or use district funds to provide:

(1) an additional half-day of prekindergarten classes to children eligible for classes under Section 29.153; and

(2) half-day and full-day prekindergarten classes to children not eligible for classes under Section 29.153.

(b) A district that offers a prekindergarten program on a tuition basis:

(1) may not adopt a tuition rate for the program that is higher than necessary to cover the added costs of providing the program, including any costs associated with collecting, reporting, and analyzing data under Section 29.1532(c); and

(2) must submit the proposed tuition rate to the commissioner for approval.

Added by Acts 2001, 77th Leg., ch. 596, Sec. 1, eff. June 11, 2001.

Sec. 29.1532. PREKINDERGARTEN PROGRAM REQUIREMENTS. (a) A school district's prekindergarten program shall be designed to develop skills necessary for success in the regular public school curriculum, including language, mathematics, and social skills.

(b) If a school district contracts with a private entity for the operation of the district's prekindergarten program, the program must at a minimum comply with the applicable child-care licensing standards adopted by the Department of Protective and Regulatory Services under Section 42.042, Human Resources Code.

(c) A school district that offers prekindergarten classes, including a high quality prekindergarten program class under Subchapter E-1, shall include the following information in the district's Public Education Information Management System (PEIMS) report:

(1) demographic information, as determined by the commissioner, on students enrolled in district and campus prekindergarten classes, including the number of students who are eligible for classes under Section 29.153;

(2) the numbers of half-day and full-day prekindergarten

classes offered by the district and campus;

(3) the sources of funding for the prekindergarten classes;

(4) the class size and ratio of instructional staff to students for each prekindergarten program class offered by the district and campus;

(5) if the district elects to administer an assessment instrument to students enrolled in district and campus prekindergarten program classes, a description and the results of each type of assessment instrument; and

(6) curricula used in the district's prekindergarten program classes.

(d) Information required under this section to be included in a school district's Public Education Information Management System (PEIMS) report may not be used for purposes of determining a district's accreditation or a campus or district performance rating under Subchapter C, Chapter 39.

Added by Acts 2001, 77th Leg., ch. 596, Sec. 1, eff. June 11, 2001.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 4, eff. May 28, 2015.

Sec. 29.1533. ESTABLISHMENT OF NEW PREKINDERGARTEN PROGRAM. Before establishing a new prekindergarten program, a school district shall consider the possibility of sharing use of an existing Head Start or other child-care program site as a prekindergarten site.

Added by Acts 2003, 78th Leg., ch. 790, Sec. 1, eff. Sept. 1, 2003.

Sec. 29.1534. NOTIFICATION OF PREKINDERGARTEN PROGRAMS. (a) In this section, "prekindergarten program" includes prekindergarten programs provided by a private entity through a partnership with the school district.

(b) The agency shall develop joint strategies with other state agencies regarding methods to increase community awareness of prekindergarten programs through programs that provide information relating to public assistance programs.

(c) The agency may develop outreach materials for use by school districts to increase community awareness of prekindergarten

programs.

(e) The agency shall provide information to school districts regarding effective methods to communicate to the parent of an eligible child the availability of prekindergarten programs, including information regarding prekindergarten programs through public, private, and nonprofit institutions that provide assistance and support to families with children eligible for prekindergarten programs.

Added by Acts 2009, 81st Leg., R.S., Ch. 592 (H.B. 136), Sec. 1, eff. September 1, 2009.

Sec. 29.154. EVALUATION OF PREKINDERGARTEN PROGRAMS. The commissioner of education, in consultation with the commissioner of human services, shall monitor and evaluate prekindergarten programs as to their developmental appropriateness. The commissioners shall also evaluate the potential for coordination on a statewide basis of prekindergarten programs with government-funded early childhood care and education programs such as child care administered under Chapter 44, Human Resources Code, and federal Head Start programs. That evaluation shall use recommendations contained in the report to the 71st Legislature required by Chapter 717, Acts of the 70th Legislature, Regular Session, 1987. For the purpose of providing cost-effective care for children during the full workday with developmentally appropriate curriculum, the commissioners shall investigate the use of existing child-care program sites as prekindergarten sites. Following the evaluation required by this section, the commissioners, in cooperation with school districts and other program administrators, shall integrate programs, staff, and program sites for prekindergarten, child-care, and federal Head Start programs to the greatest extent possible.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.1543. EARLY EDUCATION REPORTS. The agency shall produce and make available to the public on the agency's Internet website annual district and campus-level reports containing information from the previous school year on early education in school districts and open-enrollment charter schools. A report under

this section must contain:

(1) the information required by Section 29.1532(c) to be reported through the Public Education Information Management System (PEIMS);

(2) a description of the diagnostic reading instruments administered in accordance with Section 28.006(c);

(3) the number of students who were administered a diagnostic reading instrument administered in accordance with Section 28.006(c);

(4) the number of students whose scores from a diagnostic reading instrument administered in accordance with Section 28.006(c) indicate reading proficiency; and

(5) the number of kindergarten students who were enrolled in a prekindergarten program in the previous school year in the same district or school as the district or school in which the student attends kindergarten.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 5, eff. May 28, 2015.

For expiration of this section, see Subsection (c).

Sec. 29.1545. CLASS SIZE AND RATIO STUDY AND RECOMMENDATIONS. (a) The agency and the Department of Family and Protective Services shall conduct a joint study to develop recommendations regarding optimal class sizes and student to teacher ratios for prekindergarten classes. The agency and department shall base recommendations on:

(1) data collected from prekindergarten programs, including high quality prekindergarten programs under Subchapter E-1, reported through the Public Education Information Management System (PEIMS); and

(2) observations of best practices and examples from effective prekindergarten programs across the state.

(b) Not later than September 1, 2016, the agency shall submit a report to the legislature detailing the agency's findings and recommendations regarding class size and student to teacher ratios.

(c) This section expires January 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 6, eff. May 28, 2015.

Sec. 29.155. KINDERGARTEN AND PREKINDERGARTEN GRANTS. (a) From amounts appropriated for the purposes of this section, the commissioner may make grants to school districts and open-enrollment charter schools to implement or expand kindergarten and prekindergarten programs by:

(1) operating an existing half-day kindergarten or prekindergarten program on a full-day basis; or

(2) implementing a prekindergarten program at a campus that does not have a prekindergarten program.

(b) A school district or open-enrollment charter school may use funds received under this section to employ teachers and other personnel for a kindergarten or prekindergarten program and acquire curriculum materials or equipment, including computers, for use in kindergarten and prekindergarten programs.

(c) To be eligible for a grant under this section, a school district or open-enrollment charter school must apply to the commissioner in the manner and within the time prescribed by the commissioner.

(d) In awarding grants under this section, the commissioner shall give priority to districts and open-enrollment charter schools in which the level of performance of students on the assessment instruments administered under Section 39.023 to students in grade three is substantially below the average level of performance on those assessment instruments for all school districts in the state.

(e) The commissioner may adopt rules to administer this section.

(f) Notwithstanding Section 7.056(e)(3)(I), the commissioner may waive a requirement prescribed by this subchapter to the extent necessary to implement a grant awarded under this section or Section 29.156.

(g) From amounts appropriated for the purposes of this subsection, the commissioner may also provide for:

(1) coordinating early childhood care and education programs;

(2) developing and disseminating for programs described by Subdivision (1) prekindergarten instructional materials and school-readiness information for parents; and

(3) developing standards for model early childhood care and

education coordination.

(h) The model program standards developed under Subsection (g) must focus on pre-literacy skills, including language acquisition, vocabulary development, and phonological awareness.

(i) In carrying out the purposes of Subsection (g), a school district or open-enrollment charter school may use funds granted to the district or school under this subsection in contracting with another entity, including a private entity.

(j) If a school district or open-enrollment charter school returns to the commissioner funds granted under this section, the commissioner may grant those funds to another entity, including a private entity, for the purposes of Subsection (g).

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.01, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 790, Sec. 2, eff. Sept. 1, 2003.

Sec. 29.156. GRANTS FOR EDUCATIONAL COMPONENT OF HEAD START. (a) From funds appropriated for the purpose, the commissioner shall make grants for use in providing an educational component to federal Head Start programs or similar government-funded early childhood care and education programs.

(b) The commissioner shall adopt rules for implementation of this section, including rules prescribing eligibility criteria for receipt of a grant and for expenditure of grant funds.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.01, eff. Sept. 1, 1999.

Sec. 29.1561. ADMINISTRATION OF EARLY CHILDHOOD CARE AND EDUCATION PROGRAMS. (a) The commissioner may waive a law or rule relating to early childhood care and education programs:

(1) to the extent that the law or rule is more restrictive than required by federal law; or

(2) to the extent necessary to comply with federal law.

(b) Notwithstanding any restriction imposed by this title, the commissioner may administer grants for early childhood care and education programs under Section 29.155 or 29.156, including Head Start and Early Head Start programs, in a manner that provides the

greatest flexibility allowed under federal law.

(c) The commissioner by rule may establish a program to provide incentives to providers of early childhood care and education programs that, to the greatest extent practicable, provide coordinated services authorized under Section 29.158(c).

Added by Acts 2003, 78th Leg., ch. 790, Sec. 3, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 275 (S.B. 23), Sec. 1, eff. September 1, 2005.

Sec. 29.157. READY TO READ GRANTS. (a) From funds appropriated for the purpose, the commissioner shall make grants as provided by this section in support of pre-reading instruction.

(b) The commissioner shall establish a competitive grant program for distribution of at least 95 percent of the available appropriated funds. Grants shall be used to provide scientific, research-based pre-reading instruction for the purpose of directly improving pre-reading skills and for identifying cost-effective models for pre-reading intervention. The commissioner shall distribute the grants in amounts not less than $50,000 or more than $150,000 to eligible applicants to be used for:

(1) professional staff development in pre-reading instruction;

(2) pre-reading curriculum and materials;

(3) pre-reading skills assessment materials; and

(4) employment of pre-reading instructors.

(c) A public school operating a prekindergarten program, or an eligible entity as defined by Section 12.101(a) that provides a preschool instruction program and that meets qualifications prescribed by the commissioner, is eligible to apply for a grant if at least 75 percent of the children enrolled in the program are low-income students, as determined by rule of the commissioner.

(d) As a condition to receiving a grant, an applicant must commit public or private funds matching the grant in a percentage set by the commissioner. The commissioner shall determine the required percentage of matching funds based on the demonstrated economic capacity of the community served by the program to raise funds for the purpose of matching the grant, as determined by the commissioner.

Matching funds must equal at least 30 percent, but not more than 75 percent, of the amount of the grant.

(e) The commissioner shall develop and implement performance measures for evaluating the effectiveness of grants under this section. Those measures must correlate to other reading diagnostic assessments used in public schools in kindergarten through the second grade.

(f) The commissioner may adopt rules as necessary for the administration of this section.

Added by Acts 1999, 76th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1999. Renumbered from Sec. 29.155 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(17), eff. Sept. 1, 2001.

Sec. 29.158. COORDINATION OF SERVICES. (a) In a manner consistent with federal law and regulations, each prekindergarten program provider, Head Start and Early Head Start program provider, and provider of an after-school child-care program provided at a school shall coordinate with the agency, the Texas Workforce Commission, and local workforce development boards regarding subsidized child-care services.

(b) The coordination required by this section must include:

(1) providing to an applicant for a child-care service information regarding:

(A) child-care resource and referral agencies serving the applicant's community;

(B) information and referral providers serving the applicant's community; or

(C) the prekindergarten program, local child-care and development fund contractor, or Head Start program administrator serving the applicant's community; and

(2) coordinating to ensure, to the extent practicable, that full-day, full-year child-care services are available to meet the needs of low-income parents who are working or participating in workforce training or workforce education.

(c) The coordination required by this section may also include:

(1) cooperating with each state agency regarding child-care or child-development studies conducted by that agency;

(2) collecting data necessary to determine a child's

eligibility for subsidized child-care services or a prekindergarten, Head Start or Early Head Start, or after-school child-care program, to the extent that the collection of data does not violate the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g);

(3) cooperating to provide for staff training and professional development activities;

(4) identifying and developing methods for the collaborative provision of subsidized child-care services and prekindergarten, Head Start or Early Head Start, or after-school child-care program services, including:

(A) operating a combined system for eligibility determination or registration processes so that an applicant may apply for all services available in an applicant's community through a single point of access;

(B) sharing facilities or staff; and

(C) increasing the enrollment capacity of those programs;

(5) identifying child-care facilities located in close proximity to prekindergarten, Head Start or Early Head Start, or after-school child-care programs;

(6) coordinating transportation between child-care facilities identified under Subdivision (5) and a prekindergarten, Head Start or Early Head Start, or after-school child-care program; and

(7) coordinating with the State Center for Early Childhood Development to develop longitudinal studies to measure the effects of quality early childhood care and education programs on educational achievement, including high school performance and completion.

(d) In coordinating child-care services under this section and in making any related decision to contract with another provider for child-care services, the agency, Texas Workforce Commission, local workforce development boards, and each prekindergarten program provider, Head Start and Early Head Start program provider, and provider of an after-school child-care program provided at a school shall consider the quality of the services involved in the proposed coordination or contracting decision and shall give preference to services of the highest quality. Any appropriate indicator of quality services may be considered under this subsection, including whether the provider of the services:

(1) meets Texas Rising Star Program certification criteria;

(2) is accredited by a nationally recognized accrediting organization approved by the Texas Workforce Commission and the Department of Family and Protective Services;

(3) meets standards developed by the State Center for Early Childhood Development; or

(4) has achieved any other measurable target relevant to improving the quality of child care in this state.

(e) Any coordination required by this section that involves a prekindergarten program must be approved by the commissioner.

Added by Acts 2003, 78th Leg., ch. 790, Sec. 4, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 241 (H.B. 376), Sec. 1, eff. September 1, 2013.

Sec. 29.159. PROVISION OF CERTAIN INFORMATION. (a) Except as otherwise provided by this section, each provider of government-funded child-care services shall, at the time that a child is enrolled with the provider, furnish to the child's parent information regarding:

(1) effective early education settings; and

(2) any indicators that a child is ready for kindergarten that have been developed at the time the child is enrolled.

(b) If a provider does not have sufficient resources to provide the information specified by Subsection (a), the provider shall:

(1) furnish the parent with the appropriate telephone numbers or Internet sites through which the parent may obtain the information; or

(2) refer the parent to a local child-care resource and referral agency.

Added by Acts 2003, 78th Leg., ch. 790, Sec. 4, eff. Sept. 1, 2003.

Sec. 29.160. DEMONSTRATION PROJECTS. (a) The State Center for Early Childhood Development, in conjunction with a school district, regional education service center, institution of higher education, local government, local workforce development board, or community organization, may develop a quality rating system demonstration project under which prekindergarten program providers, licensed

child-care facilities, or Head Start and Early Head Start program providers are assessed under a quality rating system.

(b) In developing the quality rating system demonstration project, the State Center for Early Childhood Development is entitled to:

(1) reasonable access to the sites at which the programs to be rated are operated, which may include sites under the authority of school districts or the Department of Protective and Regulatory Services; and

(2) technical assistance and support from the agency, the Texas Workforce Commission, and the Department of Protective and Regulatory Services to the extent that those agencies have the ability to provide assistance and support using existing agency resources.

(c) A school district, regional education service center, institution of higher education, local government, local workforce development board, or community organization may develop one or more coordination-of-resources demonstration projects under which government-funded child-care and early education services, including Head Start and Early Head Start, prekindergarten, and after-school child-care program services, child-care services provided by nonprofit or for-profit entities, and faith-based child-care programs, are operated in a coordinated and integrated manner. An entity that develops a proposed demonstration project under this subsection must obtain approval of the project from the state agency or agencies with regulatory jurisdiction over the subject matter involved in the project. Approval of a project under this subsection must be made contingent on development of a memorandum of understanding regarding the child-care and early education coordination and integration that is:

(1) entered into by each entity participating in the project;

(2) certified by the State Center for Early Childhood Development as meeting any standards developed under Section 29.155(g); and

(3) consistent with the applicable provisions of this section and applicable laws and regulations in a manner that at a minimum maintains existing child-care and early education program requirements and does not waive any existing health and safety standards.

(c-1) The memorandum of understanding required under Subsection (c) shall provide for:

(1) equal decision-making authority for entities participating in the project;

(2) uniform eligibility criteria for the project to the extent authorized by state and federal law;

(3) development of streamlined enrollment procedures and simplified forms for children eligible for services under the project;

(4) strategies for the colocation and management of staff and for facilitation of effective communication among staff members;

(5) alignment and coordination of program calendars;

(6) delineation of responsibilities for the provision of instructional supplies and materials and food services;

(7) development and implementation of a system by which eligible children are referred for services among the participating entities in a manner that complies with applicable laws and regulations;

(8) periodic meetings of the participating entities to address concerns relating to the administration and operation of the project; and

(9) periodic meetings of the participating entities to address common standards for the professional development of program staff and to create opportunities to ensure that local communities have effective program staff.

(c-2) A demonstration project established under Subsection (c) must include a program evaluation component that, in addition to assessing child-care and early education outcomes for young children, demonstrates:

(1) the extent to which program quality has been enhanced;

(2) the extent to which the number of children being served by full-day, full-year programs has increased;

(3) the extent to which professional development training or activities engaged in by program staff has increased; and

(4) that there has been no weakening of standards or diminishment of services.

(d) An entity that obtains approval of a coordination-of-resources demonstration project is entitled to a waiver or modification of any existing rule, policy, or procedure of the agency, the Texas Workforce Commission, or the Department of

Protective and Regulatory Services that impairs the coordinated provision of government-funded child-care services, provided that the waiver or modification does not adversely affect the health, safety, or welfare of the children receiving services under the project. In addition, if applicable, the appropriate state agency must seek on behalf of the entity any available federal waiver from a federal rule, policy, or procedure imposed in connection with a Head Start program that impairs the coordinated provision of government-funded child-care services. Not later than the 30th day after the date on which a state agency becomes aware of an applicable federal waiver under this subsection, the state agency shall notify the appropriate entity of the date by which the state agency intends to seek the waiver.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(2), eff. September 1, 2013.

(f) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(2), eff. September 1, 2013.

Added by Acts 2003, 78th Leg., ch. 790, Sec. 4, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 275 (S.B. 23), Sec. 2, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 99(2), eff. September 1, 2013.

Sec. 29.161. SCHOOL READINESS CERTIFICATION SYSTEM. (a) The State Center for Early Childhood Development, in conjunction with the P-16 Council established under Section 61.076, shall develop and adopt a school readiness certification system for use in certifying the effectiveness of prekindergarten programs, Head Start and Early Head Start programs, government-subsidized child-care programs provided by nonprofit or for-profit entities, government-subsidized faith-based child-care programs, and other government-subsidized child-care programs in preparing children for kindergarten. The system shall be made available on a voluntary basis to program providers seeking to obtain certification as evidence of the quality of the program provided.

(b) In developing and adopting the system, the center shall seek the active participation of all interested stakeholders,

including parents and program providers.

(c) The system must:

(1) be reflective of research in the field of early childhood care and education;

(2) be well-grounded in the cognitive, social, and emotional development of young children;

(3) apply a common set of criteria to each program provider seeking certification, regardless of the type of program or source of program funding; and

(4) be capable of fulfilling the reporting and notice requirements of Sections 28.006(d) and (g).

(d) The agency shall collect each student's raw score results on the reading instrument administered under Section 28.006 from each school district using the system created under Subsection (a) and shall contract with the State Center for Early Childhood Development for purposes of this section.

(e) The State Center for Early Childhood Development shall, using funds appropriated for the school readiness certification system, provide the system created under Subsection (a) to each school district to report each student's raw score results on the reading instrument administered under Section 28.006.

(f) The agency shall:

(1) provide assistance to the State Center for Early Childhood Development in developing and adopting the school readiness certification system under this section, including providing access to data for the purpose of locating the teacher and campus of record for students; and

(2) require confidentiality and other security measures for student data provided to the State Center for Early Childhood Development as the agency's agent, consistent with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

Added by Acts 2005, 79th Leg., Ch. 275 (S.B. 23), Sec. 3, eff. September 1, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.005, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 3, eff. June 15, 2007.

SUBCHAPTER E-1. HIGH QUALITY PREKINDERGARTEN GRANT PROGRAM

Sec. 29.164. DEFINITION. In this subchapter, "program" means a high quality prekindergarten grant program provided free of tuition or fees in accordance with this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.165. HIGH QUALITY PREKINDERGARTEN GRANT PROGRAM. (a) From funds appropriated for that purpose, the commissioner by rule shall establish a grant funding program under which funds are awarded to school districts and open-enrollment charter schools to implement a prekindergarten grant program under this subchapter.

(b) A school district may participate in and receive funding under the program if the district meets all program standards required under this subchapter.

(c) A program is subject to any other requirements imposed by law that apply to a prekindergarten program not provided in accordance with this subchapter, except that to the extent a conflict exists between this subchapter and any other provision of law, this subchapter prevails.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.166. HIGH QUALITY GRANT PROGRAM FUNDING. (a) A school district is eligible for half-day funding under the Foundation School Program for each student who satisfies eligibility requirements under Section 29.153(b) and who is enrolled in a program class.

(b) In addition to funding under Subsection (a), a school district is entitled to receive grant funding in an amount determined by the commissioner for each qualifying student described under Subsection (c) in average daily attendance in a program class. The commissioner may not establish an amount of funding per qualifying student in attendance for the entire instructional period on a school day that exceeds $1,500.

(c) A student qualifies for additional funding under Subsection (b) if the student:

(1) satisfies eligibility requirements under Section

29.153(b); and

(2) is four years of age on September 1 of the year the student begins the program.

(d) A school district that receives the funding under Subsection (b) may use the funding only to improve the quality of the district's prekindergarten programs.

(e) The total amount of funding distributed to school districts under Subsection (b) may not exceed $130 million for the state fiscal biennium ending August 31, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.167. HIGH QUALITY CURRICULUM AND TEACHER REQUIREMENTS. (a) A school district shall select and implement a curriculum for a prekindergarten grant program under this subchapter that:

(1) includes the prekindergarten guidelines established by the agency;

(2) measures the progress of students in meeting the recommended learning outcomes; and

(3) does not use national curriculum standards developed by the Common Core State Standards Initiative.

(b) Each teacher for a prekindergarten program class must:

(1) be certified under Subchapter B, Chapter 21; and

(2) have one of the following additional qualifications:

(A) a Child Development Associate (CDA) credential or another early childhood education credential approved by the agency;

(B) certification offered through a training center accredited by Association Montessori Internationale or through the Montessori Accreditation Council for Teacher Education;

(C) at least eight years' experience of teaching in a nationally accredited child care program;

(D) be employed as a prekindergarten teacher in a school district that has received approval from the commissioner for the district's prekindergarten-specific instructional training plan that the teacher uses in the teacher's prekindergarten classroom; or

(E) an equivalent qualification.

(c) A school district may allow a teacher employed by the district to receive the training required to be awarded a Child

Development Associate (CDA) credential from a regional education service center that offers the training in accordance with Section 8.058. Training may not include national curriculum standards developed by the Common Core State Standards Initiative.

(d) A school district must attempt to maintain an average ratio in any prekindergarten program class of not less than one certified teacher or teacher's aide for each 11 students.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.168. FAMILY ENGAGEMENT PLAN. (a) A school district shall develop and implement a family engagement plan to assist the district in achieving and maintaining high levels of family involvement and positive family attitudes toward education. The family engagement plan must be based on family engagement strategies established under Subsection (b).

(b) The agency shall collaborate with other state agencies, including the Health and Human Services Commission, that provide services for children from birth through five years of age to establish prioritized family engagement strategies to be included in a school district's family engagement plan. A parent-teacher organization, community group, or faith-based institution may submit to the agency recommendations regarding the establishment of family engagement strategies, and the agency, in establishing the family engagement strategies, shall consider any received recommendations. The engagement strategies must be:

(1) based on empirical research; and

(2) proven to demonstrate significant positive short-term and long-term outcomes for early childhood education.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.169. PROGRAM EVALUATION. (a) A school district shall:

(1) select and implement appropriate methods for evaluating the district's program classes by measuring student progress; and

(2) make data from the results of program evaluations available to parents.

(b) A school district may administer diagnostic assessments to students in a program class to evaluate student progress as required by Subsection (a) but may not administer a state standardized assessment instrument.

(c) An assessment instrument administered to a prekindergarten program class must be selected from a list of appropriate prekindergarten assessment instruments identified by the commissioner.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

For expiration of this section, see Subsection (c).

Sec. 29.170. PROGRAM FUNDING EVALUATION. (a) The commissioner shall evaluate the use and effectiveness of funding provided under this subchapter in improving student learning. The commissioner shall identify effective instruction strategies implemented by school districts under this subchapter.

(b) Beginning in 2018, not later than December 1 of each even-numbered year, the commissioner shall deliver a report to the legislature containing the results of the evaluation.

(c) This section expires December 31, 2024.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.171. ELIGIBLE PRIVATE PROVIDERS. (a) A school district participating in the grant program under this subchapter may enter into a contract with an eligible private provider to provide services or equipment for the program.

(b) To be eligible to contract with a school district to provide a program or part of a program, a private provider must be licensed by and in good standing with the Department of Family and Protective Services. For purposes of this section, a private provider is in good standing with the Department of Family and Protective Services if the department has not taken an action against the provider's license under Section 42.071, 42.072, or 42.078, Human Resources Code, during the 24-month period preceding the date of a

contract with a school district. The private provider must also:

(1) be accredited by a research-based, nationally recognized, and universally accessible accreditation system approved by the commissioner;

(2) be a Texas Rising Star Program provider with a three-star certification or higher;

(3) be a Texas School Ready! participant;

(4) have an existing partnership with a school district to provide a prekindergarten program not provided under this subchapter; or

(5) be accredited by an organization that is recognized by the Texas Private School Accreditation Commission.

(c) A prekindergarten program provided by a private provider under this section is subject to the requirements of this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

Sec. 29.172. RULES. The commissioner may adopt rules necessary to implement this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 7, eff. May 28, 2015.

SUBCHAPTER F. CAREER AND TECHNOLOGY EDUCATION PROGRAM

Sec. 29.181. PUBLIC EDUCATION CAREER AND TECHNOLOGY EDUCATION GOALS. Each public school student shall master the basic skills and knowledge necessary for:

(1) managing the dual roles of family member and wage earner; and

(2) gaining entry-level employment in a high-skill, high-wage job or continuing the student's education at the postsecondary level.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.182. STATE PLAN FOR CAREER AND TECHNOLOGY EDUCATION. (a) The agency shall prepare and biennially update a state plan for

career and technology education that sets forth objectives for career and technology education for the next biennium and long-term goals for the following five years.

(b) The state plan must include procedures designed to ensure that:

(1) all secondary and postsecondary students have the opportunity to participate in career and technology education programs;

(2) the state complies with requirements for supplemental federal career and technology education funding;

(3) career and technology education is established as a part of the total education system of this state and constitutes an option for student learning that provides a rigorous course of study consistent with the required curriculum under Section 28.002 and under which a student may receive specific education in a career and technology program that:

(A) incorporates competencies leading to academic and technical skill attainment;

(B) leads to:

(i) an industry-recognized license, credential, or certificate; or

(ii) at the postsecondary level, an associate or baccalaureate degree;

(C) includes opportunities for students to earn college credit for coursework; and

(D) includes, as an integral part of the program, participation by students and teachers in activities of career and technical student organizations supported by the agency and the State Board of Education; and

(4) a school district provides, to the greatest extent possible, to a student participating in a career and technology education program opportunities to enroll in dual credit courses designed to lead to a degree, license, or certification as part of the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 41, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 22, eff. June

10, 2013.

Sec. 29.183. CAREER AND TECHNOLOGY AND OTHER EDUCATIONAL PROGRAMS. (a) The board of trustees of a school district may conduct and supervise career and technology classes and other educational programs for students and for other persons of all ages and spend local maintenance funds for the cost of those classes and programs.

(b) In developing a career and technology program, the board of trustees shall consider the state plan for career and technology education required under Section 29.182.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.184. CONTRACTS WITH OTHER SCHOOLS FOR CAREER AND TECHNOLOGY CLASSES. (a) The board of trustees of a school district may contract with another school district or with a public or private postsecondary educational institution or trade or technical school that is regulated by this state, as designated in the state plan for career and technology education required under Section 29.182, to provide career and technology classes for students in the district.

(b) A student who attends career and technology classes at another school under a contract authorized by Subsection (a) is included in the average daily attendance of the district in which the student is regularly enrolled.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.185. CAREER AND TECHNOLOGY PROGRAM REQUIREMENTS AND PROCEDURES. (a) The agency shall prescribe requirements for career and technology education in public schools as necessary to comply with federal law.

(b) The agency shall establish procedures for each school district and open-enrollment charter school to:

(1) accurately identify students who are enrolled in a tech-prep program as described by Section 61.852; and

(2) report the accurate number of tech-prep program students to the agency and the Texas Higher Education Coordinating

Board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 446 (S.B. 1410), Sec. 1, eff. September 1, 2011.

Sec. 29.187. AWARD FOR DISTINGUISHED ACHIEVEMENT IN CAREER AND TECHNOLOGY EDUCATION; PROGRAM. (a) In addition to the authority granted under Section 29.183, the board of trustees of a school district may develop and offer a program that provides a rigorous course of study consistent with the required curriculum under Section 28.002 and under which a student may:

(1) receive specific education in a career and technology profession that:

(A) leads to postsecondary education; or

(B) meets or exceeds business or industry standards; and

(2) obtain from the district an award for distinguished achievement in career and technology education and a stamp or other notation on the student's transcript that indicates receipt of the award.

(b) An award granted under this section is not in lieu of a diploma or certificate of coursework completion issued under Section 28.025.

(c) In developing a program under this section, the board of trustees of a school district shall consider the state plan for career and technology education required under Section 29.182.

(d) The board of trustees of a school district may contract with an entity listed in Section 29.184(a) for assistance in developing the program or providing instruction to district students participating in the program.

(e) The board of trustees of a school district may also contract with a local business or a local institution of higher education for assistance in developing or operating a program under this section. A program may provide education in areas of technology unique to the local area.

(f) The board of trustees of a school district may provide insurance to protect a business that contracts with the district

under Subsection (e) against liability for a bodily injury sustained by or the death of a district student while working for the business as part of a program established under this section. The board shall notify the parent or guardian of each student working for a business if the board provides insurance to the business under this subsection. The amount of insurance the district provides must be reasonable considering the financial condition of the district. The insurance must be:

(1) obtained from a reliable insurer authorized to engage in business in the state; and

(2) submitted on a form approved by the commissioner of insurance.

(g) If a business that contracts with a district under Subsection (e) obtains any insurance related to the student other than liability insurance, any proceeds of the insurance must be used for the benefit of the student and the student's family.

(h) The board of trustees of a school district must submit a proposed program under this section to the commissioner of education in accordance with criteria established by the commissioner.

Added by Acts 2003, 78th Leg., ch. 61, Sec. 3, eff. May 16, 2003.

Sec. 29.188. RECOGNITION OF SUCCESSFUL CAREER AND TECHNOLOGY EDUCATION PROGRAM. The governor is encouraged to present a proclamation or certificate to each member of the business and industry community that the Texas Workforce Commission, in cooperation with the agency, determines has successfully assisted in the provision of a career and technology education program under this subchapter.

Added by Acts 2003, 78th Leg., ch. 61, Sec. 4, eff. Sept. 1, 2003.

Sec. 29.190. SUBSIDY FOR CERTIFICATION EXAMINATION. (a) A student is entitled to a subsidy under this section if:

(1) the student:

(A) successfully completes the career and technology program of a school district in which the student receives training and instruction for employment; or

(B) is enrolled in a special education program under

Subchapter A; and

(2) the student passes a certification examination to qualify for a license or certificate.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(1), eff. September 1, 2013.

(c) On approval by the commissioner, the agency shall pay each school district an amount equal to the cost paid by the district for the certification examination. To obtain reimbursement for a subsidy paid under this section, a district must:

(1) pay the fee for the examination; and

(2) submit to the commissioner a written application on a form prescribed by the commissioner stating the amount of the fee paid under Subdivision (1) for the certification examination.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(1), eff. September 1, 2013.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(1), eff. September 1, 2013.

Added by Acts 2007, 80th Leg., R.S., Ch. 1225 (H.B. 2383), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 22, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 23(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(a)(1), eff. September 1, 2013.

SUBCHAPTER G. PUBLIC EDUCATION GRANT PROGRAM

Sec. 29.201. PARENTAL CHOICE. Notwithstanding any other provision of this code, as provided by this subchapter an eligible student may attend a public school in the district in which the student resides or may use a public education grant to attend any other district chosen by the student's parent.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.202. ELIGIBILITY. (a) A student is eligible to receive a public education grant or to attend another public school

in the district in which the student resides under this subchapter if the student is assigned to attend a public school campus:

(1) at which 50 percent or more of the students did not perform satisfactorily on an assessment instrument administered under Section 39.023(a) or (c) in any two of the preceding three years; or

(2) that, at any time in the preceding three years, failed to satisfy any standard under Section 39.054(e).

(b) After a student has used a public education grant to attend a school in a district other than the district in which the student resides:

(1) the student does not become ineligible for the grant if the school on which the student's initial eligibility is based no longer meets the criteria under Subsection (a); and

(2) the student becomes ineligible for the grant if the student is assigned to attend a school that does not meet the criteria under Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 722, Sec. 2, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 767, Sec. 9, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 342, Sec. 3, eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.08, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 42, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.007, eff. September 1, 2011.

Sec. 29.203. FINANCING. (a) A student who under this subchapter uses a public education grant to attend a public school in a school district other than the district in which the student resides is included in the average daily attendance of the district in which the student attends school.

(b) A school district is entitled to the allotment provided by Section 42.157 for each eligible student using a public education grant. If the district has a wealth per student greater than the guaranteed wealth level but less than the equalized wealth level, a school district is entitled under rules adopted by the commissioner

to additional state aid in an amount equal to the difference between the cost to the district of providing services to a student using a public education grant and the sum of the state aid received because of the allotment under Section 42.157 and money from the available school fund attributable to the student.

(c) A school district is entitled to additional facilities assistance under Section 42.4101 if the district agrees to:

(1) accept a number of students using public education grants that is at least one percent of the district's average daily attendance for the preceding school year; and

(2) provide services to each student until the student either voluntarily decides to attend a school in a different district or graduates from high school.

(d) A school district chosen by a student's parent under Section 29.201 is entitled to accept or reject the application for the student to attend school in that district but may not use criteria that discriminate on the basis of a student's race, ethnicity, academic achievement, athletic abilities, language proficiency, sex, or socioeconomic status. A school district that has more acceptable applicants for attendance under this subchapter than available positions must give priority to students at risk of dropping out of school as defined by Section 29.081 and must fill the available positions by lottery. However, to achieve continuity in education, a school district may give preference over at-risk students to enrolled students and to the siblings of enrolled students residing in the same household or other children residing in the same household as enrolled students for the convenience of parents, guardians, or custodians of those children.

(e) A school district chosen by a student's parent under Section 29.201 may not charge the student tuition.

(f) The school district in which a student resides shall provide each student attending a school in another district under this subchapter transportation free of charge to and from the school the student would otherwise attend.

(g) In this section:

(1) "Equalized wealth level" has the meaning assigned by Section 41.001.

(2) "Guaranteed wealth level" means a wealth per student equal to the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort, as provided by Section

42.302, multiplied by 10,000.

(3) "Wealth per student" has the meaning assigned by Section 41.001.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 722, Sec. 2, eff. Sept. 1, 1997.

Sec. 29.204. NOTIFICATION. (a) Not later than January 1 of each year the commissioner shall, based on the most recent information available, provide notice to each school district in which a campus described by Section 29.202 is located that:

(1) identifies each campus in the district that meets the description in Section 29.202; and

(2) informs the district that the district must comply with Subsection (b).

(b) Not later than February 1 of each year, a school district shall notify the parent of each student in the district assigned to attend a campus described by Section 29.202 that the student is eligible for a public education grant. The notice must contain a clear, concise explanation of the public education grant program and of the manner in which the parent may obtain further information about the program.

Added by Acts 1997, 75th Leg., ch. 722, Sec. 3, eff. Sept. 1, 1997.

Sec. 29.205. CONTRACT AUTHORITY. The board of trustees of a school district may contract under Section 11.157 for the provision of educational services to a district student eligible to receive a public education grant under Section 29.202.

Added by Acts 1997, 75th Leg., ch. 722, Sec. 4, eff. Sept. 1, 1997.

SUBCHAPTER H. COMMUNITY EDUCATION PROGRAMS

Sec. 29.251. DEFINITIONS. In this subchapter:

(1) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 73, Sec. 2.06(a)(2), eff. September 1, 2013.

(2) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 73, Sec.

2.06(a)(2), eff. September 1, 2013.

(3) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 73, Sec. 2.06(a)(2), eff. September 1, 2013.

(4) "Community education" means the process by which the citizens in a school district, using the resources and facilities of the district, organize to support each other and to solve their mutual educational problems and meet their mutual lifelong needs. Community education may include:

(A) educational programs, including programs relating to cultural awareness, parenting skills education and parental involvement in school programs, and multilevel adult education and personal growth;

(B) community involvement programs, including programs for community economic development, school volunteers, partnerships between schools and businesses, coordination with community agencies, school-age child care, family literacy, and community use of facilities; and

(C) programs for youth enrolled in schools, including programs for dropout prevention and recovery programs, drug-free school programs, school-age parenting programs, and academic enhancement.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.03, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.06(a)(2), eff. September 1, 2013.

Sec. 29.252. AGENCY ROLE IN COMMUNITY EDUCATION. (a) The agency shall:

(1) develop, implement, and regulate a comprehensive statewide program for community education services;

(2) administer all state and federal funds for community education in this state, other than funds that another entity is specifically authorized to administer under other law; and

(3) accept and administer grants, gifts, services, and funds from available sources for use in community education.

(b) The agency may adopt rules for the administration of this

subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 761, Sec. 1, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 817, Sec. 5.03, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.04, eff. September 1, 2013.

Sec. 29.255. STATE FUNDING. Funds shall be appropriated to implement statewide community education programs, including pilot programs to demonstrate the effectiveness of the community education concept. The agency shall ensure that public local education agencies, public nonprofit agencies, and community-based organizations have direct and equitable access to those funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 73 (S.B. 307), Sec. 2.05, eff. September 1, 2013.

Sec. 29.256. REIMBURSEMENT FOR COMMUNITY EDUCATION SERVICES. (a) A school district whose governing board elects to provide community education for all age groups may on application and according to rules adopted by the agency be reimbursed for those costs from state funds to the extent authorized by this section.

(b) Only a district that has in the preceding or current year achieved a level of community education services prescribed by the agency is eligible for reimbursement under this section. The agency's rules must contain specific provisions for eligibility and program operation.

(c) The cost to the state shall be paid from the foundation school fund.

(d) The legislature in the General Appropriations Act shall set a limit on the amount of funds that may be expended under this section each year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 4, eff. Sept. 1,

1997.

Sec. 29.257. COMMUNITY EDUCATION DEVELOPMENT PROJECTS. (a) The legislature may appropriate money from the foundation school fund to the agency for developing and implementing community education projects. The agency shall actively seek gifts, grants, or other donations for purposes related to community education development projects, unless the acceptance is prohibited by other law. Money received under this subsection shall be deposited in the account established under Subsection (b) and may be appropriated only for the purpose for which the money was given.

(b) The community education development account is created as a dedicated account in the foundation school fund in the state treasury. The account shall consist of community education related gifts, grants, and donations and shall be administered by the agency.

(c) Subject to legislative appropriation and except as provided by Subsection (g), a school district to which the agency awards money for a community education development project is entitled to receive money for a period of three years. After that period, a project must be funded wholly from local sources. State funding under this section may not exceed:

(1) $50,000 for the first year of a project;

(2) $35,000 for the second year of a project; or

(3) $20,000 for the third year of a project.

(d) The State Board of Education by rule shall establish procedures for distributing community education development money to school districts. The procedures must include a statewide competitive process by which the agency, in accordance with procedures adopted by board rule, evaluates applications for community education development money and awards money to the districts whose projects the agency determines have the greatest merit. A school district may seek review of an agency determination regarding the award of money only in accordance with an administrative review process adopted by board rule. A school district may not seek judicial review of an agency determination.

(e) An application for funding under this section must include:

(1) a resolution adopted by the board of trustees of the school district adopting a particular community education development project plan;

(2) in accordance with rules adopted by the State Board of Education, a description of:

(A) the objectives of the proposed project, including, if appropriate, quantitative targets for the objectives; and

(B) the particular means by which the objectives are to be achieved;

(3) the estimated funding requirements and the data or analysis used to prepare the estimate;

(4) a statement outlining the manner in which the proposed project achieves goals for community education and complies with the requirements of this section;

(5) a statement of the manner in which the project is to be funded after the third year;

(6) a provision for a survey of community education needs in the district that:

(A) incorporates the objectives of community education;

(B) is completed and analyzed by the district in the first year of the project; and

(C) adheres to statistical techniques recognized as valid by professional statisticians;

(7) a provision for the maximum efficient use of existing school facilities in the first year of the project;

(8) a provision for the establishment of an advisory committee of at least 15 members who:

(A) are selected without regard to race or sex;

(B) are selected to reflect persons from the local business community, governmental agencies, public and private nonprofit educational interests, parents, and the general public; and

(C) serve without compensation; and

(9) a designation of a district community education administrator whose primary responsibility is the implementation and supervision of the community education program.

(f) The agency shall monitor each project awarded money under this section in accordance with rules adopted by the State Board of Education. The agency shall evaluate whether the project has satisfactorily carried out the district's objectives as set out in the community education project plan. The board by rule may provide a process for amending the plan.

(g) A school district is not entitled to funding for any year

of a project for which:

(1) the district did not apply for funding; or

(2) the agency suspends the funding based on the agency's determination that the district has failed to satisfactorily implement the project's objectives.

(h) The State Board of Education by rule shall provide for an administrative process for the suspension of funding under Subsection (g)(2). The rules must be consistent with Chapter 2001, Government Code.

(i) The State Board of Education may adopt rules necessary to implement and enforce this section, including rules relating to financial audits of school districts that receive money under this section. Rules adopted under this section by the State Board of Education may not permit the board or the agency to waive any provision of this section.

(j) The agency may not use more than five percent of the funds appropriated for the projects under this section for the agency's administration of this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 5, eff. Sept. 1, 1997.

Sec. 29.259. ADULT HIGH SCHOOL DIPLOMA AND INDUSTRY CERTIFICATION CHARTER SCHOOL PILOT PROGRAM. (a) In this section, "adult education" means services and instruction provided below the college level for adults by a nonprofit entity described by Subsection (e).

(b) The commissioner shall establish an adult high school diploma and industry certification charter school pilot program as provided by this section as a strategy for meeting industry needs for a sufficiently trained workforce within the state.

(c) The agency shall adopt and administer a standardized secondary exit-level assessment instrument appropriate for assessing adult education program participants who successfully complete high school curriculum requirements under a program provided under this section. The commissioner shall determine the level of performance considered to be satisfactory on the secondary exit-level assessment instrument for receipt of a high school diploma by an adult education

program participant in a program provided under this section.

(d) Notwithstanding any other law and in addition to the number of charters allowed under Subchapter D, Chapter 12, a charter under the pilot program may, on the basis of an application submitted, be granted to a single nonprofit entity described by Subsection (e) to provide an adult education program for not more than 150 individuals described by Subsection (g) to successfully complete:

(1) a high school program that can lead to a diploma; and

(2) career and technology education courses that can lead to industry certification.

(e) A nonprofit entity may be granted a charter under this section only if the entity:

(1) has a successful history of providing education services, including industry certifications and job placement services, to adults 18 years of age and older whose educational and training opportunities have been limited by educational disadvantages, disabilities, homelessness, criminal history, or similar circumstances; and

(2) agrees to commit at least $1 million to the adult education program offered.

(f) A nonprofit entity granted a charter under this section may partner with a public junior college to provide career and technology courses that lead to industry certification.

(g) A person who is at least 19 years of age and not more than 50 years of age is eligible to enroll in the adult education program under this section if the person has not earned a high school equivalency certificate and:

(1) has failed to complete the curriculum requirements for high school graduation; or

(2) has failed to perform satisfactorily on an assessment instrument required for high school graduation.

(h) The nonprofit entity must include in its charter application the information required by Subsection (i).

(i) A charter granted under this section must:

(1) include a description of the adult education program to be offered under this section; and

(2) establish specific, objective standards for receiving a high school diploma, including satisfactory performance on the standardized secondary exit-level assessment instrument described by Subsection (c).

(j) Funding for an adult education program under this section is provided based on the following:

(1) for participants who are 26 years of age and older, an amount per participant from available general revenue funds appropriated for the pilot program equal to the statewide average amount of state funding per student in weighted average daily attendance that would be allocated under the Foundation School Program to an open-enrollment charter school under Section 12.106 were the student under 26 years of age; and

(2) for participants who are at least 19 years of age and under 26 years of age, an amount per participant through the Foundation School Program equal to the amount of state funding per student in weighted average daily attendance that would be allocated under the Foundation School Program for the student's attendance at an open-enrollment charter school in accordance with Section 12.106.

(k) Sections 12.107 and 12.128 apply as though funds under this section were funds under Subchapter D, Chapter 12.

(l) Not later than December 1 of each even-numbered year, beginning December 1, 2016, the agency shall prepare and deliver to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each standing legislative committee with primary jurisdiction over public education or economic development a report that:

(1) evaluates any adult education program operated under a charter granted under this section; and

(2) makes recommendations regarding the abolition, continuation, or expansion of the pilot program.

(m) The commissioner shall adopt rules necessary to administer the pilot program under this section. In adopting rules, the commissioner may modify charter school requirements only to the extent necessary for the administration of a charter school under this section that provides for adult education.

Added by Acts 2013, 83rd Leg., R.S., Ch. 478 (S.B. 1142), Sec. 1, eff. September 1, 2013.

SUBCHAPTER I. PROGRAMS FOR STUDENTS WHO ARE DEAF OR HARD OF HEARING

Sec. 29.301. DEFINITIONS. In this subchapter:

(1) "Admission, review, and dismissal committee" means the

committee required by State Board of Education rules to develop the individualized education program required by the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) for any student needing special education.

(2) "American Sign Language" means a complete, visual, and manual language with its own grammar and syntax.

(3) "English" includes writing, reading, speech, speech reading, cued speech, and any English-based manual-visual method of communication.

(4) "Unique communication mode" or "appropriate language mode" includes English and American Sign Language.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.302. FINDINGS. (a) The legislature finds that it is essential for the well-being and growth of students who are deaf or hard of hearing that educational programs recognize the unique nature of deafness and the hard-of-hearing condition and ensure that all students who are deaf or hard of hearing have appropriate, ongoing, and fully accessible educational opportunities. Students who are deaf or hard of hearing may choose to use a variety of language modes and languages, including oral and manual-visual language. Students who are deaf may choose to communicate through the language of the deaf community, American Sign Language, or through any of a number of English-based manual-visual languages. Students who are hard of hearing may choose to use spoken and written English, including speech reading or lip reading, together with amplification instruments, such as hearing aids, cochlear implants, or assistive listening systems, to communicate with the hearing population. Students who are deaf or hard of hearing may choose to use a combination of oral or manual-visual language systems, including cued speech, manual signed systems, and American Sign Language, or may rely exclusively on the oral-aural language of their choice. Students who are deaf or hard of hearing also may use other technologies to enhance language learning.

(b) The legislature recognizes that students who are deaf or hard of hearing should have the opportunity to develop proficiency in English, including oral or manual-visual methods of communication, and American Sign Language.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.303. UNIQUE COMMUNICATION. Students who are deaf or hard of hearing must have an education in which their unique communication mode is respected, used, and developed to an appropriate level of proficiency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.304. QUALIFICATIONS OF PERSONNEL. (a) A student who is deaf or hard of hearing must have an education in which teachers, psychologists, speech therapists, progress assessors, administrators, and others involved in education understand the unique nature of deafness and the hard-of-hearing condition. A teacher of students who are deaf or hard of hearing either must be proficient in appropriate language modes or use an interpreter certified in appropriate language modes if certification is available.

(b) Each school district shall employ or provide access to appropriate qualified staff with proficient communications skills, consistent with credentialing requirements, to fulfill the responsibilities of the school district, and shall make positive efforts to employ qualified individuals with disabilities.

(c) Regular and special personnel who work with students who are deaf or hard of hearing must be adequately prepared to provide educational instruction and services to those students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.305. LANGUAGE MODE PEERS. If practicable and not in conflict with any admission, review, and dismissal committee recommendations, a student who is deaf or hard of hearing must have an education in the company of a sufficient number of peers using the same language mode and with whom the student can communicate directly. If practicable, the peers must be of the same or approximately the same age and ability.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.306. FAMILIAL AND ADVOCATE INVOLVEMENT. A student who is deaf or hard of hearing must have an education in which the student's parents or legal guardians and advocates for the student's parents or legal guardians are involved in determining the extent, content, and purpose of programs. Other individuals, including individuals who are deaf or hard of hearing, may be involved at the discretion of parents or legal guardians or the school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.307. ROLE MODELS. A student who is deaf or hard of hearing shall be given the opportunity to be exposed to deaf or hard-of-hearing role models.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.308. REGIONAL PROGRAMS. Regional programs for students who are deaf or hard of hearing shall meet the unique communication needs of students who can benefit from those programs. Appropriate funding for those programs shall be consistent with federal and state law, and money appropriated to school districts for educational programs and services for students who are deaf or hard of hearing may not be allocated or used for any other program or service.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.309. COMPOSITION OF LOCAL SPECIAL EDUCATION ADVISORY COMMITTEE. If practicable, in a school district in which there are students who are deaf or hard of hearing, the local special education advisory committee required under State Board of Education rule must include persons who are deaf or hard of hearing and parents and legal guardians of students who are deaf or hard of hearing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.310. PROCEDURES AND MATERIALS FOR ASSESSMENT AND PLACEMENT. (a) Procedures and materials for assessment and

placement of students who are deaf or hard of hearing shall be selected and administered so as not to be racially, culturally, or sexually discriminatory.

(b) A single assessment instrument may not be the sole criterion for determining the placement of a student.

(c) The procedures and materials for the assessment and placement of a student who is deaf or hard of hearing shall be in the student's preferred mode of communication. All other procedures and materials used with any student who is deaf or hard of hearing and who has limited English proficiency shall be in the student's preferred mode of communication.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.311. EDUCATIONAL PROGRAMS. (a) Educational programs for students who are deaf or hard of hearing must be coordinated with other public and private agencies, including:

(1) agencies operating early childhood intervention programs;

(2) preschools;

(3) agencies operating child development programs;

(4) nonpublic, nonsectarian schools;

(5) agencies operating regional occupational centers and programs; and

(6) the Texas School for the Deaf.

(b) As appropriate, the programs must also be coordinated with postsecondary and adult programs for persons who are deaf or hard of hearing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.312. PSYCHOLOGICAL COUNSELING SERVICES. Appropriate psychological counseling services for a student who is deaf or hard of hearing shall be made available at the student's school site in the student's primary mode of communication. In the case of a student who is hard of hearing, appropriate auditory systems to enhance oral communication shall be used if required by the student's admission, review, and dismissal committee.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.313. EVALUATION OF PROGRAMS. Each school district must provide continuous evaluation of the effectiveness of programs of the district for students who are deaf or hard of hearing. If practicable, evaluations shall follow program excellence indicators established by the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.314. TRANSITION INTO REGULAR CLASS. In addition to satisfying requirements of the admission, review, and dismissal committee and to satisfying requirements under state and federal law for vocational training, each school district shall develop and implement a transition plan for the transition of a student who is deaf or hard of hearing into a regular class program if the student is to be transferred from a special class or center or nonpublic, nonsectarian school into a regular class in a public school for any part of the school day. The transition plan must provide for activities:

(1) to integrate the student into the regular education program and specify the nature of each activity and the time spent on the activity each day; and

(2) to support the transition of the student from the special education program into the regular education program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Deaf shall develop, agree to, and by commissioner rule adopt no later than September 1, 1998, a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Deaf;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4) the process for the agency to assign an accreditation status to the school, to reevaluate the status on an annual basis, and, if necessary, to conduct monitoring reviews; and

(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

Added by Acts 1997, 75th Leg., ch. 1340, Sec. 6, eff. Sept. 1, 1997.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 5, eff. June 19, 2015.

SUBCHAPTER K. PUBLIC JUNIOR COLLEGE AND SCHOOL DISTRICT PARTNERSHIP PROGRAM TO PROVIDE DROPOUT RECOVERY

Sec. 29.402. PARTNERSHIP. (a) A public junior college may enter into an articulation agreement to partner with one or more school districts located in the public junior college district to provide on the campus of the public junior college a dropout recovery program for students described by Subsection (b) to successfully complete and receive a diploma from a high school of the appropriate partnering school district.

(a-1) A public junior college with a service area located wholly or partly in a county with a population of more than three million may enter into an articulation agreement described by Subsection (a) with any school district located wholly or partly in a county with a population of more than three million.

(b) A person who is under 26 years of age is eligible to enroll in a dropout recovery program under this subchapter if the person:

(1) must complete not more than three course credits to complete the curriculum requirements for the foundation high school program for high school graduation; or

(2) has failed to perform satisfactorily on an end-of-course assessment instrument administered under Section 39.023(c) or an assessment instrument administered under Section 39.023(c) as that section existed before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007.

(c) A public junior college under this section shall:

(1) design a dropout recovery curriculum that includes career and technology education courses that lead to industry or career certification;

(2) integrate into the dropout recovery curriculum research-based strategies to assist students in becoming able academically to pursue postsecondary education, including:

(A) high quality, college readiness instruction with strong academic and social supports;

(B) secondary to postsecondary bridging that builds college readiness skills, provides a plan for college completion, and ensures transition counseling; and

(C) information concerning appropriate supports available in the first year of postsecondary enrollment to ensure postsecondary persistence and success, to the extent funds are available for the purpose;

(3) offer advanced academic and transition opportunities, including dual credit courses and college preparatory courses, such as advanced placement courses; and

(4) coordinate with each partnering school district to provide in the articulation agreement that the district retains accountability for student attendance, student completion of high school course requirements, and student performance on assessment instruments as necessary for the student to receive a diploma from a high school of the partnering school district.

(c-1) A public junior college under this section may partner with a public technical institute, as defined by Section 61.003, to provide, as part of the dropout recovery program curriculum, career and technology education courses that lead to industry or career certification.

(d) A dropout recovery program provided under this subchapter must comply with the requirements of Sections 29.081(e) and (f).

Added by Acts 2011, 82nd Leg., R.S., Ch. 643 (S.B. 975), Sec. 1, eff. June 17, 2011.
Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 1, eff. June 17, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 155 (S.B. 860), Sec. 1, eff. May 24, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 24(a), eff. June 10, 2013.
Acts 2015, 84th Leg., R.S., Ch. 1177 (S.B. 1004), Sec. 1, eff. June 19, 2015.

Sec. 29.403. FINANCING. (a) A public junior college district may receive from each partnering school district for each student from that district enrolled in a dropout recovery program under this subchapter an amount negotiated between the junior college district and that partnering district not to exceed the total average per student funding amount in that district during the preceding school year for maintenance and operations, including state and local funding, but excluding money from the available school fund.
(b) A student who is enrolled in a program under this subchapter is included in determining the average daily attendance under Section 42.005 of the partnering school district.
(c) A public technical institute may receive from a partnering public junior college for each student enrolled in a career and technology education course as provided by Section 29.402(c-1) an amount negotiated between the public technical institute and the partnering public junior college.

Added by Acts 2011, 82nd Leg., R.S., Ch. 643 (S.B. 975), Sec. 1, eff. June 17, 2011.
Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 1, eff. June 17, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 155 (S.B. 860), Sec. 2, eff. May 24, 2013.

Sec. 29.404. OTHER FUNDING. (a) To the extent consistent with the General Appropriations Act, a public junior college under this subchapter is eligible to receive dropout prevention and intervention program funds appropriated to the agency.
(b) A public junior college under this subchapter may receive gifts, grants, and donations to use for the purposes of this subchapter.

Added by Acts 2011, 82nd Leg., R.S., Ch. 643 (S.B. 975), Sec. 1, eff.

June 17, 2011.
Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 1, eff. June 17, 2011.

SUBCHAPTER L. SCHOOL DISTRICT PROGRAM FOR RESIDENTS OF FORENSIC STATE SUPPORTED LIVING CENTER

Sec. 29.451. DEFINITIONS. In this subchapter, "alleged offender resident," "interdisciplinary team," and "state supported living center" have the meanings assigned by Section 555.001, Health and Safety Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.452. APPLICABILITY. This subchapter applies only to an alleged offender resident of the forensic state supported living center established under Section 555.002, Health and Safety Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.453. SCHOOL DISTRICT SERVICES. (a) A school district shall provide educational services, including services required under Subchapter A, to each alleged offender resident who is under 22 years of age and otherwise eligible under Section 25.001 to attend school in the district. The district shall provide educational services to each alleged offender resident who is 21 years of age on September 1 of the school year and otherwise eligible to attend school in the district until the earlier of:

(1) the end of that school year; or

(2) the student's graduation from high school.

(b) The educational placement of an alleged offender resident and the educational services to be provided by a school district to the resident shall be determined by the resident's admission, review, and dismissal committee consistent with federal law and regulations regarding the placement of students with disabilities in the least restrictive environment. The resident's admission, review, and dismissal committee shall:

(1) inform the resident's interdisciplinary team of a determination the committee makes in accordance with this subsection; and

(2) consult, to the extent practicable, with the resident's interdisciplinary team concerning such a determination.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.454. BEHAVIOR MANAGEMENT; BEHAVIOR SUPPORT SPECIALISTS. (a) The discipline of an alleged offender resident by a school district is subject to Sections 37.0021 and 37.004 and to federal law governing the discipline of students with disabilities.

(b) A school district in which alleged offender residents are enrolled shall employ one or more behavior support specialists to serve the residents while at school. A behavior support specialist must:

(1) hold a baccalaureate degree;

(2) have training in providing to students positive behavioral support and intervention, as determined by the commissioner of education; and

(3) meet any other requirement jointly determined by the commissioner of education and the commissioner of the Department of Aging and Disability Services.

(c) A behavior support specialist shall conduct for each alleged offender resident enrolled in the school district a functional behavioral assessment that includes:

(1) data collection, through interviews with and observation of the resident;

(2) data analysis; and

(3) development of an individualized school behavioral intervention plan for the resident.

(d) Each behavior support specialist shall:

(1) ensure that each alleged offender resident enrolled in the school district is provided behavior management services under a school behavioral intervention plan based on the resident's functional behavioral assessment, as described by Subsection (c);

(2) communicate and coordinate with the resident's interdisciplinary team to ensure that behavioral intervention actions

of the district and of the forensic state supported living center do not conflict;

(3) in the case of a resident who regresses:

(A) ensure that necessary corrective action is taken in the resident's individualized education program or school behavioral intervention plan, as appropriate; and

(B) communicate with the resident's interdisciplinary team concerning the regression and encourage the team to aggressively address the regression;

(4) participate in the resident's admission, review, and dismissal committee meetings in conjunction with:

(A) developing and implementing the resident's school behavioral intervention plan; and

(B) determining the appropriate educational placement for each resident, considering all available academic and behavioral information;

(5) coordinate each resident's school behavioral intervention plan with the resident's program of active treatment provided by the forensic state supported living center to ensure consistency of approach and response to the resident's identified behaviors;

(6) provide training for school district staff and, as appropriate, state supported living center staff in implementing behavioral intervention plans for each resident; and

(7) remain involved with the resident during the school day.

(e) Section 22.0511 applies to a behavior support specialist employed under this section by a school district.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.455. MEMORANDUM OF UNDERSTANDING. (a) A school district in which alleged offender residents are enrolled in school and the forensic state supported living center shall enter into a memorandum of understanding to:

(1) establish the duties and responsibilities of the behavior support specialist to ensure the safety of all students and teachers while educational services are provided to a resident at a

school in the district; and

(2) ensure the provision of appropriate facilities for providing educational services and of necessary technological equipment if a resident's admission, review, and dismissal committee determines that the resident must receive educational services at the forensic state supported living center.

(b) A memorandum of understanding under Subsection (a) remains in effect until superseded by a subsequent memorandum of understanding between the school district and the forensic state supported living center or until otherwise rescinded.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.456. FAILURE OF SCHOOL DISTRICT AND CENTER TO AGREE. (a) If a school district in which alleged offender residents are enrolled in school and the forensic state supported living center fail to agree on the services required for residents or responsibility for those services, the district or center may refer the issue in disagreement to the commissioner of education and the commissioner of the Department of Aging and Disability Services.

(b) If the commissioner of education and the commissioner of the Department of Aging and Disability Services are unable to bring the school district and forensic state supported living center to agreement, the commissioners shall jointly submit a written request to the attorney general to appoint a neutral third party knowledgeable in special education and mental retardation issues to resolve each issue on which the district and the center disagree. The decision of the neutral third party is final and may not be appealed. The district and the center shall implement the decision of the neutral third party. The commissioner of education or the commissioner of the Department of Aging and Disability Services shall ensure that the district and the center implement the decision of the neutral third party.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.457. FUNDING. (a) In addition to other funding to

which a school district is entitled under this code, each district in which alleged offender residents attend school is entitled to an annual allotment of $5,100 for each resident in average daily attendance or a different amount for any year provided by appropriation.

(b) Not later than December 1 of each year, a school district that receives an allotment under this section shall submit a report accounting for the expenditure of funds received under this section to the governor, the lieutenant governor, the speaker of the house of representatives, the chairs of the standing committees of the senate and house of representatives with primary jurisdiction regarding persons with mental retardation and public education, and each member of the legislature whose district contains any portion of the territory included in the school.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

Sec. 29.458. RULES. The commissioner may adopt rules as necessary to administer this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 284 (S.B. 643), Sec. 2, eff. June 11, 2009.

SUBCHAPTER Z. MISCELLANEOUS PROGRAMS

Sec. 29.901. MILITARY INSTRUCTION. (a) In each school district in which military instruction is conducted under a state or federal law requiring the district to give bond or otherwise indemnify this state or the United States or any authorized agency of either in an amount and on conditions determined by any agency under that law for the care, safekeeping, and return of property furnished, the board of trustees may:

(1) make contracts with the proper governmental agency with respect to the teaching of courses in military training; and

(2) execute, as principal or surety, a bond to secure the contracts to procure arms, ammunition, animals, uniforms, equipment, supplies, means of transportation, or other needed property.

(b) In a district in which military instruction is given as provided by Subsection (a), available school funds may be spent to:

(1) procure from any guaranty or surety company any bond authorized by Subsection (a), in the amount and on the conditions required by the governmental agency; or

(2) reimburse this state or the United States for any loss pursuant to the terms of any contract entered into.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 29.902. DRIVER EDUCATION. (a) The Texas Department of Licensing and Regulation shall develop a program of organized instruction in driver education and traffic safety for public school students. A student who will be 15 years of age or older before a driver education and traffic safety course ends may enroll in the course.

(b) The agency shall establish standards for the certification of professional and paraprofessional personnel who conduct the programs in the public schools.

(c) A school district shall consider offering a driver education and traffic safety course during each school year. If the district offers the course, the district may:

(1) conduct the course and charge a fee for the course in the amount determined by the agency to be comparable to the fee charged by a driver education school that holds a license under Chapter 1001; or

(2) contract with a driver education school that holds a license under Chapter 1001 to conduct the course.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1146 (H.B. 2730), Sec. 12.02, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 2, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 1, eff. September 1, 2015.

Sec. 29.9021. WATER SAFETY EDUCATION. The agency by rule shall incorporate a curriculum module on recreational water safety into driver education instruction using the video on recreational water

safety produced under Section 12.012, Parks and Wildlife Code, when the agency is notified that the video is available.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1275 (H.B. 673), Sec. 2, eff. June 17, 2011.

Sec. 29.903. CARDIOPULMONARY RESUSCITATION (CPR) INSTRUCTION; DONATIONS TO SCHOOL DISTRICTS FOR USE IN CPR INSTRUCTION. (a) A school district may accept from the agency donations the agency receives under Section 7.026 for use in providing instruction to students in the principles and techniques of CPR. A district may accept other donations, including donations of equipment, for use in providing the instruction.

(b) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1371, Sec. 8, eff. June 15, 2007.

(c) A district may use resources other than those made available under Section 7.026 or this section to provide instruction to students in the principles and techniques of CPR.

(d) The commissioner may adopt rules as necessary to implement this section.

Added by Acts 2001, 77th Leg., ch. 814, Sec. 2, eff. June 14, 2001.
Amended by Acts 2003, 78th Leg., ch. 1275, Sec. 3(6), eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 5, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 8, eff. June 15, 2007.

Sec. 29.904. PLAN TO INCREASE ENROLLMENT IN INSTITUTIONS OF HIGHER EDUCATION. (a) This section applies only to a school district with one or more high schools that:

(1) during the preceding five years, have had an average of at least 26 students in the high school graduating class; and

(2) for any two consecutive years during the preceding five years, have been among the lowest 10 percent of high schools in this state in the percentage of students graduating from the high school and enrolling for the following academic year in an institution of

higher education.

(b) The agency and the Texas Higher Education Coordinating Board shall collaborate in identifying each school district to which this section applies. Not later than May 1 of each year:

(1) the agency shall notify a district to which this section applies of the applicability of this section to the district unless the district is operating under a plan required by this section; and

(2) the coordinating board shall notify each public institution of higher education in this state in closest geographic proximity to a district to which this section applies of the applicability of this section to the district unless the district is operating under a plan required by this section.

(c) Except as otherwise provided by this subsection, not later than August 1 of the year in which a school district receives notice under Subsection (b), the district shall enter into an agreement with the public institution of higher education in this state in closest geographic proximity to the district to develop a plan to increase the percentage of the district's graduating seniors who enroll in an institution of higher education for the academic year following graduation. The public institution of higher education in this state in closest geographic proximity to the district shall enter into an agreement under this subsection unless that institution of higher education or the district recruits another public institution of higher education in this state to enter into that agreement. A district and the public institution of higher education entering into the agreement with the district may also enter into an agreement with one or more other public institutions of higher education in this state to participate in developing the plan.

(d) A plan developed under this section:

(1) must establish clear, achievable goals for increasing the percentage of the school district's graduating seniors, particularly the graduating seniors attending a high school described by Subsection (a), who enroll in an institution of higher education for the academic year following graduation;

(2) must establish an accurate method of measuring progress toward the goals established under Subdivision (1) that may include the percentage of district high school students and the percentage of students attending a district high school described by Subsection (a) who:

(A) are enrolled in a course for which a student may earn college credit, such as an advanced placement or international baccalaureate course or a course offered through concurrent enrollment in high school and at an institution of higher education;

(B) are enrolled in courses that meet the curriculum requirements for the distinguished level of achievement under the foundation high school program as determined under Section 28.025;

(C) have submitted a free application for federal student aid (FAFSA);

(D) are exempt under Section 51.3062(p) or (q) from administration of an assessment instrument under Section 51.3062 or have performed successfully on an assessment instrument under Section 51.3062;

(E) graduate from high school;

(F) graduate from an institution of higher education; and

(G) have taken college entrance examinations and the average score of those students on the examinations;

(3) must cover a period of at least five years; and

(4) may be directed at district students at any level of primary or secondary education.

(e) A school district shall file the plan with the commissioner of education and the commissioner of higher education.

(f) A school district must implement the plan at the beginning of the school year following the year during which the district receives notice under Subsection (b).

(g) A school district may revise the plan as necessary in response to achieving or failing to achieve goals under the plan.

Added by Acts 2001, 77th Leg., ch. 795, Sec. 1, eff. Sept 1, 2001.
Renumbered from Education Code Sec. 29.903 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(16), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 43, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 25(a), eff. June 10, 2013.

Sec. 29.905. COMMUNITY EDUCATION RELATING TO HATE CRIME LAW.

(a) The attorney general, in cooperation with the agency, shall develop a program that provides instruction about state laws on hate crimes:

(1) at appropriate grade levels, to students; and

(2) to the community at large.

(b) The agency shall make the program available to a school on the request of the board of trustees or the school district of which the school is a part, or if the school is an open-enrollment charter school, on the request of the governing body of the school.

Added by Acts 2001, 77th Leg., ch. 85, Sec. 6.01, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 29.903 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(17), eff. Sept. 1, 2003.

Sec. 29.906. CHARACTER EDUCATION PROGRAM. (a) A school district may provide a character education program.

(b) A character education program under this section must:

(1) stress positive character traits, such as:

(A) courage;

(B) trustworthiness, including honesty, reliability, punctuality, and loyalty;

(C) integrity;

(D) respect and courtesy;

(E) responsibility, including accountability, diligence, perseverance, and self-control;

(F) fairness, including justice and freedom from prejudice;

(G) caring, including kindness, empathy, compassion, consideration, patience, generosity, and charity;

(H) good citizenship, including patriotism, concern for the common good and the community, and respect for authority and the law; and

(I) school pride;

(2) use integrated teaching strategies; and

(3) be age appropriate.

(c) In developing or selecting a character education program under this section, a school district shall consult with a committee selected by the district that consists of:

(1) parents of district students;

(2) educators; and

(3) other members of the community, including community leaders.

(d) This section does not require or authorize proselytizing or indoctrinating concerning any specific religious or political belief.

(e) The agency shall:

(1) maintain a list of character education programs that school districts have implemented that meet the criteria under Subsection (b);

(2) based on data reported by districts, annually designate as a Character Plus School each school that provides a character education program that:

(A) meets the criteria prescribed by Subsection (b); and

(B) is approved by the committee selected under Subsection (c); and

(3) include in the report required under Section 39.332:

(A) based on data reported by districts, the impact of character education programs on student discipline and academic achievement; and

(B) other reported data relating to character education programs the agency considers appropriate for inclusion.

(f) The agency may accept money from federal government and private sources to use in assisting school districts in implementing character education programs that meet the criteria prescribed by Subsection (b).

Added by Acts 2001, 77th Leg., ch. 478, Sec. 1, eff. June 11, 2001.
Renumbered from Education Code Sec. 29.903 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(18), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 44, eff. June 19, 2009.

Sec. 29.907. CELEBRATE FREEDOM WEEK. (a) To educate students about the sacrifices made for freedom in the founding of this country and the values on which this country was founded, the week in which September 17 falls is designated as Celebrate Freedom Week in public schools. For purposes of this subsection, Sunday is considered the

first day of the week.

(b) The agency, in cooperation with other state agencies who voluntarily participate, may promote Celebrate Freedom Week through a coordinated program. Nothing in this subsection shall give any other state agency the authority to develop a program that provides instruction unless funds are specifically appropriated to that agency for that purpose.

Added by Acts 2001, 77th Leg., ch. 451, Sec. 1, eff. June 7, 2001. Renumbered from Education Code Sec. 29.903 and amended by Acts 2003, 78th Leg., ch. 594, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 6.0031, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 40 (H.B. 708), Sec. 1, eff. May 8, 2007.

Sec. 29.908. EARLY COLLEGE EDUCATION PROGRAM. (a) The commissioner shall establish and administer an early college education program for students who are at risk of dropping out of school or who wish to accelerate completion of the high school program. For purposes of this subsection, "student at risk of dropping out of school" has the meaning assigned by Section 29.081.

(b) The program must:

(1) provide for a course of study that enables a participating student to combine high school courses and college-level courses during grade levels 9 through 12;

(2) allow a participating student to complete high school and, on or before the fifth anniversary of the date of the student's first day of high school, receive a high school diploma and either:

(A) an associate degree; or

(B) at least 60 semester credit hours toward a baccalaureate degree;

(3) include articulation agreements with colleges, universities, and technical schools in this state to provide a participating student access to postsecondary educational and training opportunities at a college, university, or technical school; and

(4) provide a participating student flexibility in class scheduling and academic mentoring.

(b-1) Each articulation agreement under Subsection (b)(3) must address:

(1) curriculum alignment;

(2) instructional materials;

(3) the instructional calendar;

(4) courses of study;

(5) eligibility of students for higher education financial assistance;

(6) student enrollment and attendance;

(7) grading periods and policies; and

(8) administration of statewide assessment instruments under Subchapter B, Chapter 39.

(b-2) The P-16 Council established under Section 61.076 shall provide guidance in case of any conflict that arises between parties to an articulation agreement under Subsection (b)(3).

(c) A student participating in the program is entitled to the benefits of the Foundation School Program in proportion to the amount of time spent by the student on high school courses, in accordance with rules adopted by the commissioner, while completing the course of study established by the applicable articulation agreement under Subsection (b)(3).

(d) The commissioner may accept gifts, grants, and donations from any source, including private and nonprofit organizations. Private and nonprofit organizations that contribute to the fund shall receive an award under Section 7.113.

(e) The commissioner shall collaborate with the Texas Workforce Commission and the Texas Higher Education Coordinating Board to develop and implement a strategic plan to enhance private industry participation under this section. The plan must include:

(1) strategies to increase private industry participation; and

(2) incentives for businesses and nonprofit organizations that choose to make donations and work with high schools that participate in a program under this section to maximize job placement opportunities for program graduates.

(f) Not later than December 1, 2014, the commissioner shall provide a report that summarizes the strategic plan developed under Subsection (e) to the lieutenant governor, the speaker of the house of representatives, the governor, the Texas Workforce Commission, and the Texas Higher Education Coordinating Board. The Texas Education

Agency, the Texas Workforce Commission, and the Texas Higher Education Coordinating Board shall each make the report available on the respective agency's Internet website.

(g) The commissioner may adopt rules as necessary to administer the program. The rules may provide for giving preference in receiving program benefits to a student who is in the first generation of the student's family to attend college and may establish other distinctions or criteria based on student need. The commissioner shall consult the Texas Higher Education Coordinating Board in administering the program. The Texas Higher Education Coordinating Board may adopt rules as necessary to exercise its powers and duties under this section. The P-16 Council may make recommendations, including recommendations for rules, concerning administration of the program.

Added by Acts 2003, 78th Leg., ch. 1201, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 879 (S.B. 1146), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.006, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1220 (S.B. 1557), Sec. 1, eff. September 1, 2013.

Sec. 29.909. DISTANCE LEARNING COURSES. (a) A school district or open-enrollment charter school that provides a course through distance learning and seeks to inform other districts or schools of the availability of the course may submit information to the agency regarding the course, including the number of positions available for student enrollment in the course. The district or school may submit updated information at the beginning of each semester.

(b) The agency shall make information submitted under this section available on the agency's Internet website.

(c) The commissioner may adopt rules necessary to implement this section, including rules governing student enrollment. The commissioner may not adopt rules governing course pricing, and the price for a course shall be determined by the school districts or open-enrollment charter schools involved.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 2,

eff. June 14, 2013.

Sec. 29.910. PROGRAMS OF MUTUAL BENEFIT. (a) The commissioner, in coordination with appropriate representatives of institutions of higher education and school districts, shall develop:

(1) a diagnostic and assistance program for each subject assessed by an assessment instrument under Section 39.023(c); and

(2) other academic programs of mutual benefit to school districts and institutions of higher education.

(b) The commissioner shall seek private funding to make available and maintain on the Internet each diagnostic and assistance program developed under Subsection (a)(1).

Added by Acts 2003, 78th Leg., ch. 1212, Sec. 10, eff. June 20, 2003.

Sec. 29.911. GENERATION TEXAS WEEK. (a) To educate middle school, junior high school, and high school students about the importance of higher education, each school district and each open-enrollment charter school offering any of those grade levels shall designate one week during the school year as Generation Texas Week.

(b) During the designated week, each middle school, junior high school, and high school shall provide students with comprehensive grade-appropriate information regarding the pursuit of higher education. The information provided must include information regarding:

(1) higher education options available to students;

(2) standard admission requirements for institutions of higher education, including:

(A) overall high school grade point average;

(B) required curriculum;

(C) college readiness standards and expectations as determined under Section 28.008; and

(D) scores necessary on generally recognized tests or assessment instruments used in admissions determinations, including the Scholastic Assessment Test and the American College Test;

(3) automatic admission of certain students to general academic teaching institutions as provided by Section 51.803; and

(4) financial aid availability and requirements, including

the financial aid information provided by school counselors under Section 33.007(b).

(c) In addition to the information provided under Subsection (b), each middle school, junior high school, and high school shall provide to the students during the designated week at least one public speaker to promote the importance of higher education.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 12, eff. June 15, 2007.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1033 (H.B. 2909), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1033 (H.B. 2909), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 23, eff. June 14, 2013.

Sec. 29.915. FINANCIAL LITERACY PILOT PROGRAM. (a) In this section, "program" means the financial literacy pilot program.

(b) To the extent funding is available under Subsection (e), the agency by rule shall establish and implement a financial literacy pilot program to provide students in participating school districts with the knowledge and skills necessary as self-supporting adults to make critical decisions relating to personal financial matters.

(c) The agency shall collaborate with the Office of Consumer Credit Commissioner and the State Securities Board to develop the curriculum and instructional materials for the program. The curriculum and instructional materials must include information about:

(1) avoiding and eliminating credit card debt;

(2) understanding the rights and responsibilities of renting or buying a home;

(3) managing money to make the transition from renting a home to home ownership;

(4) starting a small business;

(5) being a prudent investor in the stock market and using other investment options;

(6) beginning a savings program;

(7) bankruptcy;

(8) the types of bank accounts available to consumers and the benefits of maintaining a bank account;

(9) balancing a check book;

(10) the types of loans available to consumers and becoming a low-risk borrower; and

(11) the use of insurance as a means of protecting against financial risk.

(d) The agency shall develop an application and selection process for selecting school districts to participate in the program. The agency may select not more than 100 school districts to participate in the program.

(e) The agency may solicit and accept a gift, grant, or donation from any source, including a foundation, private entity, governmental entity, or institution of higher education, for the implementation of the program. The program may be implemented only if sufficient funds are available under this subsection for that purpose.

Added by Acts 2005, 79th Leg., Ch. 832 (S.B. 851), Sec. 1, eff. June 17, 2005.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 23, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1221 (S.B. 1590), Sec. 2, eff. June 14, 2013.

Sec. 29.916. HOME-SCHOOLED STUDENT MERIT SCHOLARSHIP AND ADVANCED PLACEMENT TESTING. (a) In this section:

(1) "Home-schooled student" means a student who predominantly receives instruction in a general elementary or secondary education program that is provided by the parent, or a person standing in parental authority, in or through the child's home.

(2) "PSAT/NMSQT" means the Preliminary SAT/National Merit Scholarship Qualifying Test sponsored by the College Board and Educational Testing Service and the National Merit Scholarship Corporation.

(b) A school district shall permit a home-schooled student entitled under Section 25.001 to attend public school in the district

to participate in an administration of the PSAT/NMSQT or a college advanced placement test offered by the district. A school district shall require a home-schooled student to pay the same fee to participate in a test under this subsection that a student enrolled in the district is required to pay.

(c) A school district shall post on an Internet website maintained by the district the date the PSAT/NMSQT will be administered and the date any college advanced placement tests will be administered. The notice required under this subsection must state that the PSAT/NMSQT or the advanced placement test is available for home-schooled students eligible to attend school in the district and describe the procedures for a home-schooled student to register for the test. A school district that does not maintain an Internet website must publish the information required by this subsection in a newspaper in the district. If a newspaper is not published in the school district, the district shall provide for the publication of notice in at least one newspaper in the county in which the district's central administrative office is located. The information required under this subsection must be posted or published at the same time and with the same frequency with which the information is provided to a student who attends a district school.

(d) The commissioner may adopt rules as necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1211 (H.B. 1844), Sec. 1, eff. June 15, 2007.

Sec. 29.917. HIGHER EDUCATION AND WORKFORCE READINESS PROGRAMS. (a) From funds appropriated for the purpose, the commissioner may award grants to organizations that provide volunteers to teach classroom or after-school programs to enhance:

(1) college readiness;

(2) workforce readiness;

(3) dropout prevention; or

(4) personal financial literacy.

(b) To implement or administer a program under this section, the commissioner may accept gifts, grants, and donations from public or private entities.

(c) The commissioner may conduct a study of the programs under

this section to determine the success of the programs in preparing students for higher education and participation in the workforce.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 12, eff. June 15, 2007.

Sec. 29.918. DROPOUT PREVENTION STRATEGIES. (a) Notwithstanding Section 39.234 or 42.152, a school district or open-enrollment charter school with a high dropout rate, as determined by the commissioner, must submit a plan to the commissioner describing the manner in which the district or charter school intends to use the compensatory education allotment under Section 42.152 and the high school allotment under Section 42.160 for developing and implementing research-based strategies for dropout prevention. The district or charter school shall submit the plan not later than December 1 of each school year preceding the school year in which the district or charter school will receive the compensatory education allotment or high school allotment to which the plan applies.

(b) A school district or open-enrollment charter school to which this section applies may not spend or obligate more than 25 percent of the district's or charter school's compensatory education allotment or high school allotment unless the commissioner approves the plan submitted under Subsection (a). The commissioner shall complete an initial review of the district's or charter school's plan not later than March 1 of the school year preceding the school year in which the district or charter school will receive the compensatory education allotment or high school allotment to which the plan applies.

(c) The commissioner shall adopt rules to administer this section. The commissioner may impose interventions or sanctions under Section 39.102 or 39.104 if a school district or open-enrollment charter school fails to timely comply with this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 12, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 45, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 24, eff. September 1, 2009.

Sec. 29.920. WINTER CELEBRATIONS. (a) A school district may educate students about the history of traditional winter celebrations, and allow students and district staff to offer traditional greetings regarding the celebrations, including:

(1) "Merry Christmas";

(2) "Happy Hanukkah"; and

(3) "happy holidays."

(b) Except as provided by Subsection (c), a school district may display on school property scenes or symbols associated with traditional winter celebrations, including a menorah or a Christmas image such as a nativity scene or Christmas tree, if the display includes a scene or symbol of:

(1) more than one religion; or

(2) one religion and at least one secular scene or symbol.

(c) A display relating to a traditional winter celebration may not include a message that encourages adherence to a particular religious belief.

Added by Acts 2013, 83rd Leg., R.S., Ch. 236 (H.B. 308), Sec. 1, eff. June 14, 2013.

Sec. 29.922. TEXAS WORKFORCE INNOVATION NEEDS PROGRAM. (a) In this section:

(1) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(2) "Program" means the Texas Workforce Innovation Needs Program.

(b) The Texas Workforce Innovation Needs Program is established to:

(1) provide selected school districts, public institutions of higher education, and private or independent institutions of higher education with the opportunity to establish innovative programs designed to prepare students for careers for which there is demand in this state; and

(2) use the results of those programs to inform the governor, legislature, and commissioner concerning methods for transforming public education and higher education in this state by

improving student learning and career preparedness.

(c) To apply to participate in the program, a school district, public institution of higher education, or private or independent institution of higher education must use the form and apply in the time and manner established by commissioner rule. The application process must require each applicant district or institution of higher education to submit a detailed plan as required by Subsections (d) and (e) of the instruction and accountability the applicant would provide under the program.

(d) A plan submitted under Subsection (c):

(1) must:

(A) be designed to support improved instruction of and learning by students and provide evidence of the accurate assessment of the quality of learning on campus;

(B) describe any waiver of an applicable prohibition, requirement, or restriction for which the district or institution of higher education intends to apply; and

(C) include any other information required by commissioner rule; and

(2) may, if submitted by a school district, designate one or more campuses rather than the entire district to participate in the program.

(e) In addition to satisfying the requirements under Subsection (d)(1), a plan submitted under Subsection (c) must, to the greatest extent appropriate for the grade or higher education levels served under the program, either:

(1) focus on engagement of students in competency-based learning as necessary to earn postsecondary credentials, including:

(A) career and technical certificates;

(B) associate's degrees;

(C) bachelor's degrees; and

(D) graduate degrees; or

(2) incorporate career and technical courses into dual enrollment courses or into the early college education program under Section 29.908 to provide students the opportunity to earn a career or technical certificate or associate's degree.

(f) From among the school districts and institutions of higher education that apply as required under this section, the commissioner shall select those school districts and institutions of higher education that present the plans that are most likely to be effective

in producing the next generation of higher performing public schools and institutions of higher education that provide education and training in an innovative form and manner to prepare students for careers for which there is demand in this state.

(g) The commissioner shall convene program leaders periodically to discuss methods to transform learning opportunities for all students, build cross-institution support systems and training, and share best practices tools and processes.

(h) A school district or institution of higher education participating in the program or the commissioner may, for purposes of this section, accept gifts, grants, or donations from any source, including a private or governmental entity.

(i) To cover the costs of administering the program, the commissioner may charge a fee to a school district or institution of higher education participating in the program.

(j) In consultation with interested school districts, institutions of higher education, and other appropriate interested persons, the commissioner shall adopt rules as necessary for purposes of this section.

(k) Not later than December 1, 2014, and not later than December 1, 2016, with the assistance of school districts and institutions of higher education participating in the program, the commissioner shall submit to the governor and the legislature reports concerning the performance and progress of the program participants. The report submitted not later than December 1, 2014, must include any recommendation by the commissioner concerning legislative authorization necessary for the commissioner to waive a prohibition, requirement, or restriction that applies to a program participant and other school district or institution of higher education interested in beginning a similar program. To prepare for implementation of a commissioner waiver, the commissioner shall seek any necessary federal waiver. This subsection expires January 1, 2020.

Added by Acts 2013, 83rd Leg., R.S., Ch. 215 (H.B. 3662), Sec. 1, eff. June 10, 2013.

CHAPTER 30. STATE AND REGIONAL PROGRAMS AND SERVICES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 30.001. COORDINATION OF SERVICES TO CHILDREN WITH

DISABILITIES. (a) In this section, "children with disabilities" means students eligible to participate in a school district's special education program under Section 29.003.

(b) The commissioner, with the approval of the State Board of Education, shall develop and implement a plan for the coordination of services to children with disabilities in each region served by a regional education service center. The plan must include procedures for:

(1) identifying existing public or private educational and related services for children with disabilities in each region;

(2) identifying and referring children with disabilities who cannot be appropriately served by the school district in which they reside to other appropriate programs;

(3) assisting school districts to individually or cooperatively develop programs to identify and provide appropriate services for children with disabilities;

(4) expanding and coordinating services provided by regional education service centers for children with disabilities; and

(5) providing for special services, including special seats, books, instructional media, and other supplemental supplies and services required for proper instruction.

(c) The commissioner may allocate appropriated funds to regional education service centers or may otherwise spend those funds, as necessary, to implement this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.0015. TRANSFER OF ASSISTIVE TECHNOLOGY DEVICES. (a) In this section:

(1) "Assistive technology device" means any device, including equipment or a product system, that is used to increase, maintain, or improve functional capabilities of a student with a disability.

(2) "Student with a disability" means a student who is eligible to participate in a school district's special education program under Section 29.003.

(3) "Transfer" means the process by which a school district that has purchased an assistive technology device may sell, lease, or

loan the device for the continuing use of a student with a disability changing the school of attendance in the district or leaving the district.

(b) The agency by rule shall develop and annually disseminate standards for a school district's transfer of an assistive technology device to an entity listed in this subsection when a student with a disability using the device changes the school of attendance in the district or ceases to attend school in the district that purchased the device and the student's parents, or the student if the student has the legal capacity to enter into a contract, agrees to the transfer. The device may be transferred to:

(1) the school or school district in which the student enrolls;

(2) a state agency, including the Texas Rehabilitation Commission and the Texas Department of Mental Health and Mental Retardation, that provides services to the student following the student's graduation from high school; or

(3) the student's parents, or the student if the student has the legal capacity to enter into a contract.

(c) The standards developed under this section must include:

(1) a uniform transfer agreement to convey title to an assistive technology device and applicable warranty information;

(2) a method for computing the fair market value of an assistive technology device, including a reasonable allowance for use; and

(3) a process to obtain written consent by the student's parents, or the student where appropriate, to the transfer.

(d) This section does not alter any existing obligation under federal or state law to provide assistive technology devices to students with disabilities.

Added by Acts 1999, 76th Leg., ch. 682, Sec. 1, eff. June 18, 1999.

Sec. 30.002. EDUCATION FOR CHILDREN WITH VISUAL IMPAIRMENTS. (a) The agency shall develop and administer a comprehensive statewide plan for the education of children with visual impairments who are under 21 years of age that will ensure that the children have an opportunity for achievement equal to the opportunities afforded their peers with normal vision.

(b) The agency shall:

(1) develop standards and guidelines for all special education services for children with visual impairments that it is authorized to provide or support under this code;

(2) supervise regional education service centers and other entities in assisting school districts in serving children with visual impairments more effectively;

(3) develop and administer special education services for students with both serious visual and auditory impairments;

(4) evaluate special education services provided for children with visual impairments by school districts and approve or disapprove state funding of those services; and

(5) maintain an effective liaison between special education programs provided for children with visual impairments by school districts and related initiatives of the Department of Assistive and Rehabilitative Services Division for Blind Services, the Department of State Health Services Mental Health and Substance Abuse Division, the Texas School for the Blind and Visually Impaired, and other related programs, agencies, or facilities as appropriate.

(c) The comprehensive statewide plan for the education of children with visual impairments must:

(1) adequately provide for comprehensive diagnosis and evaluation of each school-age child with a serious visual impairment;

(2) include the procedures, format, and content of the individualized education program for each child with a visual impairment;

(3) emphasize providing educational services to children with visual impairments in their home communities whenever possible;

(4) include methods to ensure that children with visual impairments receiving special education services in school districts receive, before being placed in a classroom setting or within a reasonable time after placement:

(A) evaluation of the impairment; and

(B) instruction in an expanded core curriculum, which is required for students with visual impairments to succeed in classroom settings and to derive lasting, practical benefits from the education provided by school districts, including instruction in:

(i) compensatory skills, such as braille and concept development, and other skills needed to access the rest of the curriculum;

(ii) orientation and mobility;
(iii) social interaction skills;
(iv) career planning;
(v) assistive technology, including optical devices;
(vi) independent living skills;
(vii) recreation and leisure enjoyment;
(viii) self-determination; and
(ix) sensory efficiency;

(5) provide for flexibility on the part of school districts to meet the special needs of children with visual impairments through:

(A) specialty staff and resources provided by the district;

(B) contractual arrangements with other qualified public or private agencies;

(C) supportive assistance from regional education service centers or adjacent school districts;

(D) short-term or long-term services through the Texas School for the Blind and Visually Impaired or related facilities or programs; or

(E) other instructional and service arrangements approved by the agency;

(6) include a statewide admission, review, and dismissal process;

(7) provide for effective interaction between the visually impaired child's classroom setting and the child's home environment, including providing for parental training and counseling either by school district staff or by representatives of other organizations directly involved in the development and implementation of the individualized education program for the child;

(8) require the continuing education and professional development of school district staff providing special education services to children with visual impairments;

(9) provide for adequate monitoring and precise evaluation of special education services provided to children with visual impairments through school districts; and

(10) require that school districts providing special education services to children with visual impairments develop procedures for assuring that staff assigned to work with the children

have prompt and effective access directly to resources available through:

(A) cooperating agencies in the area;

(B) the Texas School for the Blind and Visually Impaired;

(C) the Central Media Depository for specialized instructional materials and aids made specifically for use by students with visual impairments;

(D) sheltered workshops participating in the state program of purchases of blind-made goods and services; and

(E) related sources.

(c-1) To implement Subsection (c)(1) and to determine a child's eligibility for a school district's special education program on the basis of a visual impairment, the full individual and initial evaluation of the student required by Section 29.004 must, in accordance with commissioner rule:

(1) include an orientation and mobility evaluation conducted:

(A) by a person who is appropriately certified as an orientation and mobility specialist, as determined under commissioner rule; and

(B) in a variety of lighting conditions and in a variety of settings, including in the student's home, school, and community and in settings unfamiliar to the student; and

(2) provide for a person who is appropriately certified as an orientation and mobility specialist to participate, as part of a multidisciplinary team, in evaluating data on which the determination of the child's eligibility is based.

(c-2) The scope of any reevaluation by a school district of a student who has been determined, after the full individual and initial evaluation, to be eligible for the district's special education program on the basis of a visual impairment shall be determined, in accordance with 34 C.F.R. Sections 300.122 and 300.303 through 300.311, by a multidisciplinary team that includes, as provided by commissioner rule, a person described by Subsection (c-1)(1)(A).

(d) In developing, administering, and coordinating the statewide plan, the agency shall encourage the use of all pertinent resources, whether those resources exist in special education programs or in closely related programs operated by other public or

private agencies, through encouraging the development of shared services arrangement working relationships and by assisting in the development of contractual arrangements between school districts and other organizations. The agency shall discourage interagency competition, overlap, and duplication in the development of specialized resources and the delivery of services.

(e) Each eligible blind or visually impaired student is entitled to receive educational programs according to an individualized education program that:

(1) is developed in accordance with federal and state requirements for providing special education services;

(2) is developed by a committee composed as required by federal law;

(3) reflects that the student has been provided a detailed explanation of the various service resources available to the student in the community and throughout the state;

(4) provides a detailed description of the arrangements made to provide the student with the evaluation and instruction required under Subsection (c)(4); and

(5) sets forth the plans and arrangements made for contacts with and continuing services to the student beyond regular school hours to ensure the student learns the skills and receives the instruction required under Subsection (c)(4)(B).

(f) In the development of the individualized education program for a functionally blind student, proficiency in braille reading and writing is presumed to be essential for the student's satisfactory educational progress. Each functionally blind student is entitled to braille reading and writing instruction that is sufficient to enable the student to communicate with the same level of proficiency as other students of comparable ability who are at the same grade level. Braille instruction may be used in combination with other special education services appropriate to the student's educational needs. The assessment of each functionally blind student for the purpose of developing the student's individualized education program must include documentation of the student's strengths and weaknesses in braille skills. Each person assisting in the development of a functionally blind student's individualized education program shall receive information describing the benefits of braille instruction. Each functionally blind student's individualized education program must specify the appropriate learning medium based on the assessment

report and ensure that instruction in braille will be provided by a teacher certified to teach students with visual impairments. For purposes of this subsection, the agency shall determine the criteria for a student to be classified as functionally blind.

(g) To facilitate implementation of this section, the commissioner shall develop a system to distribute from the foundation school fund to school districts or regional education service centers a special supplemental allowance for each student with a visual impairment and for each student with a serious visual disability and another medically diagnosed disability of a significantly limiting nature who is receiving special education services through any approved program. The supplemental allowance may be spent only for special services uniquely required by the nature of the student's disabilities and may not be used in lieu of educational funds otherwise available under this code or through state or local appropriations.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 505 (S.B. 39), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 637 (H.B. 590), Sec. 1, eff. September 1, 2013.

Sec. 30.003. SUPPORT OF STUDENTS ENROLLED IN TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED OR TEXAS SCHOOL FOR THE DEAF. (a) For each student enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf, the school district that is responsible for providing appropriate special education services to the student shall share the cost of the student's education as provided by this section.

(b) If the student is admitted to the school for a full-time program for the equivalent of two long semesters, the district's share of the cost is an amount equal to the dollar amount of maintenance and debt service taxes imposed by the district for that year divided by the district's average daily attendance for the preceding year.

(c) If the student is admitted for a program less than two complete semesters in duration, other than a summer program, the

district's share of the cost is an amount equal to the amount that would be the district's share under Subsection (b) for a full-time program multiplied by the quotient resulting from the number of full-time equivalent days in the program divided by the minimum number of days of instruction for students as provided by Section 25.081.

(d) Each school district and state institution shall provide to the commissioner the necessary information to determine the district's share under this section. The information must be reported to the commissioner on or before a date set by rule of the State Board of Education. After determining the amount of a district's share for all students for which the district is responsible, the commissioner shall deduct that amount from the payments of foundation school funds payable to the district. Each deduction shall be in the same percentage of the total amount of the district's share as the percentage of the total foundation school fund entitlement being paid to the district at the time of the deduction, except that the amount of any deduction may be modified to make necessary adjustments or to correct errors. The commissioner shall provide for remitting the amount deducted to the appropriate school at the same time at which the remaining funds are distributed to the district. If a district does not receive foundation school funds or if a district's foundation school entitlement is less than the amount of the district's share under this section, the commissioner shall direct the district to remit payment to the commissioner, and the commissioner shall remit the district's share to the appropriate school.

(e) For each student enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf, the appropriate school is entitled to the state available school fund apportionment.

(f) The commissioner, with the assistance of the comptroller, shall determine the amount that the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf would have received from the available school fund if Chapter 28, Acts of the 68th Legislature, 2nd Called Session, 1984, had not transferred statutorily dedicated taxes from the available school fund to the foundation school fund. That amount, minus any amount the schools do receive from the available school fund, shall be set apart as a separate account in the foundation school fund and appropriated to those schools for educational purposes.

(f-1) The commissioner shall determine the total amount that the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf would have received from school districts in accordance with this section if H.B. No. 1, Acts of the 79th Legislature, 3rd Called Session, 2006, had not reduced the districts' share of the cost of providing education services. That amount, minus any amount the schools do receive from school districts, shall be set aside as a separate account in the foundation school fund and appropriated to those schools for educational purposes.

(g) The State Board of Education may adopt rules as necessary to implement this section.

(h) Expired.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 6, eff. Sept. 1, 1997.
Amended by:
Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.10, eff. May 31, 2006.

Sec. 30.004. INFORMATION CONCERNING PROGRAMS. (a) Each school district shall provide each parent or other person having lawful control of a student with written information about:

(1) the availability of programs offered by state institutions for which the district's students may be eligible;

(2) the eligibility requirements and admission conditions imposed by each of those state institutions; and

(3) the rights of students in regard to admission to those state institutions and in regard to appeal of admission decisions.

(b) The State Board of Education shall adopt rules prescribing the form and content of information required by Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Blind and Visually Impaired shall develop, agree to, and by commissioner rule adopt a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Blind and Visually Impaired;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4) the process for the agency to:

(A) assign an accreditation status to the school;

(B) reevaluate the status on an annual basis; and

(C) if necessary, conduct monitoring reviews; and

(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

Added by Acts 1997, 75th Leg., ch. 1341, Sec. 5, eff. Sept. 1, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 679 (S.B. 188), Sec. 1, eff. June 17, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 6, eff. June 19, 2015.

SUBCHAPTER B. TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

Sec. 30.021. PURPOSE OF TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED. (a) The Texas School for the Blind and Visually Impaired is a state agency established to serve as a special school in the continuum of statewide alternative placements for students who are 21 years of age or younger on September 1 of any school year and who have a visual impairment and who may have one or more other disabilities. The school is intended to serve students who require specialized or intensive educational or related services related to the visual impairment. The school is not intended to serve:

(1) students whose needs are appropriately addressed in a home or hospital setting or in a residential treatment facility; or

(2) students whose primary, ongoing needs are related to a severe or profound emotional, behavioral, or cognitive deficit.

(b) The school district in which a student resides is responsible for assuring that a free appropriate public education is

provided to each district student placed in the regular school year program of the school and that all legally required meetings for the purpose of developing and reviewing the student's individualized educational program are conducted. If the school disagrees with a district's individualized education program committee recommendation that a student be evaluated for placement, initially placed, or continued to be placed at the school, the district or the school may seek resolution according to a procedure established by the commissioner or through any due process hearing to which the district or school is entitled under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

(c) The school shall conduct supplemental programs, such as summer programs and student exchange programs, and shall consider information from sources throughout the state regarding the nature of those programs and students to be served.

(d) The school shall provide statewide services to parents of students with visual impairments, school districts, regional education service centers, and other agencies serving students with visual impairments, including students who have one or more disabilities in addition to the visual impairment, such as students who are deaf-blind. Those services must include:

(1) developing and providing local, regional, and statewide training for parents of students with visual impairments and professionals who work with persons with visual impairments;

(2) providing consultation and technical assistance to parents and professionals related to special education and related services for students;

(3) developing and disseminating reference materials including materials in the areas of curriculum, instructional methodology, and educational technology;

(4) providing information related to library resources, adapted materials, current research, technology resources, and teaching, assessment, and transition of students with visual impairments;

(5) operating programs for lending educational and technological materials to school districts and regional education service centers; and

(6) facilitating the preparation of teachers for visually impaired students by providing assistance to colleges and universities as well as other teacher preparation programs.

(e) The school shall cooperate with public and private agencies and organizations serving students and other persons with visual impairments in the planning, development, and implementation of effective educational and rehabilitative service delivery systems associated with educating students with visual impairments. To maximize and make efficient use of state facilities, funding, and resources, the services provided in this area may include conducting a cooperative program with other agencies to serve students who have graduated from high school by completing all academic requirements applicable to students in regular education, excluding satisfactory performance under Section 39.025, who are younger than 22 years of age on September 1 of the school year and who have identified needs related to vocational training, independent living skills, orientation and mobility, social and leisure skills, compensatory skills, or remedial academic skills.

(f) The school may operate an on-campus canteen to offer food service at mealtimes and during other times of the day.

(g) If a school district or another educational entity requests an assessment of a student's educational or related needs related to visual impairment, the school may conduct an assessment and charge a reasonable fee for the assessment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1341, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 680 (S.B. 189), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 6, eff. September 1, 2007.

Sec. 30.022. GOVERNANCE OF THE TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED. (a) The Texas School for the Blind and Visually Impaired is governed by a nine-member board appointed by the governor in accordance with this section and confirmed by the senate. A person may not serve simultaneously on the school's governing board and the board of the Texas Commission for the Blind. The board shall be composed of:

(1) three members who are blind or visually impaired, at

least one of whom has received educational services related to the blindness or visual impairment;

(2) three members who are working or have worked as professionals in the field of delivering services to persons who are blind or visually impaired; and

(3) three members, each of whom is the parent of a child who is blind or visually impaired, and at least one of whom is the parent of a child who, at the time of the parent's appointment, is receiving educational services related to the blindness or visual impairment.

(b) Members of the board serve for terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year.

(c) Members of the board serve without salary but are entitled to reimbursement for actual and necessary expenses incurred in carrying out official duties.

(d) The board shall organize and conduct itself in the same manner as an independent school district board of trustees to the extent that the organization and conduct do not conflict with the board's responsibilities relating to the status of the school as a state agency.

(e) The board shall prepare or provide for preparation of a biennial budget request for the school for presentation to the legislature.

(f) Before the beginning of each fiscal year, the board shall adopt a calendar for the school's operation that provides for at least:

(1) the minimum number of days of instruction required by Section 25.081; and

(2) the minimum number of days of service required by Section 21.401.

(g) Except as otherwise provided by this subsection, an action of the board may be appealed to a district court in Travis County. An action of the board related to a dismissal during the term of a teacher's contract or to a nonrenewal of a teacher's contract may be appealed to the commissioner in the manner prescribed by Subchapter G, Chapter 21. For the purposes of this subsection, the term "teacher" has the meaning assigned by Section 30.024(a).

(h) Except as provided by Subsection (h-1), the board has jurisdiction over the physical assets of the school and shall

administer and spend appropriations made for the benefit of the school.

(h-1) The Texas Facilities Commission shall provide all facilities maintenance services for the physical facilities of the school as provided by Section 2165.007, Government Code.

(i) The board may accept and retain control of gifts, devises, bequests, donations, or grants, either absolutely or in trust, of money, securities, personal property, and real property from any individual, estate, group, association, or corporation. The funds or other property donated or the income from the property may be spent by the board for:

(1) any purpose designated by the donor that is in keeping with the lawful purpose of the school; or

(2) any legal purpose, if a specific purpose is not designated by the donor.

(j) The board may license some or all of the physical facilities of the school and shall adopt policies implementing this subsection which may include establishing a fee schedule for lease of the facilities to the following persons under the following conditions:

(1) any organization, group, or individual for the prevailing market rate; or

(2) a federal or state agency, a unit of local government, a nonprofit organization, a school employee, or an individual member of the general public for less than the prevailing market rate if the board determines that sufficient public benefit will be derived from the use.

(k) A license issued by the board under Subsection (j) is subject to termination on sale or lease of the affected facility under Chapter 672, Acts of the 71st Legislature, Regular Session, 1989 (Article 5421t, Vernon's Texas Civil Statutes), and Subchapter E, Chapter 31, Natural Resources Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1341, Sec. 2, eff. Sept. 1, 1997.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1153 (S.B. 211), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1358 (S.B. 1457), Sec. 1, eff.

September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 247 (S.B. 836), Sec. 1, eff. May 29, 2015.

Sec. 30.023. SUPERINTENDENT OF THE TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED. (a) The superintendent of the Texas School for the Blind and Visually Impaired is appointed by the governing board of the school.

(b) To be eligible to be appointed and serve as superintendent a person must:

(1) hold an advanced degree;

(2) have training and experience in the education of students with visual impairments and in the administration of a program serving students with visual impairments; and

(3) satisfy any other requirement the board establishes.

(c) The superintendent may reside at the school.

(d) The board shall annually establish the superintendent's salary. The annual salary may not exceed 120 percent of the annual salary of the highest paid instructional administrator at the school.

(e) The superintendent is the chief administrative officer of the school. The superintendent shall take any necessary and appropriate action to carry out the functions and purposes of the school according to any general policy the board prescribes.

(f) At least once each quarter, the superintendent shall report to the board concerning the superintendent's activities, progress in implementing any general policy prescribed by the board, any exceptional matter relating to the program, general statistical summaries of services provided by the school during the period covered by the report, budget matters of major consequence or concern, and any additional matter the board requests to be specifically included in the report.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 680 (S.B. 189), Sec. 2, eff. June 17, 2005.

Sec. 30.024. EMPLOYEES OF THE TEXAS SCHOOL FOR THE BLIND AND

VISUALLY IMPAIRED. (a) In this section, "teacher" means a principal, supervisor, classroom teacher, school counselor, or other full-time professional employee who is required to hold a certificate issued under Subchapter B, Chapter 21, except the term does not include a superintendent or any employee who does not provide direct and regular services to students at the school.

(b) The governing board of the school may enter into an employment contract with any employee who provides, or supervises any employee who provides, direct and regular educational services to students or who provides other professional educational services. An employee employed under this subsection is not subject to Section 2252.901, Government Code. Each teacher shall be employed under a term contract as provided by Subchapter E, Chapter 21, or under a probationary contract as provided by Subchapter C, Chapter 21. An employee employed under a contract under this subsection:

(1) shall be paid in accordance with a salary structure adopted by the superintendent with the concurrence of the board that provides salaries, including assignment stipends, equal, on a daily-rate basis, to salaries, including assignment stipends, paid to employees employed in comparable positions by the Austin Independent School District;

(2) is not eligible for longevity pay under Subchapter D, Chapter 659, Government Code, and is not entitled to a paid day off from work on any national or state holiday;

(3) is eligible for sick leave accrual under the General Appropriations Act in each month in which at least one day of the month is included in the term of the employment contract and in any other month in which work is performed or paid leave is taken;

(4) may be permitted by the board to take paid time off from work during the term of the employment contract for personal reasons as designated by the board, but the paid time off may not exceed three days per contract term and may not be carried forward from one contract term to a subsequent contract term;

(5) may be permitted by the board to be paid the salary designated in the employment contract in 12 monthly installments; and

(6) shall work the hours established by the superintendent.

(c) In addition to any other federal and state statutes limiting the liability of employees at the school, Sections 22.0511, 22.0512, 22.052, and 22.053, respectively, apply to professional employees and volunteers of the school.

(d) The governing board may authorize the payment of a stipend to a school employee who is authorized by the superintendent to perform additional duties outside the employee's normal work schedule.

(e) The school's operating hours are as follows:

(1) on a day designated in the school's annual calendar as a day for instruction or teacher service, the school's office hours shall be the same as any other state agency; and

(2) on any other day, the school is not required to maintain office hours, except that the superintendent may require an employee to work as needed for the efficient operation of the school, and an employee who is not required to work must either use paid leave, or if paid leave is not available, may not be paid for that day.

(f) The school may hire an employee to be paid on an hourly basis to work as a substitute for a regular full-time or part-time employee who is unavailable to perform regular duties. An employee working as a substitute for another employee is not entitled to paid holidays or compensatory time off for holidays worked, vacation leave, sick leave, or any other leave provided to a state employee under the General Appropriations Act.

(g) The school may pay to a teacher or employee who provides services or supervises an employee who provides services as described by Subsection (b) and who is employed in a supplemental program under Section 30.021(c) a salary that, on a daily-rate basis, does not exceed the salary paid by the Austin Independent School District to an employee employed in a comparable position during the regular school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1341, Sec. 3, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 204, Sec. 15.03, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 4, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 680 (S.B. 189), Sec. 3, eff. June 17, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 24, eff. June 14, 2013.

Sec. 30.025. FUNDING OF TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED. The funding of the Texas School for the Blind and Visually Impaired consists of:

(1) money the legislature specifically appropriates to the school;

(2) money the agency allocates to the school under this code;

(3) money paid under a contract or other agreement;

(4) money the school receives through a gift or bequest;

(5) a payment the school receives from a school district under Section 30.003; and

(6) the school's share of the available school fund and payments to compensate for payments no longer made from the available school fund as provided by Section 30.003(f).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.027. LEASE OF CERTAIN PROPERTY OF TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED. (a) The Texas School for the Blind and Visually Impaired may lease available real property on the school's campus located at 1100 West 45th Street, Austin, Travis County, to a private, nonprofit corporation that provides print-handicapped persons with auditory materials. The lease must provide that the corporation must use the property for those services.

(b) In determining the fair market consideration for the lease, actual benefits to be received by the school, the school's students, and the blind and visually impaired community in the state may be considered.

(c) The asset management division of the General Land Office shall negotiate the terms of the lease, determine the most suitable location for the lease, and close the transaction on behalf of the school as provided by Subchapter E, Chapter 31, Natural Resources Code. The asset management division is not required to transact the lease by sealed bid or public auction.

(d) Proceeds from the real estate transaction conducted under this section shall be deposited to the credit of the general revenue fund.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.028. LEASE OF CERTAIN PROPERTY OF TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED FOR A DAY-CARE CENTER. (a) The Texas School for the Blind and Visually Impaired may lease available building space on the school's campus located at 1100 West 45th Street, Austin, Travis County, to a private provider to provide a day-care center for children of the school's employees, other state employees, and private customers.

(b) The school is authorized to determine a fair rental rate for the property and may consider the actual benefits to be received by the school's employees and students.

(c) The asset management division of the General Land Office shall negotiate the terms of the lease and close the transaction on behalf of the school as provided by Subchapter E, Chapter 31, Natural Resources Code.

(d) Proceeds from the lease transaction conducted under this section shall be deposited to the credit of the school in the general revenue fund.

(e) A lease entered into by the board under Subsection (a) is subject to termination on sale or lease of the affected facility under Chapter 672, Acts of the 71st Legislature, Regular Session, 1989 (Article 5421t, Vernon's Texas Civil Statutes), and Subchapter E, Chapter 31, Natural Resources Code.

Added by Acts 1997, 75th Leg., ch. 1341, Sec. 4, eff. Sept. 1, 1997.

Sec. 30.029. ANN P. SILVERRAIN BUILDING. The classroom building on the campus of the Texas School for the Blind and Visually Impaired formerly known as the Life Skills Building, located at the rear of the east side of the campus near Sunshine Drive at 1100 West 45th Street in Austin, is named the Ann P. Silverrain Building in honor of Ann P. Silverrain.

Added by Acts 1999, 76th Leg., ch. 353, Sec. 1, eff. May 29, 1999.

SUBCHAPTER C. TEXAS SCHOOL FOR THE DEAF

Sec. 30.051. PURPOSE OF TEXAS SCHOOL FOR THE DEAF. (a) The Texas School for the Deaf is a state agency established to provide educational services to persons who are 21 years of age or younger on September 1 of any school year and who are deaf or hard of hearing

and who may have one or more other disabilities. The school shall provide comprehensive educational services, on a day or residential basis, and short-term services to allow a student to better achieve educational results from services available in the community. The school is not intended to serve:

(1) students whose needs are appropriately addressed in a home or hospital setting or a residential treatment facility; or

(2) students whose primary, ongoing needs are related to a severe or profound emotional, behavioral, or cognitive deficit.

(b) The school shall serve as a primary statewide resource center promoting excellence in education for students who are deaf or hard of hearing through research, training, and demonstration projects.

(c) The school shall work in partnership with state, regional, and local agencies to provide new or improved programs or methods to serve the previously unmet or future needs of persons throughout the state who are deaf or hard of hearing.

(d) The school shall cooperate with public and private agencies and organizations serving students and other persons who are deaf or hearing impaired in the planning, development, and implementation of effective educational and rehabilitative service delivery systems associated with educating students who are deaf or hard of hearing. To maximize and make efficient use of state facilities, funding, and resources, the services provided in this area may include conducting a cooperative program with other agencies to serve persons who have graduated from high school and who have identified needs related to vocational training, independent living skills, and social and leisure skills.

(e) If a school district or another educational entity requests an assessment of a student's educational or related needs related to hearing impairment, the school may conduct an assessment and charge a reasonable fee for the assessment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1340, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 7.01, eff. May 31, 2006.

Sec. 30.052. GOVERNANCE OF THE TEXAS SCHOOL FOR THE DEAF. (a) The Texas School for the Deaf is governed by a nine-member board appointed by the governor in accordance with this section and confirmed by the senate. A person may not serve simultaneously on the school's governing board and the board of the Texas Commission for the Deaf and Hard of Hearing. Each member of the board must be a person who is experienced in working with persons who are deaf or hard of hearing, a person who is the parent of a person who is deaf, or a person who is deaf. The board, at least five of whom must be deaf, consists of:

(1) at least one person who is an alumnus of the Texas School for the Deaf;

(2) at least three persons who are parents of a deaf person; and

(3) at least three persons who are experienced in working with deaf persons.

(b) Members of the board serve for terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year.

(c) Members of the board serve without salary but are entitled to reimbursement for actual and necessary expenses incurred in carrying out official duties.

(d) The board shall organize and conduct itself in the same manner as an independent school district board of trustees to the extent that the organization and conduct do not conflict with the board's responsibilities relating to the status of the school as a state agency.

(e) The board shall prepare or provide for preparation of a biennial budget request for the school for presentation to the legislature.

(f) Before the beginning of each fiscal year, the board shall adopt a calendar for the school's operation that provides for at least:

(1) the minimum number of days of instruction required by Section 25.081; and

(2) the minimum number of days of service required by Section 21.401.

(g) Except as otherwise provided by this subsection, an action of the board may be appealed to a district court in Travis County. An action of the board related to a dismissal during the term of a

teacher's contract or to a nonrenewal of a teacher's contract may be appealed to the commissioner in the manner prescribed by Subchapter G, Chapter 21. For the purposes of this subsection, the term "teacher" has the meaning assigned by Section 30.055(a).

(h) Except as provided by Subsection (h-1), the board has jurisdiction over the physical assets of the school and shall administer and spend appropriations to carry out the purposes of the school as provided by Section 30.051.

(h-1) The Texas Facilities Commission shall provide all facilities maintenance services for the physical facilities of the school as provided by Section 2165.007, Government Code.

(i) The board may accept and retain control of gifts, devises, bequests, donations, or grants, either absolutely or in trust, of money, securities, personal property, and real property from any individual, estate, group, association, or corporation. The funds or other property donated or the income from the property may be spent by the board for:

(1) any purpose designated by the donor that is in keeping with the lawful purpose of the school; or

(2) any legal purpose, if a specific purpose is not designated by the donor.

(j) The board may license some or all of the physical facilities of the school and shall adopt policies implementing this subsection which may include establishing a fee schedule for lease of the facilities to the following persons under the following conditions:

(1) any organization, group, or individual at the prevailing market rate; or

(2) a federal or state agency, a unit of local government, a nonprofit organization, a school employee, or an individual member of the general public at less than the prevailing market rate if the board determines that sufficient public benefit will be derived from the use.

(k) A license issued by the board under Subsection (j) is subject to termination on sale or lease of the affected facility under Chapter 672, Acts of the 71st Legislature, Regular Session, 1989 (Article 5421t, Vernon's Texas Civil Statutes), and Subchapter E, Chapter 31, Natural Resources Code.

(l) The governing board of the Texas School for the Deaf may employ security personnel and may commission peace officers in the

same manner as a board of trustees of a school district under Section 37.081.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 165, Sec. 6.02, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1340, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1308, Sec. 1, eff. Aug. 31, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1153 (S.B. 211), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1358 (S.B. 1457), Sec. 2, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 247 (S.B. 836), Sec. 2, eff. May 29, 2015.

Sec. 30.053. SUPERINTENDENT OF THE TEXAS SCHOOL FOR THE DEAF. (a) The superintendent of the Texas School for the Deaf is appointed by the governing board of the school.

(b) The superintendent must:

(1) hold an advanced degree in the field of education;

(2) have teaching and administrative experience in programs serving students who are deaf; and

(3) satisfy any other requirements the board establishes.

(c) The superintendent may reside at the school.

(d) The board shall annually establish the superintendent's salary. The annual salary may not exceed 120 percent of the annual salary of the highest paid instructional administrator at the school.

(e) The superintendent is the chief administrative officer of the school. The superintendent shall take any necessary and appropriate action to carry out the functions and purposes of the school according to any general policy the board prescribes.

(f) The superintendent may provide directly to a parent or guardian of a student written information regarding:

(1) the availability of a program offered by a state institution for which the student may be eligible;

(2) any eligibility and admission requirements imposed by the state institution; and

(3) the rights of a student regarding admission to the state institution and appeal of an admission decision.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 7.02, eff. May 31, 2006.

Sec. 30.054. PRINTING AT THE TEXAS SCHOOL FOR THE DEAF. (a) In addition to any other area of curriculum the State Board of Education requires the Texas School for the Deaf to offer, the superintendent of the school may require that the art of printing, in all its branches, be offered at the school.

(b) The superintendent may authorize any public printing for the state to be performed at the Texas School for the Deaf without regard to any contract with a person for public printing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.055. EMPLOYEES OF THE TEXAS SCHOOL FOR THE DEAF. (a) In this section, "teacher" means a principal, supervisor, classroom teacher, school counselor, or other full-time professional employee who is required to hold a certificate issued under Subchapter B, Chapter 21, except the term does not include a superintendent.

(b) The governing board of the school may enter into an employment contract with any employee who provides, or supervises any employee who provides, direct and regular educational services to students or who provides other professional, educational services. An employee employed under this subsection is not subject to Section 2252.901, Government Code. Each teacher shall be employed under a term contract as provided by Subchapter E, Chapter 21, or under a probationary contract as provided by Subchapter C, Chapter 21. An employee employed under a contract under this subsection:

(1) shall be paid in accordance with a salary structure adopted by the superintendent with the concurrence of the board that provides salaries, including assignment stipends, equal, on a daily-rate basis, to salaries, including assignment stipends, paid to employees employed in comparable positions by the Austin Independent School District;

(2) is not eligible for longevity pay under Subchapter D, Chapter 659, Government Code, and is not entitled to a paid day off

from work on any national or state holiday;

(3) is eligible for sick leave accrual under the General Appropriations Act in each month in which at least one day of the month is included in the term of the employment contract and in any other month in which work is performed or paid leave is taken;

(4) may be permitted by the board to use a maximum of four days per contract term of accrued sick leave for personal reasons as designated by the board but the number of sick leave days not used for personal reasons during a contract term may not be carried forward to a subsequent contract term for use as personal leave;

(5) shall be paid the salary designated in the employment contract in 12 monthly installments if the employee chooses to be paid in that manner;

(6) shall work the hours established by the superintendent; and

(7) in addition to the contract salary received during the employee's first year of employment with the school and for the purpose of reducing a vacancy in a position that is difficult to fill because of the specialized nature and the limited number of qualified applicants, may be paid a salary supplement, not to exceed any salary supplement paid by the Austin Independent School District to an employee employed in a comparable position.

(c) In addition to any other federal and state statutes limiting the liability of employees at the school, Sections 22.0511, 22.0512, 22.052, and 22.053, respectively, apply to professional employees and volunteers of the school.

(d) The governing board may authorize the payment of a stipend to a school employee who is authorized by the superintendent to perform additional duties outside the employee's normal work schedule.

(e) The school's operating hours are as follows:

(1) on a day designated in the school's annual calendar as a day for instruction or teacher service, the school's office hours shall be the same as any other state agency; and

(2) on any other day, the school is not required to maintain office hours, except that the superintendent may require an employee to work as needed for the efficient operation of the school, and an employee who is not required to work may be required by the superintendent to use paid leave, or if paid leave is not required to be used or is not available, may be required to take leave without

pay.

(f) The school may hire an employee to be paid on an hourly basis to work as a substitute for a regular full-time or part-time employee who is unavailable to perform regular duties. An employee working as a substitute for another employee is not entitled to paid holidays or compensatory time off for holidays worked, vacation leave, sick leave, or any other leave provided to a state employee under the General Appropriations Act.

(g) The school may pay to a teacher or employee who provides services or supervises an employee who provides services as described by Subsection (b) and who is employed to provide short-term services under Section 30.051(a) a salary that, on a daily-rate basis, does not exceed the salary paid by the Austin Independent School District to an employee employed in a comparable position during the regular school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1230, Sec. 1, eff. June 20, 1997; Acts 1997, 75th Leg., ch. 1340, Sec. 3, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 204, Sec. 15.04, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 5, eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 7.03, eff. May 31, 2006.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 25, eff. June 14, 2013.

Sec. 30.056. FUNDING OF THE TEXAS SCHOOL FOR THE DEAF. The funding of the Texas School for the Deaf consists of:

(1) money the legislature specifically appropriates for the school;

(2) money the agency allocates to the school under this code;

(3) money paid under a contract or other agreement;

(4) money the school receives through a gift or bequest;

(5) a payment the school receives from a school district under Section 30.003; and

(6) the school's share of the available school fund and payments to compensate for payments no longer made from the available

school fund as provided by Section 30.003(f).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.057. ADMISSION TO TEXAS SCHOOL FOR THE DEAF. (a) The Texas School for the Deaf shall provide services in accordance with Section 30.051 to any eligible student with a disability for whom the school is an appropriate placement if the student has been referred for admission:

(1) by the school district in which the student resides under the student's individualized education program;

(2) by the student's parent or legal guardian, or a person with legal authority to act in place of the parent or legal guardian, or the student, if the student is age 18 or older, at any time during the school year, if the referring person chooses the school as the appropriate placement for the student rather than the placement in the student's local or regional program recommended under the student's individualized education program; or

(3) by the student's parent or legal guardian through the student's admission, review, and dismissal or individualized family service plan committee, as an initial referral to special education for students who are three years of age or younger.

(b) The commissioner, with the advice of the school's governing board, shall adopt rules to implement this section. The rules adopted by the commissioner may address the respective responsibilities of a student's parent or legal guardian or a person with legal authority to act in place of the parent or legal guardian, or the student, if age 18 or older, the school district in which the student resides, and the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1340, Sec. 4, eff. Sept. 1, 1997.

Sec. 30.059. LEASE OF CERTAIN PROPERTY OF TEXAS SCHOOL FOR THE DEAF FOR A DAY-CARE CENTER. (a) The Texas School for the Deaf may lease available building space on the school's campus located at 1102 South Congress, Austin, Travis County, to a private provider to provide a day-care center for children of the school's employees,

other state employees, and private customers.

(b) The school is authorized to determine a fair rental rate for the property and may consider the actual benefits to be received by the school's employees and students.

(c) The asset management division of the General Land Office shall negotiate the terms of the lease and close the transaction on behalf of the school as provided by Subchapter E, Chapter 31, Natural Resources Code.

(d) Proceeds from the lease transaction conducted under this section shall be deposited to the credit of the school in the general revenue fund.

(e) A lease entered into by the board under Subsection (a) is subject to termination on sale or lease of the affected facility under Chapter 672, Acts of the 71st Legislature, Regular Session, 1989 (Article 5421t, Vernon's Texas Civil Statutes), and Subchapter E, Chapter 31, Natural Resources Code.

Added by Acts 1997, 75th Leg., ch. 1340, Sec. 5, eff. Sept. 1, 1997.

SUBCHAPTER D. REGIONAL DAY SCHOOLS FOR THE DEAF

Sec. 30.081. LEGISLATIVE INTENT CONCERNING REGIONAL DAY SCHOOLS FOR THE DEAF. The legislature, by this subchapter, intends to continue a process of providing on a statewide basis a suitable education to deaf or hard of hearing students who are under 21 years of age and assuring that those students have the opportunity to become independent citizens.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.082. DIRECTOR OF SERVICES. To carry out legislative intent and the objectives of Section 30.081, the agency shall employ a director of services to students who are deaf or hard of hearing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.083. STATEWIDE PLAN. (a) The director of services shall develop and administer a comprehensive statewide plan for educational services for students who are deaf or hard of hearing,

including continuing diagnosis and evaluation, counseling, and teaching. The plan shall be designed to accomplish the following objectives:

(1) providing assistance and counseling to parents of students who are deaf or hard of hearing in regional day school programs for the deaf and admitting to the programs students who have a hearing loss that interferes with the processing of linguistic information;

(2) enabling students who are deaf or hard of hearing to reside with their parents or guardians and be provided an appropriate education in their home school districts or in regional day school programs for the deaf;

(3) enabling students who are deaf or hard of hearing who are unable to attend schools at their place of residence and whose parents or guardians live too far from facilities of regional day school programs for the deaf for daily commuting to be accommodated in foster homes or other residential school facilities provided for by the agency so that those children may attend a regional day school program for the deaf;

(4) enrolling in the Texas School for the Deaf those students who are deaf or hard of hearing whose needs can best be met in that school and designating the Texas School for the Deaf as the statewide educational resource for students who are deaf or hard of hearing;

(5) encouraging students in regional day school programs for the deaf to attend general education classes on a part-time, full-time, or trial basis; and

(6) recognizing the need for development of language and communications abilities in students who are deaf or hard of hearing, but also calling for the use of methods of communication that will meet the needs of each individual student, with each student assessed thoroughly so as to ascertain the student's potential for communications through a variety of means, including through oral or aural means, fingerspelling, or sign language.

(b) The director of services may establish separate programs to accommodate diverse communication methodologies.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.084. ESTABLISHMENT OF PROGRAMS. The State Board of Education shall apportion the state into five regions and establish a regional day school program for the deaf in each region. Activities of a regional day school program for the deaf may be conducted on more than one site.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.085. USE OF LOCAL RESOURCES. Local resources shall be used to the fullest practicable extent in the establishment and operation of the regional day school programs for the deaf.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.086. POWERS AND DUTIES OF AGENCY. (a) The agency shall contract with any qualified organization or individual for diagnostic, evaluative, or instructional services or any other services relating to the education of students who are deaf or hard of hearing, including transportation or maintenance services.

(b) The agency shall employ educational and other personnel, may purchase or lease property, may accept gifts or grants of property or services from any source, including an independent school district or institution of higher education in this state, to establish and operate regional day school programs for the deaf.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 30.087. FUNDING. (a) The cost of educating students who are deaf or hard of hearing shall be borne by the state and paid from the foundation school fund, but independent school districts and institutions of higher education in the state may and are encouraged to make available property or services in cooperation with the regional day school programs for the deaf for any activities related to the education of students who are deaf or hard of hearing, including research, personnel training, and staff development.

(b) From the amount appropriated for regional day school programs, the commissioner shall allocate funds to each program based on the number of weighted full-time equivalent students served. The

commissioner may consider local resources available in allocating funds under this subsection.

(c) A school district may receive an allotment for transportation of students participating in a regional day school program, determined in the same manner as an allotment for the transportation of other special education students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER E. TEXAS JUVENILE JUSTICE DEPARTMENT FACILITIES

Sec. 30.101. PURPOSE. The purpose of this subchapter is to provide the state available school fund apportionment to children committed to the Texas Juvenile Justice Department. To provide the state available school fund apportionment for educational purposes, the educational programs provided to those children are considered to be educational services provided by public schools.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 25, eff. September 1, 2015.

Sec. 30.102. ALLOCATION. (a) The Texas Juvenile Justice Department is entitled to receive the state available school fund apportionment based on the average daily attendance in the department's educational programs of students who are at least three years of age and not older than 21 years of age.

(b) A classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, Chapter 21, or full-time school nurse employed by the department is entitled to receive as a minimum salary the monthly salary specified by Section 21.402. A classroom teacher, full-time librarian, full-time school counselor, or full-time school nurse may be paid, from funds appropriated to the department, a salary in excess of the minimum specified by that section, but the salary may not exceed the rate of pay for a similar position in the public schools of an adjacent school district.

(c) The commissioner, with the assistance of the comptroller, shall determine the amount that the department would have received from the available school fund if Chapter 28, Acts of the 68th

Legislature, 2nd Called Session, 1984, had not transferred statutorily dedicated taxes from the available school fund to the foundation school fund. That amount, minus any amount the schools do receive from the available school fund, shall be set apart as a separate account in the foundation school fund and appropriated to the department for educational purposes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.33, eff. Sept. 1, 1999.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 26, eff. June 14, 2013.
Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 26, eff. September 1, 2015.

Sec. 30.103. MEMORANDUM OF UNDERSTANDING. The Texas Juvenile Justice Department with the assistance of the Texas Workforce Commission and the Texas Workforce Investment Council shall by rule adopt a memorandum of understanding that establishes the respective responsibility of those entities to provide through local workforce development boards job training and employment assistance programs to children committed or formerly sentenced to the department. The department shall coordinate the development of the memorandum of understanding and include in its annual report information describing the number of children in the preceding year receiving services under the memorandum.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 817, Sec. 10.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 818, Sec. 6.02, eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 27, eff. September 1, 2015.

Sec. 30.104. CREDIT FOR COMPLETION OF EDUCATIONAL PROGRAMS; HIGH SCHOOL DIPLOMA AND CERTIFICATE. (a) A school district shall grant to a student credit toward the academic course requirements for high school graduation for courses the student successfully completes

in Texas Juvenile Justice Department educational programs.

(b) A student may graduate and receive a diploma from a department educational program if:

(1) the student successfully completes the curriculum requirements identified by the State Board of Education under Section 28.025(a) and complies with Section 39.025; or

(2) the student successfully completes the curriculum requirements under Section 28.025(a) as modified by an individualized education program developed under Section 29.005.

(c) A department educational program may issue a certificate of course-work completion to a student who successfully completes the curriculum requirements identified by the State Board of Education under Section 28.025(a) but who fails to comply with Section 39.025.

Added by Acts 2003, 78th Leg., ch. 283, Sec. 42, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 5, eff. May 27, 2005.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 28, eff. September 1, 2015.

Sec. 30.106. READING AND BEHAVIOR PLAN. (a) Because learning and behavior are inextricably linked and learning and improved behavior correlate with decreased recidivism rates, the Texas Juvenile Justice Department shall not only fulfill the department's duties under state and federal law to provide general and special educational services to students in department educational programs but also shall implement a comprehensive plan to improve the reading skills and behavior of those students.

(b) To improve the reading skills of students in department educational programs, the department shall:

(1) adopt a reliable battery of reading assessments that:

(A) are based on a normative sample appropriate to students in department educational programs;

(B) are designed to be administered on an individual basis; and

(C) allow school employees to:

(i) evaluate performance in each essential component of effective reading instruction, including phonemic

awareness, phonics, fluency, vocabulary, and comprehension;

(ii) monitor progress in areas of deficiency specific to an individual student; and

(iii) provide reading performance data;

(2) administer the assessments adopted under Subdivision (1):

(A) at periodic intervals not to exceed 12 months, to each student in a department educational program; and

(B) at least 15 days and not more than 30 days before a student is released from the department;

(3) provide at least 60 minutes per school day of individualized reading instruction to each student in a department educational program who exhibits deficits in reading on the assessments adopted under Subdivision (1):

(A) by trained educators with expertise in teaching reading to struggling adolescent readers; and

(B) through the use of scientifically based, peer-reviewed reading curricula that:

(i) have proven effective in improving the reading performance of struggling adolescent readers;

(ii) address individualized and differentiated reading goals; and

(iii) include each of the essential components of effective reading instruction, including phonemic awareness, phonics, fluency, vocabulary, and comprehension;

(4) require each teacher in a department regular or special educational program who teaches English language arts, reading, mathematics, science, social studies, or career and technology education to be trained in incorporating content area reading instruction using empirically validated instructional methods that are appropriate for struggling adolescent readers; and

(5) evaluate the effectiveness of the department's plan to increase reading skills according to the following criteria:

(A) an adequate rate of improvement in reading performance, as measured by monthly progress monitoring using curricular-based assessments in each of the essential components of effective reading instruction, including phonemic awareness, phonics, fluency, vocabulary, and comprehension;

(B) a significant annual rate of improvement in reading performance, disaggregated by subgroups designated under department

rule, as measured using the battery of reading assessments adopted under Subdivision (1); and

(C) student ratings of the quality and impact of the reading plan under this subsection, as measured on a student self-reporting instrument.

(c) To increase the positive social behaviors of students in department educational programs and to create an educational environment that facilitates learning, the department shall:

(1) adopt system-wide classroom and individual positive behavior supports that incorporate a continuum of prevention and intervention strategies that:

(A) are based on current behavioral research; and

(B) are systematically and individually applied to students consistent with the demonstrated level of need;

(2) require each teacher and other educational staff member in a department educational program to be trained in implementing the positive behavior support system adopted under Subdivision (1); and

(3) adopt valid assessment techniques to evaluate the effectiveness of the positive behavior support system according to the following criteria:

(A) documentation of school-related disciplinary referrals, disaggregated by the type, location, and time of infraction and by subgroups designated under department rule;

(B) documentation of school-related disciplinary actions, including time-out, placement in security, and use of restraints and other aversive control measures, disaggregated by subgroups designated under department rule;

(C) validated measurement of systemic positive behavioral support interventions; and

(D) the number of minutes students are out of the regular classroom because of disciplinary reasons.

(d) The department shall consult with faculty from institutions of higher education who have expertise in reading instruction for adolescents, in juvenile corrections, and in positive behavior supports to develop and implement the plan under Subsections (b) and (c).

(e) A student in a department educational program may not be released on parole from the department unless the student participates, to the extent required by department rule, in the positive behavior support system under Subsection (c). A student in

a department educational program who exhibits deficits in reading on the assessments adopted under Subsection (b)(1) must also participate in reading instruction to the extent required by this section and by department rule before the student may be released on parole.

Added by Acts 2009, 81st Leg., R.S., Ch. 1187 (H.B. 3689), Sec. 4.003, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 29, eff. September 1, 2015.

CHAPTER 30A. STATE VIRTUAL SCHOOL NETWORK

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 30A.001. DEFINITIONS. In this chapter:

(1) "Administering authority" means the entity designated under Section 30A.053 to administer the state virtual school network.

(2) "Board" means the State Board of Education.

(3) "Course" means a course of study that meets the requirements of Section 30A.104.

(4) "Electronic course" means a course in which:

(A) instruction and content are delivered primarily over the Internet;

(B) a student and teacher are in different locations for a majority of the student's instructional period;

(C) most instructional activities take place in an online environment;

(D) the online instructional activities are integral to the academic program;

(E) extensive communication between a student and a teacher and among students is emphasized; and

(F) a student is not required to be located on the physical premises of a school district or open-enrollment charter school.

(5) "Electronic diagnostic assessment" means a formative or instructional assessment used in conjunction with an electronic course to ensure that:

(A) a teacher of an electronic course has information related to a student's academic performance in that course; and

(B) a student enrolled in an electronic course makes

documented progress in mastering the content of the course.

(6) "Electronic professional development course" means a professional development course in which instruction and content are delivered primarily over the Internet.

(7) "Course provider" means:

(A) a school district or open-enrollment charter school that provides an electronic course through the state virtual school network to:

(i) students enrolled in that district or school; or

(ii) students enrolled in another school district or school;

(B) a public or private institution of higher education, nonprofit entity, or private entity that provides a course through the state virtual school network; or

(C) an entity that provides an electronic professional development course through the state virtual school network.

(8) "Public or private institution of higher education" means an institution of higher education, as defined by 20 U.S.C. Section 1001.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 3, eff. June 14, 2013.

Sec. 30A.002. STUDENT ELIGIBILITY. (a) A student is eligible to enroll in a course provided through the state virtual school network only if the student:

(1) on September 1 of the school year:

(A) is younger than 21 years of age; or

(B) is younger than 26 years of age and entitled to the benefits of the Foundation School Program under Section 42.003;

(2) has not graduated from high school; and

(3) is otherwise eligible to enroll in a public school in this state.

(b) A student is eligible to enroll full-time in courses provided through the state virtual school network only if the

student:

(1) was enrolled in a public school in this state in the preceding school year; or

(2) has been placed in substitute care in this state, regardless of whether the student was enrolled in a public school in this state in the preceding school year.

(c) Notwithstanding Subsection (a)(3) or (b), a student is eligible to enroll in one or more courses provided through the state virtual school network or enroll full-time in courses provided through the network if the student:

(1) is a dependent of a member of the United States military;

(2) was previously enrolled in high school in this state; and

(3) does not reside in this state due to a military deployment or transfer.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 850 (S.B. 2248), Sec. 2, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 26, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.008, eff. September 1, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.01, eff. September 28, 2011.

Sec. 30A.003. PROVISION OF COMPUTER EQUIPMENT OR INTERNET SERVICE. This chapter does not:

(1) require a school district, an open-enrollment charter school, a course provider, or the state to provide a student with home computer equipment or Internet access for a course provided through the state virtual school network; or

(2) prohibit a school district or open-enrollment charter school from providing a student with home computer equipment or Internet access for a course provided through the state virtual school network.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 4, eff. June 14, 2013.

Sec. 30A.004. APPLICABILITY OF CHAPTER. (a) Except as provided by Subsection (c), this chapter does not affect the provision of a course to a student while the student is located on the physical premises of a school district or open-enrollment charter school.

(b) This chapter does not affect the provision of distance learning courses offered under other law.

(b-1) Requirements imposed by or under this chapter do not apply to a virtual course provided by a school district only to district students if the course is not provided as part of the state virtual school network.

(c) A school district or open-enrollment charter school may choose to participate in providing an electronic course or an electronic diagnostic assessment under this chapter to a student who is located on the physical premises of a school district or open-enrollment charter school.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 27, eff. September 1, 2009.

Sec. 30A.005. TELECOMMUNICATIONS OR INFORMATION SERVICES NETWORK NOT CREATED. This chapter does not create or authorize the creation of a telecommunications or information services network.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.006. AUTHORIZATION FOR CERTAIN ELECTRONIC COURSES AND PROGRAMS. (a) An electronic course or program that was offered or

could have been offered during the 2008-2009 school year under Section 29.909, as that section existed on January 1, 2009, may be offered during a subsequent school year through the state virtual school network.

(b) The commissioner may by rule modify any provision of this chapter necessary to provide for the transition of an electronic course or program from the authority to operate under former Section 29.909 to the authority to operate under this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 28, eff. September 1, 2009.

Sec. 30A.007. LOCAL POLICY ON ELECTRONIC COURSES. (a) A school district or open-enrollment charter school shall adopt a written policy that provides district or school students with the opportunity to enroll in electronic courses provided through the state virtual school network. The policy must be consistent with the requirements imposed by Section 26.0031.

(a-1) A school district or open-enrollment charter school shall, at least once per school year, send to a parent of each district or school student enrolled at the middle or high school level a copy of the policy adopted under Subsection (a). A district or school may send the policy with any other information that the district or school sends to a parent.

(b) For purposes of a policy adopted under Subsection (a), the determination of whether or not an electronic course will meet the needs of a student with a disability shall be made by the student's admission, review, and dismissal committee in a manner consistent with state and federal law, including the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) and Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794).

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.02, eff. September 28, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 5, eff. June 14, 2013.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 30A.051. GOVERNANCE OF NETWORK. (a) The commissioner shall:

(1) administer the state virtual school network; and

(2) ensure:

(A) high-quality education for students in this state who are being educated through electronic courses provided through the state virtual school network; and

(B) equitable access by students to those courses.

(b) The commissioner may adopt rules necessary to implement this chapter.

(c) To the extent practicable, the commissioner shall solicit advice from school districts concerning:

(1) administration of the state virtual school network; and

(2) adoption of rules under Subsection (b).

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.052. GENERAL POWERS AND DUTIES OF COMMISSIONER. (a) The commissioner shall prepare or provide for preparation of a biennial budget request for the state virtual school network for presentation to the legislature.

(b) The commissioner has exclusive jurisdiction over the assets of the network and shall administer and spend appropriations made for the benefit of the network.

(c) The commissioner shall:

(1) employ a limited number of administrative employees in connection with the network; and

(2) contract with a regional education service center for the service center to operate the network.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.053. DESIGNATION OF ADMINISTERING AUTHORITY. The commissioner shall designate an agency employee or a group of agency employees to act as the administering authority for the state virtual school network.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.054. STUDENT PERFORMANCE INFORMATION. To the extent permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), the commissioner shall make information relating to the performance of students enrolled in electronic courses under this chapter available to school districts, open-enrollment charter schools, and the public.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 3, eff. June 17, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.004, eff. September 1, 2013.

Sec. 30A.055. LIMITATIONS ON ADMINISTERING AUTHORITY POWERS. The administering authority may not provide educational services directly to a student.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.056. CONTRACTS WITH VIRTUAL SCHOOL SERVICE PROVIDERS. (a) Each contract between a course provider and the administering authority must:

(1) provide that the administering authority may cancel the contract without penalty if legislative authorization for the course provider to offer an electronic course through the state virtual school network is revoked; and

(2) be submitted to the commissioner.

(b) A contract submitted under this section is public information for purposes of Chapter 552, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 6, eff. June 14, 2013.

SUBCHAPTER C. PROVISION OF ELECTRONIC COURSES

Sec. 30A.101. ELIGIBILITY TO ACT AS COURSE PROVIDER. (a) A school district or open-enrollment charter school is eligible to act as a course provider under this chapter only if the district or school is rated acceptable under Section 39.054. An open-enrollment charter school may serve as a course provider only:

(1) to a student within its service area; or

(2) to another student in the state:

(A) through an agreement with the school district in which the student resides; or

(B) if the student receives educational services under the supervision of a juvenile probation department, the Texas Juvenile Justice Department, or the Texas Department of Criminal Justice, through an agreement with the applicable agency.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1386, Sec. 25, eff. June 14, 2013.

(c) A nonprofit entity, private entity, or corporation is eligible to act as a course provider under this chapter only if the nonprofit entity, private entity, or corporation:

(1) complies with all applicable federal and state laws prohibiting discrimination;

(2) demonstrates financial solvency; and

(3) provides evidence of prior successful experience offering online courses to middle or high school students, with demonstrated student success in course completion and performance, as determined by the commissioner.

(d) An entity other than a school district or open-enrollment charter school is not authorized to award course credit or a diploma for courses taken through the state virtual school network.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 46, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 29, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 7, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 8, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 25, eff. June 14, 2013.

Sec. 30A.102. LISTING OF ELECTRONIC COURSES. (a) The administering authority shall:

(1) publish the criteria required by Section 30A.103 for electronic courses that may be offered through the state virtual school network;

(2) using the criteria required by Section 30A.103, evaluate electronic courses submitted by a course provider to be offered through the network;

(3) create a list of electronic courses approved by the administering authority; and

(4) publish in a prominent location on the network's Internet website the list of approved electronic courses offered through the network and a detailed description of the courses that complies with Section 30A.108.

(b) To ensure that a full range of electronic courses, including advanced placement courses, are offered to students in this state, the administering authority:

(1) shall create a list of those subjects and courses designated by the board under Subchapter A, Chapter 28, for which the board has identified essential knowledge and skills or for which the board has designated content requirements under Subchapter A, Chapter 28;

(2) shall enter into agreements with school districts, open-enrollment charter schools, public or private institutions of higher education, and other eligible entities for the purpose of offering the courses through the state virtual school network; and

(3) may develop or authorize the development of additional electronic courses that:

(A) are needed to complete high school graduation requirements; and

(B) are not otherwise available through the state virtual school network.

(c) The administering authority shall develop a comprehensive course numbering system for all courses offered through the state virtual school network to ensure, to the greatest extent possible, consistent numbering of similar courses offered across all course providers.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 9, eff. June 14, 2013.

Sec. 30A.1021. PUBLIC ACCESS TO USER COMMENTS REGARDING ELECTRONIC COURSES. (a) The administering authority shall provide students who have completed or withdrawn from electronic courses offered through the virtual school network and their parents with a mechanism for providing comments regarding the courses.

(b) The mechanism required by Subsection (a) must include a quantitative rating system and a list of verbal descriptors that a student or parent may select as appropriate.

(c) The administering authority shall provide public access to the comments submitted by students and parents under this section. The comments must be in a format that permits a person to sort the comments by teacher, electronic course, and course provider.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.03, eff. September 28, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 10, eff. June 14, 2013.

Sec. 30A.103. CRITERIA FOR ELECTRONIC COURSES. (a) The board by rule shall establish an objective standard criteria for an electronic course to ensure alignment with the essential knowledge and skills requirements identified or content requirements established under Subchapter A, Chapter 28. The criteria may not permit the administering authority to prohibit a course provider from

applying for approval for an electronic course for a course for which essential knowledge and skills have been identified.

(b) The criteria must be consistent with Section 30A.104 and may not include any requirements that are developmentally inappropriate for students.

(c) The commissioner by rule may:

(1) establish additional quality-related criteria for electronic courses; and

(2) provide for a period of public comment regarding the criteria.

(d) The criteria must be in place at least six months before the administering authority uses the criteria in evaluating an electronic course under Section 30A.105.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 11, eff. June 14, 2013.

Sec. 30A.104. COURSE ELIGIBILITY IN GENERAL. (a) A course offered through the state virtual school network must:

(1) be in a specific subject that is part of the required curriculum under Section 28.002(a);

(2) be aligned with the essential knowledge and skills identified under Section 28.002(c) for a grade level at or above grade level three; and

(3) be the equivalent in instructional rigor and scope to a course that is provided in a traditional classroom setting during:

(A) a semester of 90 instructional days; and

(B) a school day that meets the minimum length of a school day required under Section 25.082.

(b) If the essential knowledge and skills with which an approved course is aligned in accordance with Subsection (a)(2) are modified, the course provider must be provided the same time period to revise the course to achieve alignment with the modified essential knowledge and skills as is provided for the modification of a course provided in a traditional classroom setting.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1,

eff. September 1, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 30, eff. September 1, 2009.
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.04, eff. September 28, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 12, eff. June 14, 2013.

Sec. 30A.1041. DRIVER EDUCATION COURSES. (a) A school district, open-enrollment charter school, public or private institution of higher education, or other eligible entity may seek approval to offer through the state virtual school network the classroom portion of a driver education and traffic safety course that complies with the requirements for the program developed under Section 29.902.

(b) A school district, open-enrollment charter school, public or private institution of higher education, or other eligible entity may not offer through the state virtual school network the laboratory portion of a driver education and traffic safety course.

(c) A driver education and traffic safety course offered in compliance with this section must be the equivalent in instructional rigor and scope to a course that is provided in a traditional classroom setting for a period of 56 hours.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 13, eff. June 14, 2013.

Sec. 30A.1042. RECIPROCITY AGREEMENTS WITH OTHER STATES. (a) The administering authority may enter into a reciprocity agreement with one or more other states to facilitate expedited course approval.

(b) An agreement under this section must ensure that any course approved in accordance with the agreement:

(1) is evaluated to ensure compliance with Sections

30A.104(a)(1) and (2) before the course may be offered through the state virtual school network; and

(2) meets the requirements of Section 30A.104(a)(3).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 14, eff. June 14, 2013.

Sec. 30A.105. APPROVAL OF ELECTRONIC COURSES.

(c) The agency shall pay the reasonable costs of evaluating and approving electronic courses. If funds available to the agency for that purpose are insufficient to pay the costs of evaluating and approving all electronic courses submitted for evaluation and approval, the agency shall give priority to paying the costs of evaluating and approving the following courses:

(1) courses that satisfy high school graduation requirements;

(2) courses that would likely benefit a student in obtaining admission to a postsecondary institution;

(3) courses, including dual credit courses, that allow a student to earn college credit or other advanced credit;

(4) courses in subject areas most likely to be highly beneficial to students receiving educational services under the supervision of a juvenile probation department, the Texas Juvenile Justice Department, or the Texas Department of Criminal Justice; and

(5) courses in subject areas designated by the commissioner as commonly experiencing a shortage of teachers.

(a) The administering authority shall:

(a-2) The evaluation required by Subsection (a)(2) must include review of each electronic course component, including off-line material proposed to be used in the course.

(b) The administering authority shall establish the cost of providing an electronic course approved under Subsection (a), which may not exceed $400 per student per course or $4,800 per full-time student.

(1) establish a submission and approval process for electronic courses that occurs on a rolling basis; and

(2) evaluate electronic courses to be offered through the state virtual school network.

(a-1) The administering authority shall publish the submission

and approval process for electronic courses established under Subsection (a)(1), including any deadlines and guidelines applicable to the process.

(d) If the agency determines that the costs of evaluating and approving a submitted electronic course will not be paid by the agency due to a shortage of funds available for that purpose, the school district, open-enrollment charter school, public or private institution of higher education, or other eligible entity that submitted the course for evaluation and approval may pay a fee equal to the amount of the costs in order to ensure that evaluation of the course occurs. The agency shall establish and publish a fee schedule for purposes of this subsection.

(e) The administering authority shall require a course provider to apply for renewed approval of a previously approved course in accordance with a schedule designed to coincide with revisions to the required curriculum under Section 28.002(a) but not later than the 10th anniversary of the previous approval.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 31, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.05, eff. September 28, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 15, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 30, eff. September 1, 2015.

Sec. 30A.1051. ELECTRONIC COURSE PORTABILITY. A student who transfers from one educational setting to another after beginning enrollment in an electronic course is entitled to continue enrollment in the course.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 32, eff. September 1, 2009.

Sec. 30A.1052. INDUCEMENTS FOR ENROLLMENT PROHIBITED. (a) A

course provider may not promise or provide equipment or any other thing of value to a student or a student's parent as an inducement for the student to enroll in an electronic course offered through the state virtual school network.

(b) The commissioner shall revoke approval under this chapter of electronic courses offered by a course provider that violates this section.

(c) The commissioner's action under this section is final and may not be appealed.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 16, eff. June 14, 2013.

Sec. 30A.106. APPEAL TO COMMISSIONER. (a) A course provider may appeal to the commissioner the administering authority's refusal to approve an electronic course under Section 30A.105.

(b) If the commissioner determines that the administering authority's evaluation did not follow the criteria or was otherwise irregular, the commissioner may overrule the administering authority and place the course on a list of approved courses. The commissioner's decision under this section is final and may not be appealed.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 17, eff. June 14, 2013.

Sec. 30A.107. OPTIONS FOR PROVIDERS AND STUDENTS. (a) A course provider may offer electronic courses to:

(1) students and adults who reside in this state; and

(2) students who reside outside this state and who meet the eligibility requirements under Section 30A.002(c).

(b) A student who is enrolled in a school district or open-enrollment charter school in this state as a full-time student may take one or more electronic courses through the state virtual school network.

(c) A student who resides in this state but who is not enrolled

in a school district or open-enrollment charter school in this state as a full-time student may, subject to Section 30A.155, enroll in electronic courses through the state virtual school network. A student to whom this subsection applies:

(1) may not in any semester enroll in more than two electronic courses offered through the state virtual school network;

(2) is not considered to be a public school student;

(3) must obtain access to a course provided through the network through the school district or open-enrollment charter school attendance zone in which the student resides;

(4) is not entitled to enroll in a course offered by a school district or open-enrollment charter school other than an electronic course provided through the network; and

(5) is not entitled to any right, privilege, activities, or services available to a student enrolled in a public school, other than the right to receive the appropriate unit of credit for completing an electronic course.

(d) A school district or open-enrollment charter school may not require a student to enroll in an electronic course.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 33, eff. September 1, 2009.
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.06, eff. September 28, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 18, eff. June 14, 2013.

Sec. 30A.108. INFORMED CHOICE REPORTS. (a) Not later than a date determined by the commissioner, the administering authority shall create and maintain on the state virtual school network's Internet website an "informed choice" report as provided by commissioner rule.

(b) Each report under this section must describe each electronic course offered through the state virtual school network and include the following information:

(1) course requirements;

(2) the school year calendar for the course, including any options for continued participation outside of the standard school year calendar;

(3) the entity that developed the course;

(4) the entity that provided the course;

(5) the course completion rate;

(6) aggregate student performance on an assessment instrument administered under Section 39.023 to students enrolled in the course;

(7) aggregate student performance on all assessment instruments administered under Section 39.023 to students who completed the course provider's courses; and

(8) other information determined by the commissioner.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 19, eff. June 14, 2013.

Sec. 30A.109. COMPULSORY ATTENDANCE. The commissioner by rule shall adopt procedures for reporting and verifying the attendance of a student enrolled in an electronic course provided through the state virtual school network. The rules may modify the application of Sections 25.085, 25.086, and 25.087 for a student enrolled in an electronic course but must require participation in an educational program equivalent to the requirements prescribed by those sections.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 34, eff. September 1, 2009.

Sec. 30A.110. APPLICABILITY OF ACCOUNTABILITY REQUIREMENTS. (a) Chapter 39 applies to an electronic course offered through the state virtual school network in the same manner that that chapter applies to any other course offered by a school district or open-enrollment charter school.

(b) Each student enrolled under this chapter in an electronic course offered through the state virtual school network must take any assessment instrument under Section 39.023 that is administered to students who are provided instruction in the course material in the traditional classroom setting. The administration of the assessment instrument to the student enrolled in the electronic course must be supervised by a proctor.

(c) A school district or open-enrollment charter school shall report to the commissioner through the Public Education Information Management System (PEIMS) the results of assessment instruments administered to students enrolled in an electronic course offered through the state virtual school network separately from the results of assessment instruments administered to other students.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.111. TEACHER AND INSTRUCTOR QUALIFICATIONS. (a) Each teacher of an electronic course offered by a school district or open-enrollment charter school through the state virtual school network must:

(1) be certified under Subchapter B, Chapter 21, to teach that course and grade level; and

(2) successfully complete the appropriate professional development course provided under Section 30A.112(a) or 30A.1121 before teaching an electronic course offered through the network.

(b) The commissioner by rule shall establish procedures for verifying successful completion by a teacher of the appropriate professional development course required by Subsection (a)(2).

(c) The commissioner by rule shall establish qualifications and professional development requirements applicable to college instructors providing instruction in dual credit courses through the state virtual school network that allow a student to earn high school credit and college credit or other credit.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 35, eff. September 1, 2009.

Sec. 30A.112. EDUCATOR PROFESSIONAL DEVELOPMENT. (a) The state virtual school network shall provide or authorize providers of electronic professional development courses or programs to provide professional development for teachers who are teaching electronic courses through the network.

(b) The state virtual school network may provide or authorize providers of electronic professional development courses to provide professional development for:

(1) teachers who are teaching subjects or grade levels for which the teachers are not certified;

(2) teachers who must become highly qualified under Section 1119, No Child Left Behind Act of 2001 (20 U.S.C. Section 6319); or

(3) teachers who must become qualified under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.1121. ALTERNATIVE EDUCATOR PROFESSIONAL DEVELOPMENT. (a) Subject to Subsection (b), a course provider may provide professional development courses to teachers seeking to become authorized to teach electronic courses provided through the state virtual school network. A course provider may provide a professional development course that is approved under Subsection (b) to any interested teacher, regardless of the teacher's employer.

(b) The agency shall review each professional development course sought to be provided by a course provider under Subsection (a) to determine if the course meets the quality standards established under Section 30A.113. If a course meets those standards, the course provider may provide the course for purposes of enabling a teacher to comply with Section 30A.111(a)(2).

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 36, eff. September 1, 2009.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 20, eff. June 14, 2013.

Sec. 30A.113. CRITERIA FOR ELECTRONIC PROFESSIONAL DEVELOPMENT COURSES. The commissioner by rule shall establish objective standard criteria for quality of an electronic professional development course provided under Section 30A.112.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.114. REGIONAL EDUCATION SERVICE CENTERS. The commissioner by rule shall allow regional education service centers to participate in the state virtual school network in the same manner as course providers.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 21, eff. June 14, 2013.

Sec. 30A.115. ADDITIONAL RESOURCES. The commissioner by rule may establish procedures for providing additional resources, such as an online library, to students and educators served through the state virtual school network. The administering authority may provide the additional resources only if the commissioner receives an appropriation, gift, or grant sufficient to pay the costs of providing those resources.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

SUBCHAPTER D. FUNDING

Sec. 30A.151. COSTS TO BE BORNE BY STATE. (a) Except as authorized by Section 30A.152 or this section, the state shall pay the cost of operating the state virtual school network.

(b) The operating costs of the state virtual school network may not be charged to a school district or open-enrollment charter

school.

(c) The costs of providing electronic professional development courses may be paid by state funds appropriated by the legislature or federal funds that may be used for that purpose.

(d) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(3), eff. September 1, 2009.

(e) State funds provided in connection with the state virtual school network may not be used in a manner that violates Section 7, Article I, Texas Constitution.

(f) For a full-time electronic course program offered through the state virtual school network for a grade level at or above grade level three but not above grade level eight, a school district or open-enrollment charter school is entitled to receive federal, state, and local funding for a student enrolled in the program in an amount equal to the funding the district or school would otherwise receive for a student enrolled in the district or school. The district or school may calculate the average daily attendance of a student enrolled in the program based on:

(1) hours of contact with the student;

(2) the student's successful completion of a course; or

(3) a method approved by the commissioner.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 37, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(3), eff. September 1, 2009.

Sec. 30A.152. GRANTS AND FEDERAL FUNDS. (a) The commissioner may accept a grant for purposes of this chapter from a public or private person and shall use those funds in accordance with the commissioner's duties regarding the state virtual school network.

(b) The commissioner may accept federal funds for purposes of this chapter and shall use those funds in compliance with applicable federal law, regulations, and guidelines.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.

Sec. 30A.153. FOUNDATION SCHOOL PROGRAM FUNDING. (a) Subject to the limitation imposed under Subsection (a-1), a school district or open-enrollment charter school in which a student is enrolled is entitled to funding under Chapter 42 or in accordance with the terms of a charter granted under Section 12.101 for the student's enrollment in an electronic course offered through the state virtual school network in the same manner that the district or school is entitled to funding for the student's enrollment in courses provided in a traditional classroom setting, provided that the student successfully completes the electronic course.

(a-1) For purposes of Subsection (a), a school district or open-enrollment charter school is limited to the funding described by that subsection for a student's enrollment in not more than three electronic courses during any school year, unless the student is enrolled in a full-time online program that was operating on January 1, 2013.

(b) The commissioner, after considering comments from school district and open-enrollment charter school representatives, shall adopt a standard agreement that governs the costs, payment of funds, and other matters relating to a student's enrollment in an electronic course offered through the state virtual school network. The agreement may not require a school district or open-enrollment charter school to pay the provider the full amount until the student has successfully completed the electronic course, and the full amount may not exceed the limits specified by Section 30A.105(b).

(c) A school district or open-enrollment charter school shall use the standard agreement adopted under Subsection (b) unless:

(1) the district or school requests from the commissioner permission to modify the standard agreement; and

(2) the commissioner authorizes the modification.

(d) The commissioner shall adopt rules necessary to implement this section, including rules regarding attendance accounting.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.07, eff. September 28, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 22, eff. June 14, 2013.

Sec. 30A.155. FEES. (a) A school district or open-enrollment charter school may charge a fee for enrollment in an electronic course provided through the state virtual school network to a student who resides in this state and:

(1) is enrolled in a school district or open-enrollment charter school as a full-time student with a course load greater than that normally taken by students in the equivalent grade level in other school districts or open-enrollment charter schools; or

(2) elects to enroll in an electronic course provided through the network for which the school district or open-enrollment charter school in which the student is enrolled as a full-time student declines to pay the cost, as authorized by Section 26.0031(c-1).

(a-1) A school district or open-enrollment charter school may charge a fee for enrollment in an electronic course provided through the state virtual school network during the summer.

(b) A school district or open-enrollment charter school shall charge a fee for enrollment in an electronic course provided through the state virtual school network to a student who resides in this state and is not enrolled in a school district or open-enrollment charter school as a full-time student.

(c) The amount of a fee charged a student under Subsection (a), (a-1), or (b) for each electronic course in which the student enrolls through the state virtual school network may not exceed the lesser of:

(1) the cost of providing the course; or

(2) $400.

(c-1) A school district or open-enrollment charter school that is not the course provider may charge a student enrolled in the district or school a nominal fee, not to exceed the amount specified by the commissioner, if the student enrolls in an electronic course provided through the state virtual school network that exceeds the course load normally taken by students in the equivalent grade level. A juvenile probation department or state agency may charge a comparable fee to a student under the supervision of the department or agency.

(d) Except as provided by this section, the state virtual school network may not charge a fee to students for electronic

courses provided through the network.

(e) This chapter does not entitle a student who is not enrolled on a full-time basis in a school district or open-enrollment charter school to the benefits of the Foundation School Program.

Added by Acts 2007, 80th Leg., R.S., Ch. 1337 (S.B. 1788), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 38, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 23, eff. June 14, 2013.

CHAPTER 31. INSTRUCTIONAL MATERIALS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 31.001. FREE INSTRUCTIONAL MATERIALS. Instructional materials selected for use in the public schools shall be furnished without cost to the students attending those schools. Except as provided by Section 31.104(d), a school district may not charge a student for instructional material or technological equipment purchased by the district with the district's instructional materials allotment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 18, eff. July 19, 2011.

Sec. 31.002. DEFINITIONS. In this chapter:

(1) "Instructional material" means content that conveys the essential knowledge and skills of a subject in the public school curriculum through a medium or a combination of media for conveying information to a student. The term includes a book, supplementary materials, a combination of a book, workbook, and supplementary materials, computer software, magnetic media, DVD, CD-ROM, computer courseware, on-line services, or an electronic medium, or other means of conveying information to the student or otherwise contributing to the learning process through electronic means, including open-source instructional material.

(1-a) "Open-source instructional material" means electronic instructional material that is available for downloading from the Internet at no charge to a student and without requiring the purchase of an unlock code, membership, or other access or use charge, except for a charge to order an optional printed copy of all or part of the instructional material. The term includes state-developed open-source instructional material purchased under Subchapter B-1.

(2) "Publisher" includes an on-line service or a developer or distributor of electronic instructional materials.

(3) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(1), eff. July 19, 2011.

(4) "Technological equipment" means hardware, a device, or equipment necessary for:

(A) instructional use in the classroom, including to gain access to or enhance the use of electronic instructional materials; or

(B) professional use by a classroom teacher.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 1, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 19, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(1), eff. July 19, 2011.

Sec. 31.003. RULES. The State Board of Education may adopt rules, consistent with this chapter, for the adoption, requisition, distribution, care, use, and disposal of instructional materials.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 20, eff. July 19, 2011.

Sec. 31.004. CERTIFICATION OF PROVISION OF INSTRUCTIONAL MATERIALS. (a) Each school district and open-enrollment charter school shall annually certify to the State Board of Education and the

commissioner that, for each subject in the required curriculum under Section 28.002, other than physical education, and each grade level, the district provides each student with instructional materials that cover all elements of the essential knowledge and skills adopted by the State Board of Education for that subject and grade level.

(b) To determine whether each student has instructional materials that cover all elements of the essential knowledge and skills as required by Subsection (a), a school district or open-enrollment charter school may consider:

(1) instructional materials adopted by the State Board of Education;

(2) materials adopted or purchased by the commissioner under Section 31.0231 or Subchapter B-1;

(3) open-source instructional materials submitted by eligible institutions and adopted by the State Board of Education under Section 31.0241;

(4) open-source instructional materials made available by other public schools; and

(5) instructional materials developed or purchased by the school district or open-enrollment charter school.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 2, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 20, eff. July 19, 2011.

Sec. 31.005. FUNDING FOR OPEN-ENROLLMENT CHARTER SCHOOLS. An open-enrollment charter school is entitled to the instructional materials allotment under this chapter and is subject to this chapter as if the school were a school district.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 20, eff. July 19, 2011.

SUBCHAPTER B. STATE FUNDING, ADOPTION, AND PURCHASE

Sec. 31.021. STATE INSTRUCTIONAL MATERIALS FUND. (a) The state instructional materials fund consists of:

(1) an amount set aside by the State Board of Education

from the available school fund, in accordance with Section 43.001(d); and

(2) all amounts lawfully paid into the fund from any other source.

(b) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(2), eff. July 19, 2011.

(c) Money in the state instructional materials fund shall be used to:

(1) fund the instructional materials allotment, as provided by Section 31.0211;

(2) purchase special instructional materials for the education of blind and visually impaired students in public schools;

(3) pay the expenses associated with the instructional materials adoption and review process under this chapter;

(4) pay the expenses associated with the purchase or licensing of open-source instructional material;

(5) pay the expenses associated with the purchase of instructional material, including intrastate freight and shipping and the insurance expenses associated with intrastate freight and shipping;

(6) fund the technology lending grant program established under Section 32.201; and

(7) provide funding to the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, and the Texas Juvenile Justice Department.

(d) Money transferred to the state instructional materials fund remains in the fund until spent and does not lapse to the state at the end of the fiscal year.

(e) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(2), eff. July 19, 2011.

(f) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(2), eff. July 19, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 258, Sec. 1, 2, eff. May 26, 1997; Acts 2003, 78th Leg., ch. 201, Sec. 20, eff. June 10, 2003. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1407 (H.B. 4294), Sec. 2, eff. June 19, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 21, eff.

July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 22, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(2), eff. July 19, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 31, eff. September 1, 2015.

Sec. 31.0211. INSTRUCTIONAL MATERIALS ALLOTMENT. (a) A school district is entitled to an allotment each biennium from the state instructional materials fund for each student enrolled in the district on a date during the last year of the preceding biennium specified by the commissioner. The commissioner shall determine the amount of the allotment per student each biennium on the basis of the amount of money available in the state instructional materials fund to fund the allotment. An allotment under this section shall be transferred from the state instructional materials fund to the credit of the district's instructional materials account as provided by Section 31.0212.

(b) A juvenile justice alternative education program under Section 37.011 is entitled to an allotment from the state instructional materials fund in an amount determined by the commissioner. The program shall use the allotment to purchase items listed in Subsection (c) for students enrolled in the program. The commissioner's determination under this subsection is final and may not be appealed.

(c) Subject to Subsection (d), funds allotted under this section may be used to:

(1) purchase:

(A) materials on the list adopted by the commissioner, as provided by Section 31.0231;

(B) instructional materials, regardless of whether the instructional materials are on the list adopted under Section 31.024;

(C) consumable instructional materials, including workbooks;

(D) instructional materials for use in bilingual education classes, as provided by Section 31.029;

(E) instructional materials for use in college preparatory courses under Section 28.014, as provided by Section

31.031;

(F) supplemental instructional materials, as provided by Section 31.035;

(G) state-developed open-source instructional materials, as provided by Subchapter B-1;

(H) instructional materials and technological equipment under any continuing contracts of the district in effect on September 1, 2011; and

(I) technological equipment necessary to support the use of materials included on the list adopted by the commissioner under Section 31.0231 or any instructional materials purchased with an allotment under this section; and

(2) pay:

(A) for training educational personnel directly involved in student learning in the appropriate use of instructional materials and for providing for access to technological equipment for instructional use; and

(B) the salary and other expenses of an employee who provides technical support for the use of technological equipment directly involved in student learning.

(d) Each biennium a school district shall use the district's allotment under this section to purchase, in the following order:

(1) instructional materials necessary to permit the district to certify that the district has instructional materials that cover all elements of the essential knowledge and skills of the required curriculum, other than physical education, for each grade level as required by Section 28.002; and

(2) any other instructional materials or technological equipment as determined by the district.

(e) Not later than May 31 of each school year, a school district may request that the commissioner adjust the number of students for which the district is entitled to receive an allotment under Subsection (a) on the grounds that the number of students attending school in the district will increase or decrease during the school year for which the allotment is provided. The commissioner may also adjust the number of students for which a district is entitled to receive an allotment, without a request by the district, if the commissioner determines a different number of students is a more accurate reflection of students who will be attending school in the district. The commissioner's determination under this subsection

is final.

(f) The commissioner may adopt rules as necessary to implement this section.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 23, eff. July 19, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 26(a), eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 731 (H.B. 1474), Sec. 1, eff. September 1, 2015.

Sec. 31.0212. INSTRUCTIONAL MATERIALS ACCOUNT. (a) The commissioner shall maintain an instructional materials account for each school district. In the first year of each biennium, the commissioner shall deposit in the account for each district the amount of the district's instructional materials allotment under Section 31.0211.

(b) The commissioner shall pay the cost of instructional materials requisitioned by a school district under Section 31.103 using funds from the district's instructional materials account.

(c) A school district may also use funds in the district's account to purchase electronic instructional materials or technological equipment. The district shall submit to the commissioner a request for funds for this purpose from the district's account. The commissioner shall adopt rules regarding the documentation a school district must submit to receive funds under this subsection.

(d) Money deposited in a school district's instructional materials account during each state fiscal biennium remains in the account and available for use by the district for the entire biennium. At the end of each biennium, a district with unused money in the district's account may carry forward any remaining balance to the next biennium.

(e) The commissioner shall adopt rules as necessary to implement this section. The rules must include a requirement that a school district provide the title and publication information for any instructional materials requisitioned or purchased by the district with the district's instructional materials allotment.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 23, eff. July 19, 2011.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 731 (H.B. 1474), Sec. 2, eff. September 1, 2015.

Sec. 31.0213. CERTIFICATION OF USE OF INSTRUCTIONAL MATERIALS ALLOTMENT. Each school district shall annually certify to the commissioner that the district's instructional materials allotment has been used only for expenses allowed by Section 31.0211.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 23, eff. July 19, 2011.

Sec. 31.0214. ADJUSTMENT FOR HIGH ENROLLMENT GROWTH DISTRICTS. (a) Each year the commissioner shall adjust the instructional materials allotment of school districts experiencing high enrollment growth. The commissioner shall establish a procedure for determining high enrollment growth districts eligible to receive an adjustment under this section and the amount of the instructional materials allotment those districts will receive.

(b) The commissioner may adopt rules as necessary to implement this section.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 23, eff. July 19, 2011.

Sec. 31.0215. INSTRUCTIONAL MATERIAL ALLOTMENT PURCHASES. (a) The commissioner shall, as early as practicable during each biennium, notify each school district and open-enrollment charter school of the estimated amount to which the district or charter school will be entitled under Section 31.0211 during the next fiscal biennium.

(b) The commissioner may allow a school district or open-enrollment charter school to place an order for instructional materials before the beginning of a fiscal biennium and to receive instructional materials before payment. The commissioner shall limit the cost of an order placed under this section to 80 percent of the estimated amount to which a school district or open-enrollment

charter school is estimated to be entitled as provided by Subsection (a) and shall first credit any balance in a district or charter school instructional materials account to pay for an order placed under this section.

(c) The commissioner shall make payments for orders placed under this section as funds become available to the instructional materials fund and shall prioritize payment of orders placed under this section over reimbursement of purchases made directly by a school district or open-enrollment charter school.

(d) The commissioner shall ensure that publishers of instructional materials are informed of any potential delay in payment and that payment is subject to the availability of appropriated funds. A publisher may decline to accept an order placed under this section.

(e) Chapter 2251, Government Code, does not apply to purchases of instructional materials under this section.

(f) The commissioner may adopt rules to implement this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 27, eff. June 10, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 731 (H.B. 1474), Sec. 3, eff. September 1, 2015.

Sec. 31.022. INSTRUCTIONAL MATERIALS REVIEW AND ADOPTION. (a) The State Board of Education shall adopt a review and adoption cycle for instructional materials for elementary grade levels, including prekindergarten, and secondary grade levels, for each subject in the required curriculum under Section 28.002. In adopting the cycle, the board:

(1) is not required to review and adopt instructional materials for all grade levels in a single year; and

(2) shall give priority to instructional materials in the following subjects:

(A) foundation curriculum subjects for which the essential knowledge and skills have been substantially revised and for which assessment instruments are required under Subchapter B, Chapter 39, including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n);

(B) foundation curriculum subjects for which the essential knowledge and skills have been substantially revised, including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n);

(C) foundation curriculum subjects not described by Paragraph (A) or (B), including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n); and

(D) enrichment curriculum subjects.

(b) The board shall organize the cycle for subjects in the foundation curriculum so that not more than one-fourth of the instructional materials for subjects in the foundation curriculum are reviewed each biennium. The board shall adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum every eight years. The adoption of instructional materials for a subject in the foundation curriculum may be extended beyond the eight-year period only if the content of instructional materials for a subject is sufficiently current.

(c) The board shall adopt rules to provide for a full and complete investigation of instructional materials for each subject in the enrichment curriculum on a cycle the board considers appropriate.

(d) At least 12 months before the beginning of the school year for which instructional materials for a particular subject and grade level will be adopted under the review and adoption cycle, the board shall publish notice of the review and adoption cycle for those instructional materials. A request for production must allow submission of open-source instructional materials that are available for use by the state without charge on the same basis as instructional materials offered for sale.

(d-1) A notice published under Subsection (d) must state that a publisher of adopted instructional materials for a grade level other than prekindergarten must submit an electronic sample of the instructional materials as required by Sections 31.027(a) and (b) and may not submit a print sample copy.

(e) The board shall designate a request for production of instructional materials in a subject area and grade level by the school year in which the instructional materials are intended to be made available in classrooms and not by the school year in which the board makes the request for production.

(f) The board shall amend any request for production issued for

the purchase of instructional materials to conform to the instructional materials funding levels provided by the General Appropriations Act for the year of implementation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 445 (H.B. 188), Sec. 2, eff. June 16, 2007.
Acts 2009, 81st Leg., R.S., Ch. 1407 (H.B. 4294), Sec. 3, eff. June 19, 2009.
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 24, eff. July 19, 2011.

Sec. 31.0221. MIDCYCLE REVIEW AND ADOPTION OF INSTRUCTIONAL MATERIALS. (a) The State Board of Education shall adopt rules for the midcycle review and adoption of instructional material for a subject for which instructional materials are not currently under review by the board under Section 31.022. The rules must require:

(1) the publisher of the instructional material to pay a fee to the board to cover the cost of the midcycle review and adoption of the instructional material;

(2) the publisher of the instructional material to enter into a contract with the board concerning the instructional material for a term that ends at the same time as any contract entered into by the board for other instructional materials for the same subject and grade level; and

(3) a commitment from the publisher to provide the instructional material to school districts in the manner specified by the publisher, which may include:

(A) providing the instructional material to any district in a regional education service center area identified by the publisher; or

(B) providing a certain maximum number of instructional materials specified by the publisher.

(b) Sections 31.023 and 31.024 apply to instructional material adopted under this section. Section 31.027 does not apply to instructional material adopted under this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 445 (H.B. 188), Sec. 3, eff. June 16, 2007.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 25, eff. July 19, 2011.

Sec. 31.023. INSTRUCTIONAL MATERIAL LIST. (a) For each subject and grade level, the State Board of Education shall adopt a list of instructional materials. The list includes each instructional material submitted for the subject and grade level that meets applicable physical specifications adopted by the State Board of Education and contains material covering at least half of the elements of the essential knowledge and skills of the subject and grade level in the student version of the instructional material, as well as in the teacher version of the instructional material, as determined by the State Board of Education under Section 28.002 and adopted under Section 31.024.

(a-1) The State Board of Education shall determine the percentage of the elements of the essential knowledge and skills of the subject and grade level covered by each instructional material submitted. The board's determination under this subsection is final.

(b) Each instructional material on the list must be free from factual errors.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 445 (H.B. 188), Sec. 4, eff. June 16, 2007.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 26, eff. July 19, 2011.

Sec. 31.0231. COMMISSIONER'S LIST. (a) The commissioner shall adopt a list of:

(1) electronic instructional material; and

(2) material that conveys information to the student or otherwise contributes to the learning process, including tools, models, and investigative materials designed for use as part of the foundation curriculum for:

(A) science in kindergarten through grade five; and

(B) personal financial literacy in kindergarten through

grade eight.

(b) A school district may select material on the list adopted under Subsection (a) to be funded by the district's instructional materials allotment under Section 31.0211.

(c) Before the commissioner places material on the list adopted under Subsection (a), the State Board of Education must be given an opportunity to comment on the material. If the commissioner places material on the list adopted under Subsection (a), the State Board of Education may, not later than the 90th day after the date the material is placed on the list, require the commissioner to remove the material from the list. Material placed on the list adopted under Subsection (a):

(1) must be reviewed and recommended to the commissioner by a panel of recognized experts in the subject area of the material and experts in education technology;

(2) must satisfy criteria adopted for the purpose by commissioner rule; and

(3) must meet the National Instructional Materials Accessibility Standard, to the extent practicable as determined by the commissioner.

(d) The criteria adopted under Subsection (c)(2) must:

(1) include evidence of alignment with current research in the subject for which the material is intended to be used;

(2) include coverage of the essential knowledge and skills identified under Section 28.002 for the subject for which the material is intended to be used and identify:

(A) each of the essential knowledge and skills for the subject and grade level or levels covered by the material; and

(B) the percentage of the essential knowledge and skills for the subject and grade level or levels covered by the material; and

(3) include appropriate training for teachers.

(e) The commissioner shall update, as necessary, the list adopted under Subsection (a). Before the commissioner places material on the updated list, the requirements of Subsection (c) must be met.

(f) After notice to the commissioner explaining in detail the changes, the provider of material on the list adopted under Subsection (a) may update the navigational features or management system related to the material.

(g) After notice to the commissioner and a review by the commissioner, the provider of material on the list adopted under Subsection (a) may update the content of the material if needed to accurately reflect current knowledge or information.

(h) The commissioner shall adopt rules as necessary to implement this section. The rules must:

(1) be consistent with Section 31.151 regarding the duties of publishers and manufacturers, as appropriate, and the imposition of a reasonable administrative penalty; and

(2) require public notice of an opportunity for the submission of material.

Added by Acts 2009, 81st Leg., R.S., Ch. 1407 (H.B. 4294), Sec. 4, eff. June 19, 2009.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 885 (S.B. 290), Sec. 2, eff. June 17, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 27, eff. July 19, 2011.

Sec. 31.024. ADOPTION BY STATE BOARD OF EDUCATION. (a) By majority vote, the State Board of Education shall:

(1) place each submitted instructional material on the list adopted under Section 31.023; or

(2) reject instructional material submitted for placement on that list.

(b) Not later than December 1 of the year preceding the school year for which the instructional materials for a particular subject and grade level will be purchased under the cycle adopted by the board under Section 31.022, the board shall provide the list of adopted instructional materials to each school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 28, eff. July 19, 2011.

Sec. 31.0241. ADOPTION OF OPEN-SOURCE INSTRUCTIONAL MATERIALS. (a) In this section, "eligible institution" means:

(1) a public institution of higher education that is designated as a research university or emerging research university under the higher education coordinating board's accountability system, or a private university located in this state that is a member of the Association of American Universities; or

(2) a public technical institute, as defined by Section 61.003.

(b) The State Board of Education shall place open-source instructional material for a secondary-level course submitted for adoption by an eligible institution on the list adopted under Section 31.023 if:

(1) the instructional material is written, compiled, or edited primarily by faculty of the eligible institution who specialize in the subject area of the instructional material;

(2) the eligible institution identifies each contributing author;

(3) the appropriate department of the eligible institution certifies the instructional material for accuracy; and

(4) the eligible institution determines that the instructional material qualifies for placement on the list based on the extent to which the instructional material covers the essential knowledge and skills identified under Section 28.002 for the subject for which the instructional material is written and certifies that:

(A) for instructional material for a senior-level course, a student who successfully completes a course based on the instructional material will be prepared, without remediation, for entry into the eligible institution's freshman-level course in that subject; or

(B) for instructional material for a junior-level and senior-level course, a student who successfully completes the junior-level course based on the instructional material will be prepared for entry into the senior-level course.

(c) This section does not prohibit an eligible institution from submitting instructional material for placement on the list adopted under Section 31.023 through any other adoption process provided by this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 3, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 29, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 30, eff. July 19, 2011.

Sec. 31.0242. REVIEW OF OPEN-SOURCE INSTRUCTIONAL MATERIAL. Not later than the 90th day after the date open-source instructional material is submitted as provided by Section 31.0241, the State Board of Education may review the instructional material. The board shall:

(1) post with the list adopted under Section 31.023 comments made by the board regarding the open-source instructional material placed on the list; and

(2) distribute board comments to school districts.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 31, eff. July 19, 2011.

Sec. 31.026. CONTRACT; PRICE. (a) The State Board of Education shall execute a contract for the purchase or licensing of each adopted instructional material.

(b) A contract must require the publisher to provide the number of instructional materials required by school districts in this state for the term of the contract, which must coincide with the board's adoption cycle.

(c) As applicable, a contract must provide for the purchase or licensing of instructional material at a specific price, which may not exceed the lowest price paid by any other state or any school or school district. The price must be fixed for the term of the contract.

(d) This section does not apply to open-source instructional material.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 4, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 32, eff. July 19, 2011.

Sec. 31.0261. CONTRACTS FOR PRINTING OF OPEN-SOURCE INSTRUCTIONAL MATERIALS. The State Board of Education may execute a contract for the printing of open-source instructional materials placed on the list adopted under Section 31.023. The contract must allow a school district to requisition printed copies of open-source instructional materials as provided by Section 31.103.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 5, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 33, eff. July 19, 2011.

Sec. 31.027. INFORMATION TO SCHOOL DISTRICTS; ELECTRONIC SAMPLE. (a) A publisher shall provide each school district and open-enrollment charter school with information that fully describes each of the publisher's submitted instructional materials. On request of a school district, a publisher shall provide an electronic sample of submitted instructional material.

(b) A publisher shall provide an electronic sample of each submitted instructional material to be maintained at each regional education service center.

(c) This section does not apply to open-source instructional material.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 6, eff. September 1, 2009.
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 34(a), eff. July 19, 2011.

Sec. 31.028. SPECIAL INSTRUCTIONAL MATERIALS. (a) The commissioner may purchase special instructional materials for the education of blind and visually impaired students in public schools. In addition, for a teacher who is blind or visually impaired, the commissioner shall provide a teacher's edition in Braille or large type, as requested by the teacher, for each instructional material the teacher uses in the instruction of students. The teacher edition

must be available at the same time the student instructional materials become available.

(b) The publisher of adopted instructional material shall provide the agency with computerized instructional material files for the production of Braille instructional materials or other versions of instructional materials to be used by students with disabilities, on request of the commissioner. A publisher shall arrange computerized instructional material files in one of several optional formats specified by the commissioner.

(c) The commissioner may also enter into agreements providing for the acceptance, requisition, and distribution of special instructional materials and instructional aids pursuant to 20 U.S.C. Section 101 et seq. for use by students enrolled in:

(1) public schools; or

(2) private nonprofit schools, if state funds, other than for administrative costs, are not involved.

(d) In this section:

(1) "Blind or visually impaired student" includes any student whose visual acuity is impaired to the extent that the student is unable to read the text in regularly adopted instructional material used in the student's class.

(2) "Special instructional material" means instructional material in Braille, large type or any other medium or any apparatus that conveys information to a student or otherwise contributes to the learning process.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 35, eff. July 19, 2011.

Sec. 31.029. BILINGUAL INSTRUCTIONAL MATERIALS. (a) A school district shall purchase with the district's instructional materials allotment or otherwise acquire instructional materials for use in bilingual education classes.

(b) The commissioner shall adopt rules regarding the purchase of instructional materials under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 36, eff. July 19, 2011.

Sec. 31.030. USED INSTRUCTIONAL MATERIALS. The State Board of Education shall adopt rules to ensure that used instructional materials sold to school districts and open-enrollment charter schools are not sample copies that contain factual errors. The rules may provide for the imposition of an administrative penalty in accordance with Section 31.151 against a seller of used instructional materials who knowingly violates this section.

Added by Acts 2001, 77th Leg., ch. 805, Sec. 2, eff. June 14, 2001.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 37, eff. July 19, 2011.

Sec. 31.031. COLLEGE PREPARATORY INSTRUCTIONAL MATERIALS. (a) A school district may purchase with the district's instructional materials allotment or otherwise acquire instructional materials for use in college preparatory courses under Section 28.014.

(b) The commissioner shall adopt rules regarding the purchase of instructional materials under this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 28(a), eff. June 10, 2013.

Sec. 31.035. SUPPLEMENTAL INSTRUCTIONAL MATERIALS. (a) Notwithstanding any other provision of this subchapter, the State Board of Education may adopt supplemental instructional materials that are not on the list adopted under Section 31.023. The State Board of Education may adopt supplemental instructional material under this section only if the instructional material:

(1) contains material covering one or more primary focal points or primary topics of a subject in the required curriculum under Section 28.002, as determined by the State Board of Education;

(2) is not designed to serve as the sole instructional material for a full course;

(3) meets applicable physical specifications adopted by the

State Board of Education; and

(4) is free from factual errors.

(b) The State Board of Education shall identify the essential knowledge and skills identified under Section 28.002 that are covered by supplemental instructional material adopted by the board under this section.

(c) Supplemental instructional material is subject to the review and adoption cycle provisions, including the midcycle review and adoption cycle provisions, of this subchapter.

(d) A school district or open-enrollment charter school may requisition supplemental instructional material adopted under this section only if the district or school requisitions the supplemental instructional material along with other supplemental instructional materials or instructional materials on the list adopted under Section 31.023 that in combination cover each element of the essential knowledge and skills for the course for which the district or school is requisitioning the supplemental instructional materials.

(e) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(5), eff. July 19, 2011.

(f) A school district or open-enrollment charter school that requisitions supplemental instructional materials shall certify to the agency that the supplemental instructional materials, in combination with any other instructional materials or supplemental instructional materials used by the district or school, cover the essential knowledge and skills identified under Section 28.002 by the State Board of Education for the subject and grade level for which the district or school is requisitioning the supplemental instructional materials.

(g) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(5), eff. July 19, 2011.

Added by Acts 2007, 80th Leg., R.S., Ch. 445 (H.B. 188), Sec. 5, eff. June 16, 2007.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 38, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 39, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(5), eff. July 19, 2011.

SUBCHAPTER B-1. STATE-DEVELOPED OPEN-SOURCE INSTRUCTIONAL MATERIALS

Sec. 31.071. PURCHASE AUTHORITY. (a) The commissioner may purchase state-developed open-source instructional materials in accordance with this subchapter.

(b) The commissioner:

(1) shall purchase any state-developed open-source instructional materials through a competitive process; and

(2) may purchase more than one state-developed open-source instructional material for a subject or grade level.

(c) State-developed open-source instructional material must be irrevocably owned by or licensed to the state for use in the applicable subject or grade level. The state must have unlimited authority to modify, delete, combine, or add content to the instructional material after purchase.

(d) The commissioner may issue a request for proposals for state-developed open-source instructional material:

(1) in accordance with the instructional material review and adoption cycle under Section 31.022; or

(2) at any other time the commissioner determines that a need exists for additional instructional material options.

(e) The costs of administering this subchapter and purchasing state-developed open-source instructional materials shall be paid from the state instructional materials fund, as determined by the commissioner.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 41, eff. July 19, 2011.

Sec. 31.072. CONTENT REQUIREMENTS. (a) State-developed open-source instructional material must:

(1) be evaluated by teachers or other experts, as determined by the commissioner, before purchase; and

(2) meet the requirements for inclusion on the instructional material list adopted under Section 31.023.

(b) Following a curriculum revision by the State Board of Education, the commissioner shall require the revision of state-developed open-source instructional material relating to that curriculum. The commissioner may, at any time, require an additional revision of state-developed open-source instructional material or contract for ongoing revisions of state-developed open-source instructional material for a period not to exceed the period under Section 31.022 for which instructional material for that subject and grade level may be adopted. The commissioner shall use a competitive process to request proposals to revise state-developed open-source instructional material under this subsection.

(c) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(6), eff. July 19, 2011.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 42, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(6), eff. July 19, 2011.

Sec. 31.073. SELECTION BY SCHOOL DISTRICT. (a) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(7), eff. July 19, 2011.

(b) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(7), eff. July 19, 2011.

(c) Notwithstanding Section 31.022, a school district or open-enrollment charter school may adopt state-developed open-source instructional material at any time, regardless of the instructional material review and adoption cycle under that section.

(d) A school district or open-enrollment charter school may not be charged for selection of state-developed open-source instructional material in addition to instructional material adopted under Subchapter B.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 43, eff.

July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 44, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(7), eff. July 19, 2011.

Sec. 31.074. DISTRIBUTION. (a) The commissioner shall provide for the distribution of state-developed open-source instructional materials in a manner consistent with distribution of instructional materials adopted under Subchapter B.

(b) The commissioner may use a competitive process to contract for printing or other reproduction of state-developed open-source instructional material on behalf of a school district or open-enrollment charter school. The commissioner may not require a school district or open-enrollment charter school to contract with a state-approved provider for the printing or reproduction of state-developed open-source instructional material.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 45, eff. July 19, 2011.

Sec. 31.075. OWNERSHIP; LICENSING. (a) State-developed open-source instructional material is the property of the state.

(b) The commissioner shall provide a license to each public school in the state, including a school district, an open-enrollment charter school, and a state or local agency educating students in any grade from prekindergarten through high school, to use and reproduce state-developed open-source instructional material.

(c) The commissioner may provide a license to use state-developed open-source instructional material to an entity not listed in Subsection (b). In determining the cost of a license under this subsection, the commissioner shall seek, to the extent feasible, to recover the costs of developing, revising, and distributing state-developed open-source instructional materials.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff.

September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 46, eff. July 19, 2011.

Sec. 31.076. RULES; FINALITY OF DECISIONS. (a) The commissioner may adopt rules necessary to implement this subchapter.

(b) A decision by the commissioner regarding the purchase, revision, cost, or distribution of state-developed open-source instructional material is final and may not be appealed.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 47, eff. July 19, 2011.

Sec. 31.077. ADOPTION SCHEDULE. The commissioner shall develop a schedule for the adoption of state-developed open-source instructional materials under this subchapter. In developing the adoption schedule under this section, the commissioner shall consider:

(1) the availability of funds;

(2) the existing instructional material adoption cycles under Subchapter B; and

(3) the availability of instructional materials for development or purchase by the state.

Added by Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 7, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 48, eff. July 19, 2011.

SUBCHAPTER C. LOCAL OPERATIONS

Sec. 31.101. SELECTION AND PURCHASE OF INSTRUCTIONAL MATERIALS BY SCHOOL DISTRICTS. (a) Each year, during a period established by the State Board of Education, the board of trustees of each school

district and the governing body of each open-enrollment charter school shall:

(1) for a subject in the foundation curriculum, notify the State Board of Education of the instructional materials selected by the board of trustees or governing body for the following school year from the instructional materials list, including the list adopted under Section 31.0231; or

(2) for a subject in the enrichment curriculum:

(A) notify the State Board of Education of each instructional material selected by the board of trustees or governing body for the following school year from the instructional materials list, including the list adopted under Section 31.0231; or

(B) notify the State Board of Education that the board of trustees or governing body has selected instructional material that is not on the list.

(b) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(8), eff. July 19, 2011.

(b-1) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(8), eff. July 19, 2011.

(c) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(8), eff. July 19, 2011.

(c-1) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(8), eff. July 19, 2011.

(d) For instructional material that is not on the list, a school district or open-enrollment charter school must use the instructional material for the period of the review and adoption cycle the State Board of Education has established for the subject and grade level for which the instructional material is used.

(e) A school district or open-enrollment charter school that selects subscription-based instructional material on the list adopted under Section 31.023 or electronic instructional material on the list adopted by the commissioner under Section 31.0231 may cancel the subscription and subscribe to new instructional material on the list adopted under Section 31.023 or electronic instructional material on the list adopted by the commissioner under Section 31.0231 before the end of the state contract period under Section 31.026 if:

(1) the district or school has used the instructional material for at least one school year; and

(2) the agency approves the change based on a written request to the agency by the district or school that specifies the

reasons for changing the instructional material used by the district or school.

(f) The commissioner shall maintain an online requisition system for school districts to requisition instructional materials to be purchased with the district's instructional materials allotment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1407 (H.B. 4294), Sec. 5, eff. June 19, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 49, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 50, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(8), eff. July 19, 2011.

Sec. 31.102. TITLE AND CUSTODY. (a) Each instructional material purchased as provided by this chapter for a school district or an open-enrollment charter school is the property of the district or school.

(b) Subsection (a) applies to electronic instructional material only to the extent of any applicable licensing agreement.

(c) The board of trustees of a school district or the governing body of an open-enrollment charter school shall distribute printed instructional material to students in the manner that the board or governing body determines is most effective and economical.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 51, eff. July 19, 2011.

Sec. 31.103. INSTRUCTIONAL MATERIAL REQUISITIONS. (a) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(10), eff. July 19, 2011.

(b) A school district or open-enrollment charter school shall make a requisition for instructional material using the online requisition program maintained by the commissioner not later than

June 1 of each year. The publisher or manufacturer shall fill a requisition approved by the agency.

(c) In making a requisition under this section, a school district or open-enrollment charter school may requisition instructional materials on the list adopted under Section 31.023 for grades above the grade level in which a student is enrolled.

(d) A school district or open-enrollment charter school that selects open-source instructional material shall requisition a sufficient number of printed copies for use by students unable to access the instructional material electronically unless the district or school provides to each student:

(1) electronic access to the instructional material at no cost to the student; or

(2) printed copies of the portion of the instructional material that will be used in the course.

(e) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 6, Sec. 67(10), eff. July 19, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 129, Sec. 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 805, Sec. 4, eff. June 14, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 21, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 8, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 52, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 53, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 67(10), eff. July 19, 2011.

Sec. 31.104. DISTRIBUTION AND HANDLING. (a) The board of trustees of a school district or the governing body of an open-enrollment charter school may delegate to an employee the authority to requisition, distribute, and manage the inventory of instructional materials in a manner consistent with this chapter and rules adopted under this chapter.

(b) A school district or open-enrollment charter school may

order replacements for instructional materials that have been lost or damaged directly from the publisher of the instructional materials or any source for a printed copy of open-source instructional material.

(c) Except as provided by Subsection (g), a student must return all instructional materials to the teacher at the end of the school year or when the student withdraws from school.

(d) Each student, or the student's parent or guardian, is responsible for all instructional materials and technological equipment not returned in an acceptable condition by the student. A student who fails to return in an acceptable condition all instructional materials and technological equipment forfeits the right to free instructional materials and technological equipment until all instructional materials and technological equipment previously issued but not returned in an acceptable condition are paid for by the student, parent, or guardian. As provided by policy of the board of trustees or governing body, a school district or open-enrollment charter school may waive or reduce the payment requirement if the student is from a low-income family. The district or school shall allow the student to use instructional materials and technological equipment at school during each school day. If instructional materials or technological equipment is not returned in an acceptable condition or paid for, the district or school may withhold the student's records. A district or school may not, under this subsection, prevent a student from graduating, participating in a graduation ceremony, or receiving a diploma. The commissioner by rule shall adopt criteria for determining whether instructional materials and technological equipment are returned in an acceptable condition.

(e) The board of trustees of a school district may not require an employee of the district who acts in good faith to pay for instructional materials or technological equipment that is damaged, stolen, misplaced, or not returned. A school district employee may not waive this provision by contract or any other means, except that a district may enter into a written agreement with a school employee whereby the employee assumes financial responsibility for electronic instructional material or technological equipment usage off school property or outside of a school-sponsored event in consideration for the ability of the school employee to use the electronic instructional material or technological equipment for personal

business. Such a written agreement shall be separate from the employee's contract of employment, if applicable, and shall clearly inform the employee of the amount of the financial responsibility and advise the employee to consider obtaining appropriate insurance. An employee may not be required to agree to such an agreement as a condition of employment.

(g) At the end of the school year for which open-source instructional material that a school district or open-enrollment charter school does not intend to use for another student is distributed, the printed copy of the open-source instructional material becomes the property of the student to whom it is distributed.

(h) This section does not apply to an electronic copy of open-source instructional material.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 129, Sec. 3, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 805, Sec. 6, eff. June 14, 2001; Acts 2003, 78th Leg., ch. 634, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 116 (S.B. 370), Sec. 2, eff. May 17, 2007.

Acts 2009, 81st Leg., R.S., Ch. 366 (H.B. 1332), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 9, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 54, eff. July 19, 2011.

Sec. 31.105. SALE OR DISPOSAL OF INSTRUCTIONAL MATERIALS AND TECHNOLOGICAL EQUIPMENT. (a) The board of trustees of a school district or governing body of an open-enrollment charter school may sell printed instructional materials on the date the instructional material is discontinued for use in the public schools by the State Board of Education or the commissioner. The board of trustees or governing body may also sell electronic instructional materials and technological equipment owned by the district or school. Any funds received by a district or school from a sale authorized by this subsection must be used to purchase instructional materials and

technological equipment allowed under Section 31.0211.

(b) The board of trustees of a school district or governing body of an open-enrollment charter school shall determine how the district or school will dispose of discontinued printed instructional materials, electronic instructional materials, and technological equipment.

(c) The board of trustees of a school district or governing body of an open-enrollment charter school may dispose of printed instructional material before the date the instructional material is discontinued for use in the public schools by the State Board of Education if the board of trustees or governing body determines that the instructional material is not needed by the district or school and the board of trustees or governing body does not reasonably expect that the instructional material will be needed. A district or school must notify the commissioner of any instructional material the district or school disposes of under this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 55, eff. July 19, 2011.

Sec. 31.106. USE OF LOCAL FUNDS. In addition to any instructional material selected under this chapter, a school district or open-enrollment charter school may use local funds to purchase any instructional materials.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 56, eff. July 19, 2011.

SUBCHAPTER D. ADMINISTRATIVE PENALTIES AND PENAL PROVISIONS

Sec. 31.151. DUTIES OF PUBLISHERS AND MANUFACTURERS. (a) A publisher or manufacturer of instructional materials:

(1) shall furnish any instructional material the publisher or manufacturer offers in this state at a price that does not exceed the lowest price at which the publisher offers that instructional material for adoption or sale to any state, public school, or school

district in the United States;

(2) shall automatically reduce the price of instructional material sold for use in a school district or open-enrollment charter school to the extent that the price is reduced elsewhere in the United States;

(3) shall provide any instructional material or ancillary item free of charge in this state to the same extent that the publisher or manufacturer provides the instructional material or ancillary item free of charge to any state, public school, or school district in the United States;

(4) shall guarantee that each copy of instructional material sold in this state is at least equal in quality to copies of that instructional material sold elsewhere in the United States and is free from factual error;

(5) may not become associated or connected with, directly or indirectly, any combination in restraint of trade in instructional materials or enter into any understanding or combination to control prices or restrict competition in the sale of instructional materials for use in this state;

(6) shall deliver instructional materials to a school district or open-enrollment charter school;

(7) shall, at the time an order for instructional materials is acknowledged, provide to school districts or open-enrollment charter schools an accurate shipping date for instructional materials that are back-ordered;

(8) shall guarantee delivery of instructional materials at least 10 business days before the opening day of school of the year for which the instructional materials are ordered if the instructional materials are ordered by a date specified in the sales contract; and

(9) shall submit to the State Board of Education an affidavit certifying any instructional material the publisher or manufacturer offers in this state to be free of factual errors at the time the publisher executes the contract required by Section 31.026.

(b) The State Board of Education may impose a reasonable administrative penalty against a publisher or manufacturer who knowingly violates Subsection (a). The board shall provide for a hearing to be held to determine whether a penalty is to be imposed and, if so, the amount of the penalty. The board shall base the amount of the penalty on:

(1) the seriousness of the violation;
(2) any history of a previous violation;
(3) the amount necessary to deter a future violation;
(4) any effort to correct the violation; and
(5) any other matter justice requires.

(c) A hearing under Subsection (b) shall be held according to rules adopted by the State Board of Education.

(d) A penalty collected under this section shall be deposited to the credit of the state instructional materials fund.

(e) An eligible institution, as defined by Section 31.0241(a), that offers open-source instructional materials under Section 31.0241 is not a publisher or manufacturer for purposes of this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 129, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 805, Sec. 7, eff. June 14, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 6.004, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 679 (H.B. 2488), Sec. 10, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 57, eff. July 19, 2011.

Sec. 31.152. ACCEPTING REBATE ON INSTRUCTIONAL MATERIALS OR TECHNOLOGICAL EQUIPMENT. (a) A school trustee, administrator, or teacher commits an offense if that person receives any commission or rebate on any instructional materials or technological equipment used in the schools with which the person is associated as a trustee, administrator, or teacher.

(b) A school trustee, administrator, or teacher commits an offense if the person accepts a gift, favor, or service that:

(1) is given to the person or the person's school;
(2) might reasonably tend to influence a trustee, administrator, or teacher in the selection of instructional material or technological equipment; and
(3) could not be lawfully purchased with state instructional materials funds.

(c) An offense under this section is a Class B misdemeanor.

(d) In this section, "gift, favor, or service" does not

include:

(1) staff development, in-service, or teacher training; or

(2) ancillary materials, such as maps or worksheets, that convey information to the student or otherwise contribute to the learning process.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 805, Sec. 8, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1407 (H.B. 4294), Sec. 8, eff. June 19, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 58, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 59, eff. July 19, 2011.

Sec. 31.153. VIOLATION OF FREE INSTRUCTIONAL MATERIALS LAW. (a) A person commits an offense if the person knowingly violates any law providing for the purchase or distribution of free instructional materials for the public schools.

(b) An offense under this section is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 60, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 61, eff. July 19, 2011.

CHAPTER 32. COMPUTERS AND COMPUTER-RELATED EQUIPMENT

SUBCHAPTER A. POWERS AND DUTIES OF STATE BOARD OF EDUCATION RELATING TO ELECTRONIC INSTRUCTIONAL TECHNOLOGY AND COMPUTER-RELATED EQUIPMENT

Sec. 32.001. DEVELOPMENT OF LONG-RANGE PLAN. (a) The State Board of Education shall develop a long-range plan for:

(1) acquiring and using technology in the public school system;

(2) fostering professional development related to the use of technology for educators and others associated with child development;

(3) fostering computer literacy among public school students so that by the year 2000 each high school graduate in this state has computer-related skills that meet standards adopted by the board; and

(4) identifying and, through regional education service centers, distributing information on emerging technology for use in the public schools.

(b) The State Board of Education shall update as necessary the plan developed under Subsection (a).

(c) The State Board of Education, in coordination with the Texas Higher Education Coordinating Board and other public agencies and institutions the State Board of Education considers appropriate, shall propose legislation and funding necessary to implement the plan developed under Subsection (a).

(d) In developing the plan, the State Board of Education must consider accessibility of technology to students with disabilities.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.002. AUTHORITY OF SCHOOL DISTRICT. A school district is not required by this subchapter to acquire or use technology that has been approved, selected, or contracted for by the State Board of Education or the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.003. AUTHORITY OF COMMISSIONER TO CONTRACT. The commissioner may contract with developers of technology to supply technology for use by school districts throughout this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.004. FEES. The State Board of Education, on the commissioner's recommendation, may establish a reasonable fee for services provided under this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

For expiration of this section, see Subsection (c).

Sec. 32.005. STUDY ON SCHOOL DISTRICT NETWORK CAPABILITIES. (a) The commissioner shall conduct a study to assess the network capabilities of each school district. The study must gather sufficient information to determine whether the network connections of a district and school campuses in the district meet the following targets:

(1) an external Internet connection to a campus's Internet service provider featuring a bandwidth capable of a broadband speed of at least 100 megabits per second for every 1,000 students and staff members; and

(2) an internal wide area network connection between the district and each of the school campuses in the district featuring a bandwidth capable of a broadband speed of at least one gigabit per second for every 1,000 students and staff members.

(b) The commissioner may solicit and accept gifts and grants from any public or private source to conduct the study. The commissioner may also cooperate or collaborate with national organizations conducting similar studies.

(c) The commissioner shall complete the study not later than December 1, 2015. This section expires December 1, 2016.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1386 (H.B. 1926), Sec. 24, eff. June 14, 2013.

SUBCHAPTER B. STATEWIDE DEVELOPMENT OF TECHNOLOGY AND TELECOMMUNICATIONS

Sec. 32.031. PURPOSE. To prepare students for the 21st century, it is the policy of this state that a superior education should be available to all students under a thorough and efficient system of public education. Educational resources shall be devoted to the maximum extent possible to the instruction of students. To accomplish those purposes, public education must use, in a comprehensive manner, appropriate, accessible technology in all aspects of instruction, administration, and communication.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.032. ELECTRONIC INFORMATION SYSTEM. (a) The agency

shall establish and maintain an accessible electronic information transfer system, as provided by State Board of Education policy, that is capable of transmitting information among school districts, regional education service centers, and other education-related entities and state agencies.

(b) The commissioner may contract with suppliers of computer hardware, software, or communications equipment or services to provide accessible goods or services to school districts, regional education service centers, or the agency. The State Board of Education by rule shall adopt standards for hardware, software, and communications equipment, training, and services supplied through contract under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.033. INTEGRATED TELECOMMUNICATIONS SYSTEM. (a) The agency, in coordination with institutions of higher education and other public or private entities, may maintain and expand, as needed, the telecommunications capabilities of school districts and regional education service centers. The agency shall design and implement a telecommunications system for distance learning throughout the state.

(b) To the extent necessary, the State Board of Education shall conduct feasibility studies related to accessible telecommunications capabilities of school districts and regional education service centers.

(c) According to priorities determined by the State Board of Education, the commissioner may contract with a public broadcasting system or another supplier of telecommunications equipment, programming, training, or services to provide equipment, programming, training, or services to school districts, regional education service centers, or the agency.

(d) In providing additional telecommunications capabilities under Subsection (a), the agency shall give priority to school districts with limited financial resources.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 23, eff. Sept. 1, 2003.

Sec. 32.034. CENTER FOR EDUCATIONAL TECHNOLOGY. (a) The commissioner, as provided by State Board of Education policy, may enter into an interagency contract with a public institution of higher education or a consortium of public institutions of higher education in this state to sponsor a center for educational technology under this section.

(b) The purpose of the center is to improve the quality and efficiency of the educational process through research, development, or site evaluation of:

(1) existing and new applications of technology specifically designed for educational applications; and

(2) educational applications of technology originally developed for commercial or other purposes.

(c) The membership of the center shall consist of public school educators, regional education service centers, institutions of higher education, nonprofit organizations, and private sector representatives. The State Board of Education shall establish membership policies for the center.

(d) The board of directors of the center shall be appointed by the State Board of Education and shall consist of:

(1) representatives of the center, including members of the public education system;

(2) a representative of each sponsoring institution of higher education; and

(3) the commissioner or the commissioner's representative.

(e) The board of directors shall:

(1) employ a director for the center; and

(2) establish priorities for the center's activities.

(f) The director is responsible for the center's activities.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 1, eff. September 1, 2015.

Sec. 32.035. DEMONSTRATION PROGRAMS. (a) The agency shall establish demonstration programs to:

(1) investigate the uses, effectiveness, and feasibility of technologies for education; and

(2) provide models for effective education using technology.

(b) The agency may design programs under Subsection (a) to encourage participation by and collaboration among school campuses, school districts, regional education service centers, the private sector, state and federal agencies, nonprofit organizations, and institutions of higher education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 32.036. PREVIEW CENTERS AND TRAINING PROGRAMS. The agency may establish and provide for the operation of a technology preview center and training program in each regional education service center to assist district and campus personnel in developing and maintaining the comprehensive use of appropriate technology in all aspects of instruction, administration, and communications.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. TRANSFER OF DATA PROCESSING EQUIPMENT TO STUDENTS

Sec. 32.101. DEFINITION. In this subchapter, "data processing" has the meaning assigned by Section 2054.003, Government Code.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15, 2001.

Sec. 32.102. AUTHORITY. (a) As provided by this subchapter, a school district or open-enrollment charter school may transfer to a student enrolled in the district or school:

(1) any data processing equipment donated to the district or school, including equipment donated by:

(A) a private donor; or

(B) a state eleemosynary institution or a state agency under Section 2175.905, Government Code;

(2) any equipment purchased by the district or school, to the extent consistent with Section 32.105; and

(3) any surplus or salvage equipment owned by the district or school.

(b) A school district or open-enrollment charter school may accept:

(1) donations of data processing equipment for transfer under this subchapter; and

(2) any gifts, grants, or donations of money or services to purchase, refurbish, or repair data processing equipment under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15, 2001. Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 9.020(f), eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 29.02, eff. September 28, 2011.

Sec. 32.103. ELIGIBILITY; PREFERENCE. (a) A student is eligible to receive data processing equipment under this subchapter only if the student does not otherwise have home access to data processing equipment, as determined by the student's school district or open-enrollment charter school.

(b) In transferring data processing equipment to students, a school district or open-enrollment charter school shall give preference to educationally disadvantaged students.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15, 2001.

Sec. 32.104. REQUIREMENTS FOR TRANSFER. Before transferring data processing equipment to a student, a school district or open-enrollment charter school must:

(1) adopt rules governing transfers under this subchapter, including provisions for technical assistance to the student by the district or school;

(2) determine that the transfer serves a public purpose and benefits the district or school; and

(3) remove from the equipment any offensive, confidential, or proprietary information, as determined by the district or school.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15,

2001.

Sec. 32.105. EXPENDITURE OF PUBLIC FUNDS. A school district or open-enrollment charter school may spend public funds to:

(1) purchase, refurbish, or repair any data processing equipment transferred to a student under this subchapter; and

(2) store, transport, or transfer data processing equipment under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15, 2001.

Sec. 32.106. RETURN OF EQUIPMENT. (a) Except as provided by Subsection (b), a student who receives data processing equipment from a school district or open-enrollment charter school under this subchapter shall return the equipment to the district or school not later than the earliest of:

(1) five years after the date the student receives the equipment;

(2) the date the student graduates;

(3) the date the student transfers to another school district or open-enrollment charter school; or

(4) the date the student withdraws from school.

(b) Subsection (a) does not apply if, at the time the student is required to return the data processing equipment under that subsection, the district or school determines that the equipment has no marketable value.

Added by Acts 2001, 77th Leg., ch. 1272, Sec. 6.01, eff. June 15, 2001.

SUBCHAPTER F. EDUCATION INTERNET PORTAL

Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL. (a) The agency shall establish and maintain a student assessment data portal for use by school districts, teachers, parents, students, and public institutions of higher education. The agency shall establish a secure, interoperable system to be implemented through the portal under which:

(1) a student or the student's parent or other person standing in parental relationship can easily access the student's individual assessment data;

(2) an authorized employee of a school district, including a district teacher, can readily access individual assessment data of district students for use in developing strategies for improving student performance; and

(3) an authorized employee of a public institution of higher education can readily access individual assessment data of students applying for admission for use in developing strategies for improving student performance.

(b) The system established under Subsection (a) shall provide a means for a student or the student's parent or other person standing in parental relationship to track the student's progress on assessment instrument requirements for graduation.

(c) The agency shall establish an interoperable system to be implemented through the portal under which general student assessment data is easily accessible to the public.

(d) Student assessment data provided under this section must:

(1) be available on or before the first instructional day of the school year following the year in which the data is collected; and

(2) include student performance data on assessment instruments over multiple years, beginning with the 2007-2008 school year, including any data indicating progress in student achievement.

(e) Each system established under this section must permit comparisons of student performance information at the classroom, campus, district, and state levels.

Added by Acts 2003, 78th Leg., ch. 1216, Sec. 16, eff. June 20, 2003. Renumbered from Education Code, Section 32.158 by Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 17.001(13), eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 49, eff. June 19, 2009.

CHAPTER 33. SERVICE PROGRAMS AND EXTRACURRICULAR ACTIVITIES

SUBCHAPTER A. SCHOOL COUNSELORS AND COUNSELING PROGRAMS

Sec. 33.002. CERTIFIED SCHOOL COUNSELOR. (a) From funds appropriated for the purpose or other funds that may be used for the purpose, the commissioner shall distribute funds for programs under this subchapter. In distributing those funds, the commissioner shall give preference to a school district that received funds under this subsection for the preceding school year and then to the districts that have the highest concentration of students at risk of dropping out of school, as described by Section 29.081. To receive funds for the program, a school district must apply to the commissioner. For each school year that a school district receives funds under this subsection, the district shall allocate an amount of local funds for school guidance and counseling programs that is equal to or greater than the amount of local funds that the school district allocated for that purpose during the preceding school year. This section applies only to a school district that receives funds as provided by this subsection.

(b) A school district with 500 or more students enrolled in elementary school grades shall employ a school counselor certified under the rules of the State Board for Educator Certification for each elementary school in the district. A school district shall employ at least one school counselor for every 500 elementary school students in the district.

(c) A school district with fewer than 500 students enrolled in elementary school grades shall provide guidance and counseling services to elementary school students by:

(1) employing a part-time school counselor certified under the rules of the State Board for Educator Certification;

(2) employing a part-time teacher certified as a school counselor under the rules of the State Board for Educator Certification; or

(3) entering into a shared services arrangement agreement with one or more school districts to share a school counselor certified under the rules of the State Board for Educator Certification.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 6.005(a), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 39, eff.

September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 27, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 28, eff. June 14, 2013.

Sec. 33.003. PARENTAL CONSENT. The board of trustees of each school district shall adopt guidelines to ensure that written consent is obtained from the parent, legal guardian, or person entitled to enroll the student under Section 25.001(j) for the student to participate in those activities for which the district requires parental consent.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.004. PARENTAL INVOLVEMENT. (a) Each school shall obtain, and keep as part of the student's permanent record, written consent of the parent or legal guardian as required under Section 33.003. The consent form shall include specific information on the content of the program and the types of activities in which the student will be involved.

(b) Each school, before implementing a comprehensive and developmental guidance and counseling program, shall annually conduct a preview of the program for parents and guardians. All materials, including curriculum to be used during the year, must be available for a parent or guardian to preview during school hours. Materials or curriculum not included in the materials available on the campus for preview may not be used.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.005. DEVELOPMENTAL GUIDANCE AND COUNSELING PROGRAMS. A school counselor shall work with the school faculty and staff, students, parents, and the community to plan, implement, and evaluate a developmental guidance and counseling program. The school counselor shall design the program to include:

(1) a guidance curriculum to help students develop their full educational potential, including the student's interests and

career objectives;

(2) a responsive services component to intervene on behalf of any student whose immediate personal concerns or problems put the student's continued educational, career, personal, or social development at risk;

(3) an individual planning system to guide a student as the student plans, monitors, and manages the student's own educational, career, personal, and social development; and

(4) system support to support the efforts of teachers, staff, parents, and other members of the community in promoting the educational, career, personal, and social development of students.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1487, Sec. 2, eff. June 17, 2001.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 29, eff. June 14, 2013.

Sec. 33.006. SCHOOL COUNSELORS; GENERAL DUTIES. (a) The primary responsibility of a school counselor is to counsel students to fully develop each student's academic, career, personal, and social abilities.

(b) In addition to a school counselor's responsibility under Subsection (a), the school counselor shall:

(1) participate in planning, implementing, and evaluating a comprehensive developmental guidance program to serve all students and to address the special needs of students:

(A) who are at risk of dropping out of school, becoming substance abusers, participating in gang activity, or committing suicide;

(B) who are in need of modified instructional strategies; or

(C) who are gifted and talented, with emphasis on identifying and serving gifted and talented students who are educationally disadvantaged;

(2) consult with a student's parent or guardian and make referrals as appropriate in consultation with the student's parent or guardian;

(3) consult with school staff, parents, and other community members to help them increase the effectiveness of student education and promote student success;

(4) coordinate people and resources in the school, home, and community;

(5) with the assistance of school staff, interpret standardized test results and other assessment data that help a student make educational and career plans; and

(6) deliver classroom guidance activities or serve as a consultant to teachers conducting lessons based on the school's guidance curriculum.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1487, Sec. 3, eff. June 17, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 30, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 31, eff. June 14, 2013.

Sec. 33.007. COUNSELING REGARDING POSTSECONDARY EDUCATION. (a) Each school counselor at an elementary, middle, or junior high school, including an open-enrollment charter school offering those grades, shall advise students and their parents or guardians regarding the importance of postsecondary education, coursework designed to prepare students for postsecondary education, and financial aid availability and requirements.

(b) During the first school year a student is enrolled in a high school or at the high school level in an open-enrollment charter school, and again during each year of a student's enrollment in high school or at the high school level, a school counselor shall provide information about postsecondary education to the student and the student's parent or guardian. The information must include information regarding:

(1) the importance of postsecondary education;

(2) the advantages of earning an endorsement and a performance acknowledgment and completing the distinguished level of achievement under the foundation high school program under Section

28.025;

(3) the disadvantages of taking courses to prepare for a high school equivalency examination relative to the benefits of taking courses leading to a high school diploma;

(4) financial aid eligibility;

(5) instruction on how to apply for federal financial aid;

(6) the center for financial aid information established under Section 61.0776;

(7) the automatic admission of certain students to general academic teaching institutions as provided by Section 51.803;

(8) the eligibility and academic performance requirements for the TEXAS Grant as provided by Subchapter M, Chapter 56; and

(9) the availability of programs in the district under which a student may earn college credit, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs.

(c) At the beginning of grades 10 and 11, a school counselor certified under the rules of the State Board for Educator Certification shall explain the requirements of automatic admission to a general academic teaching institution under Section 51.803 to each student enrolled in a high school or at the high school level in an open-enrollment charter school who has a grade point average in the top 25 percent of the student's high school class.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 973 (S.B. 282), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 4, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 29(a), effective beginning with the 2014-2015 school year.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 30(a), eff. June 10, 2013.

Sec. 33.009. POSTSECONDARY EDUCATION AND CAREER COUNSELING ACADEMIES. (a) In this section, "center" means the Center for Teaching and Learning at The University of Texas at Austin.

(b) The center shall develop and make available postsecondary education and career counseling academies for school counselors and

other postsecondary advisors employed by a school district at a middle school, junior high school, or high school.

(c) In developing academies under this section, the center shall solicit input from the agency, school counselors, the Texas Workforce Commission, institutions of higher education, and business, community, and school leaders.

(d) An academy developed under this section must provide counselors and other postsecondary advisors with knowledge and skills to provide counseling to students regarding postsecondary success and productive career planning and must include information relating to:

(1) each endorsement described by Section 28.025(c-1), including:

(A) the course requirements for each endorsement; and

(B) the postsecondary educational and career opportunities associated with each endorsement;

(2) available methods for a student to earn credit for a course not offered at the school in which the student is enrolled, including enrollment in an electronic course provided through the state virtual school network under Chapter 30A;

(3) general academic performance requirements for admission to an institution of higher education, including the requirements for automatic admission to a general academic teaching institution under Section 51.803;

(4) regional workforce needs, including information about the required education and the average wage or salary for careers that meet those workforce needs; and

(5) effective strategies for engaging students and parents in planning for postsecondary education and potential careers, including participation in mentorships and business partnerships.

(e) The center shall develop an online instructional program that school districts may use in providing the instruction in high school, college, and career preparation required by Section 28.016. The program must be structured for use as part of an existing course.

(f) The center may access the P-20/Workforce Data Repository established under Section 1.005(j-1) in developing training, instructional programs, and technological tools under this section and conducting related evaluations. The center may be provided access to the data repository through collaboration with the Texas Higher Education Coordinating Board or a center for education research established under Section 1.005. The agency and the

coordinating board may not condition the center's access to the data repository on agency or board review of the proposed training, instructional programs, technological tools, or related evaluations developed by the center.

(g) A teacher of a course described by Section 28.016(c)(2) or (3) may attend an academy developed under this section.

(h) From funds appropriated for that purpose, a school counselor who attends the academy under this section is entitled to receive a stipend in the amount determined by the center. If funds are available after all eligible school counselors have received a stipend under this subsection, the center shall pay a stipend in the amount determined by the center to a teacher who attends the academy under this section. A stipend received under this subsection is not considered in determining whether a district is paying the school counselor or teacher the minimum monthly salary under Section 21.402.

(i) From available funds appropriated for purposes of this section, the center may provide to school counselors and other educators curricula, instructional materials, and technological tools relating to postsecondary education and career counseling.

(j) The center shall comply with any applicable provision of the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) in performing its duties or exercising its authority under this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 5, eff. June 19, 2015.

SUBCHAPTER B. LIBRARIES

Sec. 33.021. LIBRARY STANDARDS. The Texas State Library and Archives Commission, in consultation with the State Board of Education, shall adopt standards for school library services. A school district shall consider the standards in developing, implementing, or expanding library services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.022. CONTRACT WITH COUNTY OR MUNICIPALITY. (a) A school district may enter into contracts with a county or municipality in which the district is located to provide joint

library facilities.

(b) The board of trustees of the school district and the commissioners court of the county or governing body of the municipality must conduct public hearings before entering into a contract under this section. The hearings may be held jointly.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. MISSING CHILD PREVENTION AND IDENTIFICATION PROGRAMS

Sec. 33.051. DEFINITIONS. In this subchapter:

(1) "Child" and "minor" have the meanings assigned by Section 101.003, Family Code.

(2) "Missing child" means a child whose whereabouts are unknown to the legal custodian of the child and:

(A) the circumstances of whose absence indicate that the child did not voluntarily leave the care and control of the custodian and that the taking of the child was not authorized by law; or

(B) the child has engaged in conduct indicating a need for supervision under Section 51.03(b)(2), Family Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 935 (H.B. 2398), Sec. 16, eff. September 1, 2015.

Sec. 33.052. MISSING CHILD PREVENTION AND IDENTIFICATION PROGRAMS. (a) The board of trustees of a school district or of a private school may participate in missing child prevention and identification programs, including fingerprinting and photographing as provided by this subchapter.

(b) The board of trustees of a school district may delegate responsibility for implementation of the program to the district's school administration or to the district's community education services administration.

(c) The chief administrative officer of each private primary or secondary school may participate in the programs and may contract with the regional education service center in which the school is located for operation of all or any part of the program through a

shared services arrangement.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.053. FINGERPRINTS OF CHILDREN. (a) A missing child prevention and identification program may include a procedure for taking the fingerprints of each student registered in the school whose parent or legal custodian has consented in writing to the fingerprinting. Fingerprints obtained under this section may be used only for the identification and location of a missing child.

(b) The board of trustees of a school district or the chief administrative officer of a private school may establish a reasonable fee to cover the costs of fingerprinting not provided by volunteer assistance. The fee may not exceed $3 for each child fingerprinted. If the school charges a fee, the school may waive all or a portion of the costs of fingerprinting for educationally disadvantaged children.

(c) A representative of a law enforcement agency of the county or the municipality in which the school district is located or of the Department of Public Safety, or a person trained in fingerprinting technique by a law enforcement agency or the Department of Public Safety, shall make one complete set of fingerprints on a fingerprint card for each child participating in the program. If the school requests, the Department of Public Safety may provide fingerprint training to persons designated by the school.

(d) A fingerprint card shall include a description of the child, including the name, address, date and place of birth, color of eyes and hair, weight, and sex of the child.

(e) Except as provided by Section 33.054(b), the fingerprint card and other materials developed under this subchapter shall be made part of the school's permanent student records.

(f) A state agency, law enforcement agency, or other person may not retain a copy of a child's fingerprints taken under this program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.054. PHOTOGRAPHS OF CHILDREN. (a) A participating school shall retain a current photograph of each child registered in the school whose parent or legal custodian has consented in writing. Photographs retained under this section may be used only for the

identification and location of a missing child.

(b) The photograph shall be retained by the participating school until the photograph is replaced by a subsequently made photograph under this section or until the expiration of three years, whichever is earlier.

(c) On the request of a parent or legal custodian of a missing child, or of a peace officer who is engaged in the investigation of a missing child, a participating school may give to the parent, legal custodian, or peace officer a copy of that child's photograph held by the school under this section. Except as provided by this subsection, a photograph held under this section may not be given to any person.

(d) A participating school may charge a fee for making and keeping records of photographs under this section. If the school charges a fee, the school may waive this fee for educationally disadvantaged children.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.055. FINGERPRINTS AND PHOTOGRAPHS NOT USED AS EVIDENCE. (a) A child's fingerprint card made under Section 33.053 or a photograph of a child made or kept under Section 33.054 may not be used as evidence in any criminal proceeding in which the child is a defendant or in any case under Title 3, Family Code, in which the child is alleged to have engaged in delinquent conduct or in conduct indicating a need for supervision.

(b) This subchapter does not apply to the use by a law enforcement agency for an official purpose of a photograph published in a school annual.

(c) This subchapter does not prevent the use of a videotape or photograph taken to monitor the activity of students for disciplinary reasons or in connection with a criminal prosecution or an action under Title 3, Family Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.056. LIABILITY FOR NONPERFORMANCE. A person is not liable in any suit for damages for negligent performance or nonperformance of any requirement of this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.057. DESTRUCTION OF FINGERPRINTS AND PHOTOGRAPHS. The agency shall adopt rules relating to the destruction of fingerprints and photographs made or kept under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER D. EXTRACURRICULAR ACTIVITIES

Sec. 33.081. EXTRACURRICULAR ACTIVITIES. (a) The State Board of Education by rule shall limit participation in and practice for extracurricular activities during the school day and the school week. The rules must, to the extent possible, preserve the school day for academic activities without interruption for extracurricular activities. In scheduling those activities and practices, a school district must comply with the rules of the board.

(b) A student enrolled in a school district in this state or who participates in an extracurricular activity or a University Interscholastic League competition is subject to school district policy and University Interscholastic League rules regarding participation only when the student is under the direct supervision of an employee of the school or district in which the student is enrolled or at any other time specified by resolution of the board of trustees of the district.

(c) A student who is enrolled in a school district in this state or who participates in a University Interscholastic League competition shall be suspended from participation in any extracurricular activity sponsored or sanctioned by the school district or the University Interscholastic League after a grade evaluation period in which the student received a grade lower than the equivalent of 70 on a scale of 100 in any academic class other than a course described by Subsection (d-1). A suspension continues for at least three school weeks and is not removed during the school year until the conditions of Subsection (d) are met. A suspension does not last beyond the end of a school year. For purposes of this subsection, "grade evaluation period" means:

(1) the six-week grade reporting period; or

(2) the first six weeks of a semester and each grade

reporting period thereafter, in the case of a district with a grade reporting period longer than six weeks.

(d) Until the suspension is removed under this subsection or the school year ends, a school district shall review the grades of a student suspended under Subsection (c) at the end of each three-week period following the date on which the suspension began. At the time of a review, the suspension is removed if the student's grade in each class, other than a course described by Subsection (d-1), is equal to or greater than the equivalent of 70 on a scale of 100. The principal and each of the student's teachers shall make the determination concerning the student's grades.

(d-1) Subsections (c) and (d) do not apply to an advanced placement or international baccalaureate course, or to an honors or dual credit course in the subject areas of English language arts, mathematics, science, social studies, economics, or a language other than English. The agency shall review on a biennial basis courses described by this subsection to determine if other courses should be excluded from the requirement that a student be suspended from participation in an extracurricular activity under Subsection (c). Not later than January 1 of each odd-numbered year, the agency shall report the findings under this subsection to the legislature.

(e) Suspension of a student with a disability that significantly interferes with the student's ability to meet regular academic standards must be based on the student's failure to meet the requirements of the student's individualized education program. The determination of whether a disability significantly interferes with a student's ability to meet regular academic standards must be made by the student's admission, review, and dismissal committee. For purposes of this subsection, "student with a disability" means a student who is eligible for a district's special education program under Section 29.003(b).

(f) A student suspended under this section may practice or rehearse with other students for an extracurricular activity but may not participate in a competition or other public performance.

(g) An appeal to the commissioner is not a contested case under Chapter 2001, Government Code, if the issues presented relate to a student's eligibility to participate in extracurricular activities, including issues related to the student's grades or the school district's grading policy as applied to the student's eligibility. The commissioner may delegate the matter for decision to a person the

commissioner designates. The decision of the commissioner or the commissioner's designee in a matter governed by this subsection may not be appealed except on the grounds that the decision is arbitrary or capricious. Evidence may not be introduced on appeal other than the record of the evidence before the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1482, Sec. 2, eff. June 19, 1999.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1327 (S.B. 1517), Sec. 1, eff. June 15, 2007.

Sec. 33.0811. SCHOOL DISTRICT POLICY ON ABSENCES TO PARTICIPATE IN EXTRACURRICULAR ACTIVITIES. (a) Notwithstanding Section 33.081(a), the board of trustees of a school district may adopt a policy establishing the number of times a student who is otherwise eligible to participate in an extracurricular activity under Section 33.081 may be absent from class to participate in an extracurricular activity sponsored or sanctioned by the district or the University Interscholastic League or by an organization sanctioned by resolution of the board of trustees of the district.

(b) A policy adopted by the board of trustees of a district under this section:

(1) prevails over a conflicting policy adopted under Section 33.081(a); and

(2) must permit a student to be absent from class at least 10 times during the school year.

Added by Acts 1999, 76th Leg., ch. 1482, Sec. 3, eff. June 19, 1999.

Sec. 33.0812. SCHEDULING EXTRACURRICULAR ACTIVITIES PROHIBITED IN CERTAIN CIRCUMSTANCES. (a) The State Board of Education by rule shall prohibit participation in a University Interscholastic League area, regional, or state competition:

(1) on Monday through Thursday of the school week in which the primary administration of assessment instruments under Section 39.023(a), (c), or (l) occurs; or

(2) if the primary administration of the assessment

instruments is completed before Thursday of the school week, beginning on Monday and ending on the last school day on which the assessment instruments are administered.

(b) The commissioner shall determine the school week during the school year in which the primary administration of assessment instruments occurs for purposes of Subsection (a).

(c) The commissioner shall adopt rules to provide the University Interscholastic League with a periodic calendar of dates reserved for testing for planning purposes under this section. The periodic calendar must be provided at least every three years on or before May 1 of the year preceding the three-year cycle of reserved testing dates.

(d) In adopting rules under this section, the commissioner shall:

(1) include a procedure for changing, in exceptional circumstances, testing dates reserved under the periodic calendar;

(2) define circumstances that constitute exceptional circumstances under Subdivision (1) as unforeseen events, including a natural disaster, severe weather, fire, explosion, or similar circumstances beyond the control of school districts or the agency; and

(3) establish criteria for determining whether a University Interscholastic League area, regional, or state competition must be canceled if that event conflicts with a changed testing date.

(e) This section does not apply to testing dates on which assessment instruments are administered only to students retaking assessment instruments.

Added by Acts 2005, 79th Leg., Ch. 812 (S.B. 658), Sec. 1, eff. June 17, 2005.

Sec. 33.082. EXTRACURRICULAR ACTIVITIES; USE OF DISCRIMINATORY ATHLETIC CLUB. (a) An extracurricular activity sponsored or sanctioned by a school district, including an athletic event or an athletic team practice, may not take place at an athletic club located in the United States that denies any person full and equal enjoyment of equipment or facilities provided by the athletic club because of the race, color, religion, creed, national origin, or sex of the person.

(b) In this section, "athletic club" means an entity that provides sports or exercise equipment or facilities to its customers or members or to the guests of its customers or members.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.083. INTERSCHOLASTIC LEAGUES. (a) The rules and procedures of an organization sanctioning or conducting interscholastic competition, including rules providing penalties for rules violations by school district personnel, must be consistent with State Board of Education rules.

(b) The University Interscholastic League is a part of The University of Texas at Austin and must submit its rules and procedures to the commissioner for approval or disapproval. The funds belonging to the University Interscholastic League shall be deposited with The University of Texas at Austin for the benefit of the league and shall be subject to audits by The University of Texas at Austin, The University of Texas System, and the state auditor. Copies of annual audits shall be furnished, on request, to members of the legislature.

(c) The State Board of Education may seek an injunction to enforce this section.

(d) The University Interscholastic League shall file annually with the governor and the presiding officer of each house of the legislature a complete and detailed written report accounting for all funds received and disbursed by the University Interscholastic League during the preceding fiscal year. The form of the annual report and the reporting time are as provided by the General Appropriations Act.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1482, Sec. 4, eff. June 19, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. 1675), Sec. 1.04, eff. June 14, 2013.

Sec. 33.0831. UNIVERSITY INTERSCHOLASTIC LEAGUE RULES: FISCAL IMPACT STATEMENT. (a) The legislative council of the University Interscholastic League may not take final action on a new or amended

rule that would result in additional costs for a member school unless a fiscal impact statement regarding the rule has been completed in accordance with this section.

(b) For purposes of Subsection (a), final action by the legislative council means:

(1) submitting a rule to school superintendents, if the submission is required under the legislative council's procedures; or

(2) submitting a rule approved by the council to the commissioner for the commissioner's approval under Section 33.083(b), if the rule does not require submission to school superintendents under the legislative council's procedures.

(c) A fiscal impact statement regarding a rule must include:

(1) a projection of the costs to member schools of complying with the rule during the five-year period following the effective date of the rule; and

(2) an explanation of the methodology used to analyze the fiscal impact of the rule and determine the costs projection required by Subdivision (1).

(d) If a fiscal impact statement is prepared for a rule, a copy of the statement must be attached to the rule when it is submitted for approval to school superintendents, if applicable, and when it is submitted to the commissioner for approval.

Added by Acts 2011, 82nd Leg., R.S., Ch. 966 (H.B. 1286), Sec. 1, eff. September 1, 2011.

Sec. 33.084. INTERSCHOLASTIC LEAGUE ADVISORY COUNCIL. (a) The interscholastic league advisory council is composed of:

(1) two members of the State Board of Education appointed by the chair of the board;

(2) a member of the house of representatives appointed by the speaker of the house;

(3) a member of the senate appointed by the lieutenant governor;

(4) two members of the legislative council of the University Interscholastic League appointed by the chairman of the council;

(5) two public school board members appointed by the commissioner; and

(6) three members of the public appointed by the commissioner.

(b) A member of the advisory council serves at the will of the member's appointing authority.

(c) In appointing public members to the advisory council, the commissioner shall give special consideration to students, parents of students, and teachers.

(d) The advisory council shall select a chair from among its members and shall meet at the call of the chair.

(e) The advisory council shall review the rules of the University Interscholastic League and shall make recommendations relating to the rules to the governor, the legislature, the legislative council of the University Interscholastic League, and the State Board of Education.

(f) A member of the advisory council may not receive compensation but is entitled to reimbursement from the University Interscholastic League for transportation expenses and the per diem allowance for state employees in accordance with the General Appropriations Act.

(g) The advisory council shall study:

(1) University Interscholastic League policy with respect to the eligibility of students to participate in programs;

(2) geographic distribution of University Interscholastic League resources and programs; and

(3) gender equity.

(h) An action of the University Interscholastic League relating to the provision of additional programs of school districts may not be taken pending submission of a final report by the advisory council.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.085. AUTHORITY OF UNIVERSITY INTERSCHOLASTIC LEAGUE REGARDING ACTIVITIES INVOLVING SPORTS OFFICIALS. (a) In this section:

(1) "League" means the University Interscholastic League.

(2) "Sports official" means a person who officiates, judges, or in any manner enforces contest rules in any official capacity with respect to and during the course of an interscholastic

athletic team competition and who is a member of a league-recognized local chapter or association of sports officials. The term includes a referee, umpire, linesman, judge, or any other person similarly involved in supervising competitive play. The term does not include a league board member or a league official who is acting in an official capacity to supervise, administer, or enforce the league constitution or league contest rules.

(b) The league may require a sports official, as a condition of eligibility to officiate a contest sponsored by the league, to:

(1) be registered with the league and comply with the registration requirements of Subsection (c);

(2) have completed initial and continuing education programs regarding league rules;

(3) be a member in good standing of a local chapter or association of sports officials recognized by the league for that purpose; and

(4) agree to abide by league rules, including fee schedules and travel reimbursement guidelines for payment by school districts or open-enrollment charter schools to a sports official.

(c) In registering with the league, a sports official must be required to provide directory information required by the league and submit to a criminal background check.

(d) The league may not charge a sports official who completes a program under Subsection (b)(2) a fee for more than one program described by Subsection (b)(2).

(e) The league may charge and collect a registration fee only to defray the cost of registering sports officials and shall post the amount of the fee on the league's Internet website and make the information available at other places the league determines appropriate. The amount of the fee may not exceed the amount reasonably determined by the league to be necessary to cover the cost of administering registration.

(f) The league may revoke or suspend the league registration of a sports official determined by the league to have violated the provisions of the league constitution or contest rules governing sports officials or other league policy applicable to sports officials. Before the league may take action to revoke or suspend a sports official's registration, the league shall notify and consult with the local chapter or association of sports officials of which the sports official is a member. The local chapter or association

may, on or before the 15th day after the date notice is received from the league, take action to adjudicate the alleged violation. If after the 15th day after the date notice is received from the league the local chapter or association has failed to take action against the sports official or takes action that the league finds to be insufficient, the league may take action against the sports official. The league shall adopt rules to provide a sports official with the opportunity for an appeals process before the league revokes or suspends the sports official's registration. In adopting rules under this subsection, the league shall make a determination of the actions and subsequent sanctions that would be considered sufficient under this subsection.

(g) The league may not sponsor or organize or attempt to sponsor or organize any association of sports officials in which the majority of the membership is composed of sports officials who officiate team sports.

(h) The league may set rates or fee schedules payable by a school district or open-enrollment charter school to a sports official.

(i) Before the league may take any action that amends rules related to the activities of sports officials, other than an action against an individual sports official under Subsection (f), the league must submit the proposed action for public review and comment, including:

(1) notifying registered sports officials of the proposed action by e-mail not later than the 30th day before the date set for action on the proposal; and

(2) posting the proposal on the league's Internet website for at least 30 consecutive days before the date set for action on the proposal.

Added by Acts 2013, 83rd Leg., R.S., Ch. 952 (H.B. 1775), Sec. 1, eff. June 14, 2013.

Sec. 33.086. CERTIFICATION IN CARDIOPULMONARY RESUSCITATION AND FIRST AID. (a) A school district employee who serves as the head director of a school marching band or as the head coach or chief sponsor for an extracurricular athletic activity, including cheerleading, sponsored or sanctioned by a school district or the

University Interscholastic League must maintain and submit to the district proof of current certification in first aid and cardiopulmonary resuscitation issued by the American Red Cross, the American Heart Association, or another organization that provides equivalent training and certification.

(b) Each school district shall adopt procedures necessary for administering this section, including procedures for the time and manner in which proof of current certification must be submitted.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.14(a), eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 881, Sec. 1, eff. June 20, 2003.

Sec. 33.087. ELIGIBILITY OF STUDENTS PARTICIPATING IN JOINT CREDIT OR CONCURRENT ENROLLMENT PROGRAMS. A student otherwise eligible to participate in an extracurricular activity or a University Interscholastic League competition is not ineligible because the student is enrolled in a course offered for joint high school and college credit, or in a course offered under a concurrent enrollment program, regardless of the location at which the course is provided.

Added by Acts 2007, 80th Leg., R.S., Ch. 199 (H.B. 208), Sec. 1, eff. May 24, 2007.

Sec. 33.091. PREVENTION OF ILLEGAL STEROID USE; RANDOM TESTING. (a) In this section:

(1) "League" means the University Interscholastic League.

(2) "Parent" includes a guardian or other person standing in parental relation.

(3) "Steroid" means an anabolic steroid as described by Section 481.104, Health and Safety Code.

(b) The league shall adopt rules prohibiting a student from participating in an athletic competition sponsored or sanctioned by the league unless:

(1) the student agrees not to use steroids and, if the student is enrolled in high school, the student submits to random testing for the presence of illegal steroids in the student's body, in accordance with the program established under Subsection (d); and

(2) the league obtains from the student's parent a statement signed by the parent and acknowledging that:

(A) the parent's child, if enrolled in high school, may be subject to random steroid testing;

(B) state law prohibits possessing, dispensing, delivering, or administering a steroid in a manner not allowed by state law;

(C) state law provides that bodybuilding, muscle enhancement, or the increase of muscle bulk or strength through the use of a steroid by a person who is in good health is not a valid medical purpose;

(D) only a licensed practitioner with prescriptive authority may prescribe a steroid for a person; and

(E) a violation of state law concerning steroids is a criminal offense punishable by confinement in jail or imprisonment in the Texas Department of Criminal Justice.

(c) The league shall:

(1) develop an educational program for students engaged in extracurricular athletic activities sponsored or sanctioned by the league, parents of those students, and coaches of those activities regarding the health effects of steroid use; and

(2) make the program available to school districts.

(c-1) A school district shall require that each district employee who serves as an athletic coach at or above the seventh grade level for an extracurricular athletic activity sponsored or sanctioned by the league complete:

(1) the educational program developed by the league under Subsection (c); or

(2) a comparable program developed by the district or a private entity with relevant expertise.

(d) The league shall adopt rules for the annual administration of a steroid testing program under which high school students participating in an athletic competition sponsored or sanctioned by the league are tested at multiple times throughout the year for the presence of steroids in the students' bodies. The testing program must:

(1) require the random testing of a statistically significant number of high school students in this state who participate in athletic competitions sponsored or sanctioned by the league;

(2) provide for the selection of specific students described by Subdivision (1) for testing through a process that randomly selects students from a single pool consisting of all students who participate in any activity for which the league sponsors or sanctions athletic competitions;

(3) be administered at approximately 30 percent of the high schools in this state that participate in athletic competitions sponsored or sanctioned by the league;

(4) provide for a process for confirming any initial positive test result through a subsequent test conducted as soon as practicable after the initial test, using a sample that was obtained at the same time as the sample used for the initial test;

(5) require the testing to be performed only by an anabolic steroid testing laboratory with a current certification from the Substance Abuse and Mental Health Services Administration of the United States Department of Health and Human Services, the World Anti-Doping Agency, or another appropriate national or international certifying organization; and

(6) provide for a period of ineligibility from participation in an athletic competition sponsored or sanctioned by the league for any student with a confirmed positive test result or any student who refuses to submit to random testing.

(e) Results of a steroid test conducted under Subsection (d) are confidential and, unless required by court order, may be disclosed only to the student and the student's parent and the activity directors, principal, and assistant principals of the school attended by the student.

(f) From funds already appropriated, the agency shall pay the costs of the steroid testing program established under Subsection (d).

(g) The league may increase the membership fees required of school districts that participate in athletic competitions sponsored or sanctioned by the league in an amount necessary to offset the cost of league activities under this section.

(h) Subsection (b)(1) does not apply to the use by a student of a steroid that is dispensed, prescribed, delivered, and administered by a medical practitioner for a valid medical purpose and in the course of professional practice, and a student is not subject to a period of ineligibility under Subsection (d)(6) on the basis of that steroid use.

Added by Acts 2005, 79th Leg., Ch. 1177 (H.B. 3563), Sec. 1, eff. June 18, 2005.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1292 (S.B. 8), Sec. 1, eff. June 15, 2007.
Acts 2007, 80th Leg., R.S., Ch. 1292 (S.B. 8), Sec. 2, eff. June 15, 2007.

Sec. 33.092. STUDENT ELECTION CLERKS AND EARLY VOTING CLERKS. A student who is appointed as a student election clerk under Section 32.0511, Election Code, or as a student early voting clerk under Section 83.012, Election Code, may apply the time served as a student election clerk or student early voting clerk toward:

(1) a requirement for a school project at the discretion of the teacher who assigned the project; or

(2) a service requirement for participation in an advanced academic course program at the discretion of the program sponsor or a school-sponsored extracurricular activity at the discretion of the school sponsor.

Added by Acts 2009, 81st Leg., R.S., Ch. 517 (S.B. 1134), Sec. 4, eff. September 1, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 542 (S.B. 553), Sec. 2, eff. June 14, 2013.

Sec. 33.094. FOOTBALL HELMET SAFETY REQUIREMENTS. (a) A school district may not use a football helmet that is 16 years old or older in the district's football program.

(b) A school district shall ensure that each football helmet used in the district's football program that is 10 years old or older is reconditioned at least once every two years.

(c) A school district shall maintain and make available to parents of students enrolled in the district documentation indicating the age of each football helmet used in the district's football program and the dates on which each helmet is reconditioned.

(d) The University Interscholastic League may adopt rules necessary to implement this section, provided that the rules must be

approved by the commissioner in accordance with Section 33.083(b).

Added by Acts 2011, 82nd Leg., R.S., Ch. 239 (H.B. 675), Sec. 1, eff. September 1, 2011.

SUBCHAPTER E. COMMUNITIES IN SCHOOLS PROGRAM

Sec. 33.151. DEFINITIONS. In this subchapter:

(1) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1204, Sec. 4, eff. September 1, 2007.

(2) "Communities In Schools program" means an exemplary youth dropout prevention program.

(3) "Delinquent conduct" has the meaning assigned by Section 51.03, Family Code.

(4) "Student at risk of dropping out of school" means:

(A) a student at risk of dropping out of school as defined by Section 29.081;

(B) a student who is eligible for a free or reduced lunch; or

(C) a student who is in family conflict or crisis.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.001 by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 6.69, eff. Sept. 1, 1997. Redesignated from Labor Code, Sec. 305.001 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code, Sec. 264.751 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1204 (H.B. 1609), Sec. 4, eff. September 1, 2007.

Sec. 33.152. STATEWIDE OPERATION OF PROGRAM. It is the intent of the legislature that the Communities In Schools program operate throughout this state. It is also the intent of the legislature that programs established under Chapter 305, Labor Code, as that chapter existed on August 31, 1999, and its predecessor statute, the Texas Unemployment Compensation Act (Article 5221b-9d, Vernon's Texas Civil

Statutes), and programs established under this subchapter shall remain eligible to participate in the Communities In Schools program if funds are available and if their performance meets the criteria established by the agency for renewal of their contracts.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.002 by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.002 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.752 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Sec. 33.154. DUTIES OF COMMISSIONER. (a) The commissioner shall:

(1) coordinate the efforts of the Communities In Schools program with other social service organizations and agencies and with public school personnel to provide services to students who are at risk of dropping out of school or engaging in delinquent conduct, including students who are in family conflict or emotional crisis;

(2) set standards for the Communities In Schools program and establish state performance goals, objectives, and measures for the program, including performance goals, objectives, and measures that consider improvement in student:

(A) behavior;

(B) academic achievement; and

(C) promotion, graduation, retention, and dropout rates;

(3) obtain information to determine accomplishment of state performance goals, objectives, and measures;

(4) promote and market the program in communities in which the program is not established;

(5) help communities that want to participate in the program establish a local funding base;

(6) provide training and technical assistance for participating communities and programs; and

(7) adopt policies concerning:

(A) the responsibility of the agency in encouraging local businesses to participate in local Communities In Schools

programs;

(B) the responsibility of the agency in obtaining information from participating school districts;

(C) the use of federal or state funds available to the agency for programs of this nature; and

(D) any other areas concerning the program identified by the commissioner.

(b) The commissioner shall adopt rules to implement the policies described by Subsection (a)(7) and shall annually update the rules.

(c) Notwithstanding any provision of this subchapter, if the commissioner determines that a program consistently fails to achieve the performance goals, objectives, and measures established by the commissioner under Subsection (a)(2), the commissioner may withhold funding from that program and require the program to compete through a competitive bidding process to receive funding to participate in the program.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.012 by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.012 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.754 by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1204 (H.B. 1609), Sec. 1, eff. September 1, 2007.

Sec. 33.155. COOPERATION WITH COMMUNITIES IN SCHOOLS, INC. The agency and Communities In Schools, Inc. shall work together to maximize the effectiveness of the Communities In Schools program.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.013 by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.013 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.755 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1204 (H.B. 1609), Sec. 1, eff. September 1, 2007.

Sec. 33.156. FUNDING; EXPANSION OF PARTICIPATION. (a) The agency shall develop and implement an equitable formula for the funding of local Communities In Schools programs. The formula may provide for the reduction of funds annually contributed by the state to a local program by an amount not more than 50 percent of the amount contributed by the state for the first year of the program. The formula must consider the financial resources of individual communities and school districts. Savings accomplished through the implementation of the formula may be used to extend services to counties and municipalities currently not served by a local program or to extend services to counties and municipalities currently served by an existing local program.

(b) Each local Communities In Schools program shall develop a funding plan which ensures that the level of services is maintained if state funding is reduced.

(c) A local Communities In Schools program may accept federal funds, state funds, private contributions, grants, and public and school district funds to support a campus participating in the program.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 9.40(a), eff. Sept. 1, 1995. Renumbered from Labor Code Sec. 216.021 and amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.021 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.756 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Sec. 33.157. PARTICIPATION IN PROGRAM. An elementary or secondary school receiving funding under Section 33.156 shall participate in a local Communities In Schools program if the number of students enrolled in the school who are at risk of dropping out of

school is equal to at least 10 percent of the number of students in average daily attendance at the school, as determined by the agency.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.022 and amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.022 and amended Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.757 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Sec. 33.158. DONATIONS TO PROGRAM. (a) The agency may accept a donation of services or money or other property that the agency determines furthers the lawful objectives of the agency in connection with the Communities In Schools program.

(b) Each donation, with the name of the donor and the purpose of the donation, must be reported in the public records of the agency.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993. Renumbered from Labor Code Sec. 216.031 by Acts 1995, 74th Leg., ch. 655, Sec. 11.05, eff. Sept. 1, 1995. Redesignated from Labor Code Sec. 305.031 and amended by Acts 1999, 76th Leg., ch. 489, Sec. 3, eff. Sept. 1, 1999. Redesignated from Family Code Sec. 264.758 and amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.118(a), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1205, Sec. 1, eff. Sept. 1, 2003.

Sec. 33.159. AGENCY PERFORMANCE OF COMMUNITIES IN SCHOOLS FUNCTIONS REQUIRED. The agency, through the Communities In Schools State Office:

(1) must perform each function concerning the Communities In Schools program for which the agency is responsible; and

(2) may not contract with a private entity to perform a function described by Subdivision (1).

Added by Acts 2007, 80th Leg., R.S., Ch. 1204 (H.B. 1609), Sec. 2, eff. September 1, 2007.

SUBCHAPTER F. SAFETY REGULATIONS FOR CERTAIN EXTRACURRICULAR ACTIVITIES

Sec. 33.201. APPLICABILITY. This subchapter applies to each public school in this state and to any other school in this state subject to University Interscholastic League rules.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.202. SAFETY TRAINING REQUIRED. (a) The commissioner by rule shall develop and adopt an extracurricular activity safety training program as provided by this section. In developing the program, the commissioner may use materials available from the American Red Cross, Emergency Medical Systems (EMS), or another appropriate entity.

(b) The following persons must satisfactorily complete the safety training program:

(1) a coach, trainer, or sponsor for an extracurricular athletic activity;

(2) except as provided by Subsection (f), a physician who is employed by a school or school district or who volunteers to assist with an extracurricular athletic activity; and

(3) a director responsible for a school marching band.

(c) The safety training program must include:

(1) certification of participants by the American Red Cross, the American Heart Association, or a similar organization or the University Interscholastic League, as determined by the commissioner;

(2) current training in:

(A) emergency action planning;

(B) cardiopulmonary resuscitation if the person is not required to obtain certification under Section 33.086;

(C) communicating effectively with 9-1-1 emergency service operators and other emergency personnel; and

(D) recognizing symptoms of potentially catastrophic injuries, including head and neck injuries, concussions, injuries related to second impact syndrome, asthma attacks, heatstroke, cardiac arrest, and injuries requiring use of a defibrillator; and

(3) at least once each school year, a safety drill that

incorporates the training described by Subdivision (2) and simulates various injuries described by Subdivision (2)(D).

(d) A school district shall provide training to students participating in an extracurricular athletic activity related to:

(1) recognizing the symptoms of injuries described by Subsection (c)(2)(D); and

(2) the risks of using dietary supplements designed to enhance or marketed as enhancing athletic performance.

(e) The safety training program and the training under Subsection (d) may each be conducted by a school or school district or by an organization described by Subsection (c)(1).

(f) A physician who is employed by a school or school district or who volunteers to assist with an extracurricular athletic activity is not required to complete the safety training program if the physician attends a continuing medical education course that specifically addresses emergency medicine.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.203. COMPLETION OF UNIVERSITY INTERSCHOLASTIC LEAGUE FORMS. (a) Each student participating in an extracurricular athletic activity must complete the University Interscholastic League forms entitled "Preparticipation Physical Evaluation--Medical History" and "Acknowledgment of Rules." Each form must be signed by both the student and the student's parent or guardian.

(b) Each form specified by Subsection (a) must clearly state that failure to accurately and truthfully answer all questions on a form required by statute or by the University Interscholastic League as a condition for participation in an extracurricular athletic activity subjects a signer of the form to penalties determined by the University Interscholastic League.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.204. CERTAIN UNSAFE ATHLETIC ACTIVITIES PROHIBITED. A coach, trainer, or sponsor for an extracurricular athletic activity may not encourage or permit a student participating in the activity

to engage in any unreasonably dangerous athletic technique that unnecessarily endangers the health of a student, including using a helmet or any other sports equipment as a weapon.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.205. CERTAIN SAFETY PRECAUTIONS REQUIRED. (a) A coach, trainer, or sponsor for an extracurricular athletic activity shall at each athletic practice or competition ensure that:

(1) each student participating in the activity is adequately hydrated;

(2) any prescribed asthma medication for a student participating in the activity is readily available to the student;

(3) emergency lanes providing access to the practice or competition area are open and clear; and

(4) heatstroke prevention materials are readily available.

(b) If a student participating in an extracurricular athletic activity, including a practice or competition, becomes unconscious during the activity, the student may not:

(1) return to the practice or competition during which the student became unconscious; or

(2) participate in any extracurricular athletic activity until the student receives written authorization for such participation from a physician.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.206. COMPLIANCE; ENFORCEMENT. (a) In accordance with Chapter 552, Government Code, a school shall make available to the public proof of compliance for each person enrolled in, employed by, or volunteering for the school who is required to receive safety training described by Section 33.202.

(b) The superintendent of a school district or the director of a school subject to this subchapter shall maintain complete and accurate records of the district's or school's compliance with Section 33.202.

(c) A school campus that is determined by the school's

superintendent or director to be out of compliance with Section 33.202, 33.204, or 33.205 with regard to University Interscholastic League activities shall be subject to the range of penalties determined by the University Interscholastic League.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.207. CONTACT INFORMATION. (a) The commissioner shall maintain an existing telephone number and an electronic mail address to allow a person to report a violation of this subchapter.

(b) Each school that offers an extracurricular athletic activity shall prominently display at the administrative offices of the school the telephone number and electronic mail address maintained under Subsection (a).

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.208. NOTICE REQUIRED. (a) A school that offers an extracurricular athletic activity shall provide to each student participating in an extracurricular athletic activity and to the student's parent or guardian a copy of the text of Sections 33.201-33.207 and a copy of the University Interscholastic League's parent information manual.

(b) A document required to be provided under this section may be provided in an electronic format unless otherwise requested by a student, parent, or guardian.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.209. INCORPORATION OF SAFETY REGULATIONS. The University Interscholastic League shall incorporate the provisions of Sections 33.203-33.207 into the league's constitution and contest rules.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff.

June 15, 2007.

Sec. 33.210. IMMUNITY FROM LIABILITY. This subchapter does not waive any liability or immunity of a school district or its officers or employees. This subchapter does not create any liability for or a cause of action against a school district or its officers or employees.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

Sec. 33.211. LIMITATION ON LIABILITY. A person who volunteers to assist with an extracurricular activity is not liable for civil damages arising out of an act or omission relating to the requirements under Section 33.205 unless the act or omission is willfully or wantonly negligent.

Added by Acts 2007, 80th Leg., R.S., Ch. 1296 (S.B. 82), Sec. 1, eff. June 15, 2007.

SUBCHAPTER G. EXPANDED LEARNING OPPORTUNITIES COUNCIL

Sec. 33.251. DEFINITION. In this chapter, "council" means the Expanded Learning Opportunities Council.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.252. EXPANDED LEARNING OPPORTUNITIES. (a) Expanded learning opportunities may be provided during:

(1) an extended school day;

(2) an extended school year; or

(3) structured learning programs outside of the regular school day, including before- and after-school programs and summer programs.

(b) Expanded learning opportunities may be provided by offering:

(1) rigorous coursework;

(2) mentoring;
(3) tutoring;
(4) physical activity;
(5) academic support; or
(6) educational enrichment in one or more subjects, including fine arts, civic engagement, science, technology, engineering, and mathematics.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.253. ESTABLISHMENT; PURPOSES. (a) The Expanded Learning Opportunities Council is established to:
(1) study issues concerning expanded learning opportunities for this state's public school students, including:
(A) issues related to creating safe places for children outside of the regular school day, improving the academic success of students who participate in expanded learning opportunities programs, and assisting working families; and
(B) other issues prescribed under Section 33.258; and
(2) make recommendations as provided by Section 33.259 to address issues studied under this subchapter.
(b) In conducting studies under this subchapter, the council shall focus on innovative, hands-on learning approaches that complement rather than replicate the regular school curriculum.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.254. SUNSET PROVISION. The council is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the council is abolished and this subchapter expires September 1, 2023.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 938 (H.B. 3123), Sec. 2.01, eff. June 18, 2015.

Sec. 33.255. COMPOSITION. The council is composed of 13 members appointed by the commissioner as follows:

(1) two members of the public, including one representing the business community and one parent of a public school student participating in an expanded learning opportunities program in this state;

(2) two members who are involved in research-based expanded learning opportunities efforts in this state so that at least one is involved in efforts to extend the school day or school year and at least one is involved in efforts to provide out of school time before or after the regular school day or during the period in which school is recessed for the summer;

(3) one member representing law enforcement;

(4) one member representing the agency;

(5) one member who is an educator, other than a superintendent, at the elementary school level;

(6) one member who is an educator, other than a superintendent, at the middle or junior high school level;

(7) one member who is an educator, other than a superintendent, at the high school level;

(8) one member who is a public school superintendent;

(9) one member representing a foundation that invests in expanded learning opportunities;

(10) one member representing a nonprofit organization that provides programs concerning good nutrition and prevention of or intervention to address childhood obesity; and

(11) one member who is a provider representing summer camps.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.256. MEETINGS. (a) The council shall meet in person at least three times each year and may hold additional meetings by conference call if necessary.

(b) Section 551.125, Government Code, applies to a meeting held by conference call under this section, except that Section

551.125(b), Government Code, does not apply.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.257. COMPENSATION. A member of the council may not receive compensation for service on the council.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.258. POWERS AND DUTIES. (a) The council shall:

(1) study issues related to expanded learning opportunities for public school students;

(2) study current research and best practices related to meaningful expanded learning opportunities;

(3) analyze the availability of and unmet needs for state and local programs for expanded learning opportunities for public school students;

(4) analyze opportunities to create incentives for businesses to support expanded learning opportunities programs for public school students;

(5) analyze opportunities to maximize charitable support for public and private partnerships for expanded learning opportunities programs for public school students;

(6) analyze opportunities to promote science, technology, engineering, and mathematics in expanded learning opportunities programs for public school students;

(7) study the future workforce needs of this state's businesses and other employers; and

(8) perform other duties consistent with this subchapter.

(b) In carrying out its powers and duties under this section, the council may request reports and other information relating to expanded learning opportunities and students in expanded learning opportunities programs from the Texas Education Agency and any other state agency.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.259. STATEWIDE EXPANDED LEARNING OPPORTUNITIES PLAN; REPORT. (a) The council shall develop a comprehensive statewide action plan for the improvement of expanded learning opportunities for public school students in this state, including a timeline for implementation of the plan.

(b) The council shall submit to both houses of the legislature, the governor, and the agency on or before November 1 of each even-numbered year a written report concerning:

(1) the status of the development or implementation of the council's statewide action plan, as applicable;

(2) any action taken to further development or implementation of the plan;

(3) any area that needs improvement in implementing the plan;

(4) any recommended change to the plan; and

(5) programs and services that address expanded learning opportunities outside of the regular school day.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

Sec. 33.260. GIFTS, GRANTS, AND DONATIONS. The agency may accept on behalf of the council a gift, grant, or donation from any source to carry out the purposes of this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 531 (S.B. 503), Sec. 1, eff. June 14, 2013.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 33.901. BREAKFAST PROGRAMS. (a) If at least 10 percent of the students enrolled in one or more schools in a school district or enrolled in an open-enrollment charter school are eligible for free or reduced-price breakfasts under the national school breakfast program provided for by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773), the board of trustees of the school district or the governing body of the open-enrollment charter school shall either:

(1) participate in the national program and make the

benefits of the national program available to all eligible students in the schools or school; or

(2) develop and implement a locally funded program to provide free meals, including breakfast and lunch, to each student eligible for free meals under federal law and reduced-price meals, including breakfast and lunch, to each student eligible for reduced-price meals under federal law, provided that the reduced price may not exceed the maximum allowable rate under federal law.

(a-1) A school district is permitted under Subsection (a) to participate in the national program at one or more campuses in the district and provide a locally funded program at one or more other campuses in the district.

(b) A school district campus or an open-enrollment charter school participating in the national school breakfast program provided by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773) or providing a locally funded program in which 80 percent or more of the students qualify under the national program for a free or reduced-price breakfast shall offer a free breakfast to each student.

(c) The commissioner shall grant a waiver of the free breakfast requirements under Subsection (b), not to exceed one year, to a school district campus or an open-enrollment charter school if the board of trustees of the school district or the governing body of the open-enrollment charter school votes to request the waiver at the annual meeting of the board of trustees required under Section 44.004 or an annual meeting of the governing body called to adopt a budget for the open-enrollment charter school for the succeeding fiscal year. Before voting to request a waiver under this subsection, the board of trustees or the governing body shall list the waiver as a separate item for consideration on the meeting's agenda and provide an opportunity for public comment regarding the waiver at the meeting.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 130 (S.B. 376), Sec. 1, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1250 (H.B. 1305), Sec. 1, eff. June 20, 2015.

Sec. 33.902. PUBLIC SCHOOL CHILD CARE. (a) In this section, "school-age students" means children enrolled as students in prekindergarten through grade 7.

(b) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 8, Sec. 21(3), eff. September 28, 2011.

(c) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 8, Sec. 21(3), eff. September 28, 2011.

(d) The Work and Family Policies Clearinghouse may distribute money appropriated by the legislature to any school district for the purpose of implementing school-age child care before and after the school day and during school holidays and vacations for a school district's school-age students. Eligible use of funds shall include planning, development, establishment, expansion, or improvement of child care services and reasonable start-up costs. The clearinghouse may distribute money to pay fees charged for providing services to students who are considered to be at risk of dropping out of school under Section 29.081. The Texas Workforce Commission shall by rule establish procedures and eligibility requirements for distributing this money to school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 118, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 21(3), eff. September 28, 2011.

Sec. 33.903. COMMUNITY EDUCATION CHILD CARE SERVICES. (a) The agency shall establish a pilot program for the development of community education child care services as provided by this section. From the total amount of funds appropriated to the agency, the commissioner shall withhold an amount specified in the General Appropriations Act and distribute that amount for programs under this section. A program established under this section is required only in a school district in which the program is financed by funds distributed under this section and any other funds available for the program.

(b) The legislature may make appropriations to the agency for the purpose of supporting before- and after-school child care programs in a school district that is operating a community education

development project.

(c) The agency shall actively seek federal grants or funds to operate or expand a program established under this section.

(d) The State Board of Education by rule shall establish a procedure for distributing funds to school districts for child care programs under this section. The procedure must include a statewide competitive process by which the agency shall evaluate applications for child care programs submitted by eligible school districts and award funds to those districts whose applications the agency considers to possess the greatest merit. The State Board of Education by rule shall establish guidelines and objectives that the agency shall use in making evaluations for funding determination purposes. A school district is not entitled to administrative or judicial review of the agency's funding determination, except to the extent that the State Board of Education by rule provides for administrative review.

(e) The agency may not consider a school district's application for child care funding unless the application:

(1) contains a resolution by the district's board of trustees or governing body adopting a particular child care plan;

(2) states the anticipated funding requirements for the district's child care program and provides the agency with the data and any analysis used to prepare the funding estimate;

(3) includes or is accompanied by a statement outlining how the proposed project effectuates the goals of this section and complies with the guidelines and objectives established under Subsection (d);

(4) provides that the district will provide before- and after-school care between the hours of 7 a.m. and 6 p.m. for any student in kindergarten through grade eight whose parents or legal guardians work, attend school, or participate in a job-training program during those hours;

(5) specifies that the district's child care program outlined in the application will maintain a ratio of not less than one caregiver per 20 students in kindergarten through grade three and a ratio of not less than one caregiver per 25 students in grades four through eight and will provide age-appropriate educational and recreational activities and homework assistance; and

(6) states that the district has appointed a child care administrator.

(f) A school district's child care administrator shall administer and coordinate the program under the authority of the district superintendent or another administrator the superintendent designates. The child care administrator shall appoint a coordinator to oversee the child care activities at each school site under the authority of the school's principal. Each district is encouraged to collaborate with child care management system contractors and Head Start program providers.

(g) Each school district may provide full-day care for students on school holidays and teacher preparation days and during periods school is in recess, including summer vacation.

(h) A school district may supplement any funds received under this section with funds received through other government assistance programs, program tuition, or private donations. Any tuition charge may reflect only the actual cost of care provided to the student, and the agency or other appropriate governmental agency approved by the commissioner may audit a program to ensure compliance with this subsection. A school district shall use state funds awarded under this section to benefit educationally disadvantaged children before using those funds for the care of other children.

(i) A school district may not use funds awarded under this section for student transportation unless that transportation is incident to an activity related to the curriculum of the child care program.

(j) A school district may use funds awarded under this section to contract with a private entity for providing child care services. Each of those entities shall adhere to the requirements of this section. A contract under this subsection is not effective until approved by the agency. The agency shall review each contract to ensure that the services to be delivered comply with this section. Each contract shall be awarded without regard to the race or gender of the contracting party, notwithstanding any other law.

(k) Each school district receiving funds under this section shall adopt minimum training and skills requirements that each individual providing child care or staff assistance for a district program under this section must satisfy. The agency shall determine whether those minimum requirements fulfill the aims and policies of this section and shall suspend the payment of funds to any district whose minimum requirements fail to fulfill the aims and policies of this section. The State Board of Education by rule shall adopt

criteria by which the agency shall evaluate district minimum training and skills requirements. Any suspension order is subject to Chapter 2001, Government Code. A district may seek review of a suspension order under the review process adopted under Subsection (m).

(l) The State Board of Education by rule may authorize a school district to receive technical and planning assistance from a regional education service center.

(m) The agency shall monitor and review programs receiving funds under this section and may suspend funds to a school district whose programs fail to comply with this section. The State Board of Education by rule shall adopt an administrative process to review a suspension. Both a suspension order and the administrative review process are subject to Chapter 2001, Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 33.904. LIAISON FOR CERTAIN CHILDREN IN CONSERVATORSHIP OF STATE. (a) Each school district and open-enrollment charter school shall:

(1) appoint at least one employee to act as a liaison officer to facilitate the enrollment in or transfer to a public school or open-enrollment charter school of a child in the district or area served by the charter school who is in the conservatorship of the state; and

(2) submit the liaison's name and contact information to the agency in a format and under the schedule determined by the commissioner.

(b) The agency shall provide information to the liaisons on practices for facilitating the enrollment in or transfer to a public school or open-enrollment charter school of children who are in the conservatorship of the state.

Added by Acts 2011, 82nd Leg., R.S., Ch. 725 (H.B. 826), Sec. 1, eff. September 1, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 579 (S.B. 832), Sec. 1, eff. June 14, 2013.

For expiration of this section, see Subsection (f).

Sec. 33.906. WEBSITE INFORMATION CONCERNING LOCAL PROGRAMS AND SERVICES AVAILABLE TO ASSIST HOMELESS STUDENTS. (a) Except as provided by Subsection (e), each school that maintains an Internet website shall post on the website information regarding local programs and services, including charitable programs and services, available to assist homeless students.

(b) A school to which Subsection (a) applies shall make a good faith effort to compile information described by that subsection and shall post the information compiled in a format and style that is easily understandable by students or parents, as appropriate based on the grade levels the school offers.

(c) A representative of a local program or service available to assist homeless students may request to have information concerning the program or service posted on a school's website. A school may determine the information that is posted on the school's website and is not required to post information as requested by the representative.

(d) A school district is not liable for any harm to a student that results in connection with a local program or service referred to on the website of a district school as provided by this section.

(e) This section does not apply to a school within a school district that:

(1) has an enrollment of fewer than 3,000 students; and

(2) is primarily located in a county with a population of less than 50,000.

(f) This section expires September 1, 2025.

Added by Acts 2015, 84th Leg., R.S., Ch. 1035 (H.B. 1559), Sec. 1, eff. June 19, 2015.

Sec. 33.908. GRACE PERIOD POLICY FOR EXHAUSTED OR INSUFFICIENT MEAL CARD OR ACCOUNT BALANCE. A school district that allows students to use a prepaid meal card or account to purchase meals served at the school shall adopt a grace period policy regarding the use of the cards or accounts. The policy:

(1) must allow a student whose meal card or account balance is exhausted or insufficient to continue, for a period determined by the district, to purchase meals by:

(A) accumulating a negative balance on the student's card or account; or

(B) otherwise receiving an extension of credit from the district;

(2) must require the district to notify the parent of or person standing in parental relation to the student that the student's meal card or account balance is exhausted;

(3) may not permit the district to charge a fee or interest in connection with meals purchased under Subdivision (1); and

(4) may permit the district to set a schedule for repayment on the account balance as part of the notice to the parent or person standing in parental relation to the student.

Added by Acts 2015, 84th Leg., R.S., Ch. 875 (H.B. 3562), Sec. 1, eff. June 18, 2015.

CHAPTER 34. TRANSPORTATION

Sec. 34.001. PURCHASE OF MOTOR VEHICLES. (a) A school district may purchase school motor vehicles through the comptroller or through competitive bidding under Subchapter B, Chapter 44.

(b) The comptroller may adopt rules as necessary to implement Subsection (a). Before adopting a rule under this subsection, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b), Government Code, are met.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.83, eff. September 1, 2007.

Sec. 34.002. SAFETY STANDARDS. (a) The Department of Public Safety, with the advice of the Texas Education Agency, shall establish safety standards for school buses used to transport students in accordance with Section 34.003.

(b) Each school district shall meet or exceed the safety standards for school buses established under Subsection (a).

(c) A school district that fails or refuses to meet the safety standards for school buses established under this section is

ineligible to share in the transportation allotment under Section 42.155 until the first anniversary of the date the district begins complying with the safety standards.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1438, Sec. 2, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 309, Sec. 9.01, eff. June 18, 2003.

Sec. 34.0021. SCHOOL BUS EMERGENCY EVACUATION TRAINING. (a) Pursuant to the safety standards established by the Department of Public Safety under Section 34.002, each school district may conduct a training session for students and teachers concerning procedures for evacuating a school bus during an emergency.

(b) A school district that chooses to conduct a training session under Subsection (a) is encouraged to conduct the school bus emergency evacuation training session in the fall of the school year. The school district is also encouraged to structure the training session so that the session applies to school bus passengers, a portion of the session occurs on a school bus, and the session lasts for at least one hour.

(c) The school bus emergency evacuation training must be based on the recommendations of the most recent edition of the National School Transportation Specifications and Procedures, as adopted by the National Congress on School Transportation, or a similar school transportation safety manual.

(c-1) Immediately before each field trip involving transportation by school bus, a school district is encouraged to review school bus emergency evacuation procedures with the school bus passengers, including a demonstration of the school bus emergency exits and the safe manner to exit.

(d) Not later than the 30th day after the date that a school district completes a training session, the district shall provide the Department of Public Safety with a record certifying the district's completion of the training.

(e) The Department of Public Safety may adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 923 (H.B. 3190), Sec. 7, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1347 (S.B. 300), Sec. 3, eff. June 19, 2009.

Sec. 34.003. OPERATION OF SCHOOL BUSES. (a) School buses or mass transit authority motor buses shall be used for the transportation of students to and from schools on routes having 10 or more students. On those routes having fewer than 10 students, passenger cars may be used for the transportation of students to and from school.

(b) To transport students in connection with school activities other than on routes to and from school:

(1) only school buses or motor buses may be used to transport 15 or more students in any one vehicle; and

(2) passenger cars or passenger vans may be used to transport fewer than 15 students.

(c) In all circumstances in which passenger cars or passenger vans are used to transport students, the operator of the vehicle shall ensure that the number of passengers in the vehicle does not exceed the designed capacity of the vehicle and that each passenger is secured by a safety belt.

(d) In this section, "passenger van" means a motor vehicle other than a motorcycle or passenger car, used to transport persons and designed to transport 15 or fewer passengers, including the driver.

(e) "Motor bus" means a vehicle designed to transport more than 15 passengers, including the driver.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1029, Sec. 1, eff. June 19, 1997; Acts 1997, 75th Leg., ch. 1438, Sec. 3, eff. Sept. 1, 1997.

Sec. 34.004. STANDING CHILDREN. A school district may not require or allow a child to stand on a school bus or passenger van that is in motion.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1029, Sec. 2, eff. June 19, 1997.

Sec. 34.005. FINANCING. (a) A school district financially unable to immediately pay for a school motor vehicle, including a bus, bus body, or bus chassis, the district purchases may, as prescribed by this section, issue interest-bearing time warrants in amounts sufficient to make the purchase.

(b) The warrants must mature in serial installments not later than the fifth anniversary of the date of issue and bear interest at a rate not to exceed the maximum rate provided by Section 1204.006, Government Code. The warrants shall be issued and sold at not less than their face value.

(c) The proceeds of the sale of the warrants shall be used to provide the funds required for the purchase.

(d) The warrants, on maturity and in the order of their maturity dates, are payable out of any available funds of the school district and, as they become due, are entitled to first and prior payment out of those funds.

(e) Full records of all warrants issued and sold shall be kept by the school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.205, eff. Sept. 1, 2001.

Sec. 34.006. SALE OF BUSES. (a) At the request of a school district, the comptroller shall dispose of a school bus.

(b) A school district is not required to dispose of a school bus through the comptroller.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.84, eff. September 1, 2007.

Sec. 34.007. PUBLIC SCHOOL TRANSPORTATION SYSTEM. (a) A board of county school trustees or a school district board of trustees may establish and operate an economical public school transportation system:

(1) in the county or district, as applicable; or

(2) outside the county or district, as applicable, if the

county or school district enters into an interlocal contract as provided by Chapter 791, Government Code.

(b) In establishing and operating the transportation system, the county or school district board shall:

(1) employ school bus drivers certified in accordance with standards and qualifications adopted by the Department of Public Safety; and

(2) on determining eligibility for transportation services, allow a parent to designate one of the following locations instead of the child's residence as the regular location for purposes of obtaining transportation under the system to and from the child's school, if the location is an approved stop on an approved route:

(A) a child-care facility, as defined by Section 42.002, Human Resources Code; or

(B) the residence of a grandparent of the child.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 169, Sec. 3, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 24, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 449 (H.B. 273), Sec. 1, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 817 (S.B. 1713), Sec. 1, eff. June 15, 2007.

Sec. 34.008. CONTRACT WITH TRANSIT AUTHORITY, COMMERCIAL TRANSPORTATION COMPANY, OR JUVENILE BOARD. (a) A board of county school trustees or school district board of trustees may contract with a mass transit authority, commercial transportation company, or juvenile board for all or any part of a district's public school transportation if the authority, company, or board:

(1) requires its school bus drivers to have the qualifications required by and to be certified in accordance with standards established by the Department of Public Safety; and

(2) uses only those school buses or mass transit authority buses in transporting 15 or more public school students that meet or exceed safety standards for school buses established under Section 34.002.

(b) This section does not prohibit the county or school

district board from supplementing the state transportation cost allotment with local funds necessary to provide complete transportation services.

(c) A mass transit authority contracting under this section for daily transportation of pre-primary, primary, or secondary students to or from school shall conduct, in a manner and on a schedule approved by the county or district school board, the following education programs:

(1) a program to inform the public that public school students will be riding on the authority's or company's buses;

(2) a program to educate the drivers of the buses to be used under the contract of the special needs and problems of public school students riding on the buses; and

(3) a program to educate public school students on bus riding safety and any special considerations arising from the use of the authority's or company's buses.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1438, Sec. 5, eff. Sept. 1, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 449 (H.B. 273), Sec. 2, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 449 (H.B. 273), Sec. 3, eff. June 16, 2007.

Sec. 34.009. CONTRACTS FOR USE, ACQUISITION, OR LEASE OF SCHOOL BUS. (a) As an alternative to purchasing a school bus, a board of county school trustees or school district board of trustees may contract with any person for use, acquisition, or lease with option to purchase of a school bus if the county or school district board determines the contract to be economically advantageous to the county or district. A contract in the form of an installment purchase or any form other than a lease or lease with option to purchase is subject to Section 34.001.

(b) A school bus that is leased or leased with an option to purchase under this section must meet or exceed the safety standards for school buses established under Section 34.002, Education Code.

(c) Each contract that reserves to the county or school

district board the continuing right to terminate the contract at the expiration of each budget period of the board during the term of the contract is considered to be a commitment of current revenues only.

(d) Termination penalties may not be included in any contract under this section. The net effective interest rate on any contract must comply with Chapter 1204, Government Code.

(e) The competitive bidding requirements of Subchapter B, Chapter 44, apply to a contract under this section.

(f) The commissioner shall adopt a recommended contract form for the use, acquisition, or lease with option to purchase of school buses. A district is not required to use the contract.

(g) After a contract providing for payment aggregating $100,000 or more by a school district is authorized by the board of trustees, the board may submit the contract and the record relating to the contract to the attorney general for the attorney general's examination as to the validity of the contract. The approval is not required as a term of the contract. If the contract has been made in accordance with the constitution and laws of the state, the attorney general shall approve the contract, and the comptroller shall register the contract. After the contract has been approved by the attorney general and registered by the comptroller, the validity of the contract is incontestable for any cause. The legal obligations of the lessor, vendor, or supplier of the property to the board are not diminished in any respect by the approval and registration of a contract.

(h) The decision of a board of county school trustees or school district board of trustees to use an alternative form of use, acquisition, or purchase of a school bus does not affect a district's eligibility for participation in the transportation funding provisions of the Foundation School Program or any other state funding program.

(i) A contract entered into under this section is a legal and authorized investment for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and for the sinking funds of school districts.

(j) A contract under this section may have any lawful term of not less than two or more than 10 years.

(k) A school district may use the provisions of any other law not in conflict with this section to the extent convenient or

necessary to carry out any power or authority, express or implied, granted by this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1438, Sec. 6, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1420, Sec. 8.206, eff. Sept. 1, 2001.

Sec. 34.010. USE OF SCHOOL BUSES FOR EXTRACURRICULAR AND OTHER SCHOOL-RELATED ACTIVITIES. (a) A school district board of trustees or board of county school trustees governing a countywide transportation system may contract with nonschool organizations for the use of school buses. The county or school district board may provide services relating to the maintenance and operation of the buses in accordance with the contract.

(b) The commissioner shall ensure that the costs of using school buses for a purpose other than the transportation of students to or from school, including transportation for an extracurricular activity or field trip or of members of an organization other than a school organization, are properly identified in the Public Education Information Management System (PEIMS).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 34.011. APPEALS. A policy decision of a board of county school trustees or board of trustees of a school district affecting transportation is final and may not be appealed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 34.012. THREE-POINT SEAT BELT INSTRUCTION; INFORMATION CLEARINGHOUSE. (a) The State Board of Education shall develop and make available to each school district a program of instruction in the proper use of a three-point seat belt.

(b) The State Board of Education shall serve as a clearinghouse of best practices for school districts seeking the most efficient and sensible information regarding school bus safety, including possible compliance with Section 547.701, Transportation Code, using school

buses originally purchased without seat belts.

Added by Acts 2007, 80th Leg., R.S., Ch. 259 (H.B. 323), Sec. 3, eff. September 1, 2007.

Sec. 34.013. BUS SEAT BELT POLICY. A school district shall require a student riding a bus operated by or contracted for operation by the district to wear a seat belt if the bus is equipped with seat belts for all passengers on the bus. A school district may implement a disciplinary policy to enforce the use of seat belts by students.

Added by Acts 2007, 80th Leg., R.S., Ch. 259 (H.B. 323), Sec. 3, eff. September 1, 2007.

Sec. 34.014. FUNDING FOR THREE-POINT SEAT BELTS. (a) A person may offer to donate three-point seat belts or money for the purchase of three-point seat belts for a school district's school buses.

(b) The board of trustees of a school district shall consider any offer made by a person under Subsection (a). The board of trustees may accept or decline the offer after adequate consideration.

(c) The board of trustees may acknowledge a person who donates three-point seat belts or money for the purchase of three-point seat belts for a school bus under this section by displaying a small, discreet sign on the side or back of the bus recognizing the person who made the donation. The sign may not serve as an advertisement for the person who made the donation.

Added by Acts 2007, 80th Leg., R.S., Ch. 259 (H.B. 323), Sec. 3, eff. September 1, 2007.

Sec. 34.015. REPORTING OF BUS ACCIDENTS. (a) In this section, "bus" means a bus operated by or contracted for use by a school district to transport schoolchildren.

(b) A school district shall report annually to the Texas Education Agency the number of accidents in which the district's buses are involved. The agency by rule shall determine the

information to be reported, including:

(1) the type of bus involved in the accident;

(2) whether the bus was equipped with seat belts;

(3) the number of students and adults involved in the accident;

(4) the number and types of injuries sustained by bus passengers in the accident; and

(5) whether the injured passengers were wearing seat belts at the time of the accident.

(c) The Texas Education Agency shall publish the reports received under this section on its Internet website.

Added by Acts 2007, 80th Leg., R.S., Ch. 259 (H.B. 323), Sec. 3, eff. September 1, 2007.

SUBTITLE G. SAFE SCHOOLS
CHAPTER 37. DISCIPLINE; LAW AND ORDER
SUBCHAPTER A. ALTERNATIVE SETTINGS FOR BEHAVIOR MANAGEMENT

Sec. 37.001. STUDENT CODE OF CONDUCT.

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 487 (S.B. 1541), Sec. 1

(a) The board of trustees of an independent school district shall, with the advice of its district-level committee established under Subchapter F, Chapter 11, adopt a student code of conduct for the district. The student code of conduct must be posted and prominently displayed at each school campus or made available for review at the office of the campus principal. In addition to establishing standards for student conduct, the student code of conduct must:

(1) specify the circumstances, in accordance with this subchapter, under which a student may be removed from a classroom, campus, disciplinary alternative education program, or school bus;

(2) specify conditions that authorize or require a principal or other appropriate administrator to transfer a student to a disciplinary alternative education program;

(3) outline conditions under which a student may be suspended as provided by Section 37.005 or expelled as provided by Section 37.007;

(4) specify that consideration will be given, as a factor in each decision concerning suspension, removal to a disciplinary alternative education program, expulsion, or placement in a juvenile justice alternative education program, regardless of whether the decision concerns a mandatory or discretionary action, to:

(A) self-defense;

(B) intent or lack of intent at the time the student engaged in the conduct;

(C) a student's disciplinary history; or

(D) a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;

(5) provide guidelines for setting the length of a term of:

(A) a removal under Section 37.006; and

(B) an expulsion under Section 37.007;

(6) address the notification of a student's parent or guardian of a violation of the student code of conduct committed by the student that results in suspension, removal to a disciplinary alternative education program, or expulsion;

(7) prohibit bullying, harassment, and making hit lists and ensure that district employees enforce those prohibitions; and

(8) provide, as appropriate for students at each grade level, methods, including options, for:

(A) managing students in the classroom and on school grounds;

(B) disciplining students; and

(C) preventing and intervening in student discipline problems, including bullying, harassment, and making hit lists.

Text of subsection as amended by Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 3

(a) The board of trustees of an independent school district shall, with the advice of its district-level committee established under Subchapter F, Chapter 11, adopt a student code of conduct for the district. The student code of conduct must be posted and prominently displayed at each school campus or made available for review at the office of the campus principal. In addition to establishing standards for student conduct, the student code of conduct must:

(1) specify the circumstances, in accordance with this subchapter, under which a student may be removed from a classroom,

campus, disciplinary alternative education program, or vehicle owned or operated by the district;

(2) specify conditions that authorize or require a principal or other appropriate administrator to transfer a student to a disciplinary alternative education program;

(3) outline conditions under which a student may be suspended as provided by Section 37.005 or expelled as provided by Section 37.007;

(4) specify that consideration will be given, as a factor in each decision concerning suspension, removal to a disciplinary alternative education program, expulsion, or placement in a juvenile justice alternative education program, regardless of whether the decision concerns a mandatory or discretionary action, to:

(A) self-defense;

(B) intent or lack of intent at the time the student engaged in the conduct;

(C) a student's disciplinary history; or

(D) a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;

(5) provide guidelines for setting the length of a term of:

(A) a removal under Section 37.006; and

(B) an expulsion under Section 37.007;

(6) address the notification of a student's parent or guardian of a violation of the student code of conduct committed by the student that results in suspension, removal to a disciplinary alternative education program, or expulsion;

(7) prohibit bullying, harassment, and making hit lists and ensure that district employees enforce those prohibitions; and

(8) provide, as appropriate for students at each grade level, methods, including options, for:

(A) managing students in the classroom, on school grounds, and on a vehicle owned or operated by the district;

(B) disciplining students; and

(C) preventing and intervening in student discipline problems, including bullying, harassment, and making hit lists.

(b) In this section:

(1) "Bullying" has the meaning assigned by Section 37.0832.

(2) "Harassment" means threatening to cause harm or bodily injury to another student, engaging in sexually intimidating conduct,

causing physical damage to the property of another student, subjecting another student to physical confinement or restraint, or maliciously taking any action that substantially harms another student's physical or emotional health or safety.

(3) "Hit list" means a list of people targeted to be harmed, using:

(A) a firearm, as defined by Section 46.01(3), Penal Code;

(B) a knife, as defined by Section 46.01(7), Penal Code; or

(C) any other object to be used with intent to cause bodily harm.

(b-1) The methods adopted under Subsection (a)(8) must provide that a student who is enrolled in a special education program under Subchapter A, Chapter 29, may not be disciplined for conduct prohibited in accordance with Subsection (a)(7) until an admission, review, and dismissal committee meeting has been held to review the conduct.

(c) Once the student code of conduct is promulgated, any change or amendment must be approved by the board of trustees.

(d) Each school year, a school district shall provide parents notice of and information regarding the student code of conduct.

(e) Except as provided by Section 37.007(e), this subchapter does not require the student code of conduct to specify a minimum term of a removal under Section 37.006 or an expulsion under Section 37.007.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 2, eff. June 19, 1997; Acts 2003, 78th Leg., ch. 1055, Sec. 4, 30, eff. June 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 504 (H.B. 603), Sec. 1, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 920 (H.B. 283), Sec. 3, eff. June 18, 2005.

Acts 2009, 81st Leg., R.S., Ch. 897 (H.B. 171), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 5, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 487 (S.B. 1541), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 3, eff. September 1, 2013.

Sec. 37.0011. USE OF CORPORAL PUNISHMENT. (a) In this section, "corporal punishment" means the deliberate infliction of physical pain by hitting, paddling, spanking, slapping, or any other physical force used as a means of discipline. The term does not include:

(1) physical pain caused by reasonable physical activities associated with athletic training, competition, or physical education; or

(2) the use of restraint as authorized under Section 37.0021.

(b) If the board of trustees of an independent school district adopts a policy under Section 37.001(a)(8) under which corporal punishment is permitted as a method of student discipline, a district educator may use corporal punishment to discipline a student unless the student's parent or guardian or other person having lawful control over the student has previously provided a written, signed statement prohibiting the use of corporal punishment as a method of student discipline.

(c) To prohibit the use of corporal punishment as a method of student discipline, each school year a student's parent or guardian or other person having lawful control over the student must provide a separate written, signed statement to the board of trustees of the school district in the manner established by the board.

(d) The student's parent or guardian or other person having lawful control over the student may revoke the statement provided to the board of trustees under Subsection (c) at any time during the school year by submitting a written, signed revocation to the board in the manner established by the board.

Added by Acts 2011, 82nd Leg., R.S., Ch. 691 (H.B. 359), Sec. 1, eff. September 1, 2011.

Sec. 37.0012. DESIGNATION OF CAMPUS BEHAVIOR COORDINATOR. (a)

A person at each campus must be designated to serve as the campus behavior coordinator. The person designated may be the principal of the campus or any other campus administrator selected by the principal.

(b) The campus behavior coordinator is primarily responsible for maintaining student discipline and the implementation of this subchapter.

(c) Except as provided by this chapter, the specific duties of the campus behavior coordinator may be established by campus or district policy. Unless otherwise provided by campus or district policy:

(1) a duty imposed on a campus principal or other campus administrator under this subchapter shall be performed by the campus behavior coordinator; and

(2) a power granted to a campus principal or other campus administrator under this subchapter may be exercised by the campus behavior coordinator.

(d) The campus behavior coordinator shall promptly notify a student's parent or guardian as provided by this subsection if under this subchapter the student is placed into in-school or out-of-school suspension, placed in a disciplinary alternative education program, expelled, or placed in a juvenile justice alternative education program or is taken into custody by a law enforcement officer. A campus behavior coordinator must comply with this subsection by:

(1) promptly contacting the parent or guardian by telephone or in person; and

(2) making a good faith effort to provide written notice of the disciplinary action to the student, on the day the action is taken, for delivery to the student's parent or guardian.

(e) If a parent or guardian entitled to notice under Subsection (d) has not been reached by telephone or in person by 5 p.m. of the first business day after the day the disciplinary action is taken, a campus behavior coordinator shall mail written notice of the action to the parent or guardian at the parent's or guardian's last known address.

(f) If a campus behavior coordinator is unable or not available to promptly provide notice under Subsection (d), the principal or other designee shall provide the notice.

Added by Acts 2015, 84th Leg., R.S., Ch. 1267 (S.B. 107), Sec. 1,

eff. June 20, 2015.

Sec. 37.002. REMOVAL BY TEACHER. (a) A teacher may send a student to the campus behavior coordinator's office to maintain effective discipline in the classroom. The campus behavior coordinator shall respond by employing appropriate discipline management techniques consistent with the student code of conduct adopted under Section 37.001 that can reasonably be expected to improve the student's behavior before returning the student to the classroom. If the student's behavior does not improve, the campus behavior coordinator shall employ alternative discipline management techniques, including any progressive interventions designated as the responsibility of the campus behavior coordinator in the student code of conduct.

(b) A teacher may remove from class a student:

(1) who has been documented by the teacher to repeatedly interfere with the teacher's ability to communicate effectively with the students in the class or with the ability of the student's classmates to learn; or

(2) whose behavior the teacher determines is so unruly, disruptive, or abusive that it seriously interferes with the teacher's ability to communicate effectively with the students in the class or with the ability of the student's classmates to learn.

(c) If a teacher removes a student from class under Subsection (b), the principal may place the student into another appropriate classroom, into in-school suspension, or into a disciplinary alternative education program as provided by Section 37.008. The principal may not return the student to that teacher's class without the teacher's consent unless the committee established under Section 37.003 determines that such placement is the best or only alternative available. The terms of the removal may prohibit the student from attending or participating in school-sponsored or school-related activity.

(d) A teacher shall remove from class and send to the principal for placement in a disciplinary alternative education program or for expulsion, as appropriate, a student who engages in conduct described under Section 37.006 or 37.007. The student may not be returned to that teacher's class without the teacher's consent unless the committee established under Section 37.003 determines that such

placement is the best or only alternative available. If the teacher removed the student from class because the student has engaged in the elements of any offense listed in Section 37.006(a)(2)(B) or Section 37.007(a)(2)(A) or (b)(2)(C) against the teacher, the student may not be returned to the teacher's class without the teacher's consent. The teacher may not be coerced to consent.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 5, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 504 (H.B. 603), Sec. 2, eff. June 17, 2005.
Acts 2015, 84th Leg., R.S., Ch. 1267 (S.B. 107), Sec. 2, eff. June 20, 2015.

Sec. 37.0021. USE OF CONFINEMENT, RESTRAINT, SECLUSION, AND TIME-OUT. (a) It is the policy of this state to treat with dignity and respect all students, including students with disabilities who receive special education services under Subchapter A, Chapter 29. A student with a disability who receives special education services under Subchapter A, Chapter 29, may not be confined in a locked box, locked closet, or other specially designed locked space as either a discipline management practice or a behavior management technique.

(b) In this section:

(1) "Restraint" means the use of physical force or a mechanical device to significantly restrict the free movement of all or a portion of a student's body.

(2) "Seclusion" means a behavior management technique in which a student is confined in a locked box, locked closet, or locked room that:

(A) is designed solely to seclude a person; and

(B) contains less than 50 square feet of space.

(3) "Time-out" means a behavior management technique in which, to provide a student with an opportunity to regain self-control, the student is separated from other students for a limited period in a setting:

(A) that is not locked; and

(B) from which the exit is not physically blocked by

furniture, a closed door held shut from the outside, or another inanimate object.

(4) "Law enforcement duties" means activities of a peace officer relating to the investigation and enforcement of state criminal laws and other duties authorized by the Code of Criminal Procedure.

(c) A school district employee or volunteer or an independent contractor of a district may not place a student in seclusion. This subsection does not apply to the use of seclusion in a court-ordered placement, other than a placement in an educational program of a school district, or in a placement or facility to which the following law, rules, or regulations apply:

(1) the Children's Health Act of 2000, Pub. L. No. 106-310, any subsequent amendments to that Act, any regulations adopted under that Act, or any subsequent amendments to those regulations;

(2) 40 T.A.C. Sections 720.1001-720.1013; or

(3) 25 T.A.C. Section 412.308(e).

(d) The commissioner by rule shall adopt procedures for the use of restraint and time-out by a school district employee or volunteer or an independent contractor of a district in the case of a student with a disability receiving special education services under Subchapter A, Chapter 29. A procedure adopted under this subsection must:

(1) be consistent with:

(A) professionally accepted practices and standards of student discipline and techniques for behavior management; and

(B) relevant health and safety standards; and

(2) identify any discipline management practice or behavior management technique that requires a district employee or volunteer or an independent contractor of a district to be trained before using that practice or technique.

(e) In the case of a conflict between a rule adopted under Subsection (d) and a rule adopted under Subchapter A, Chapter 29, the rule adopted under Subsection (d) controls.

(f) For purposes of this subsection, "weapon" includes any weapon described under Section 37.007(a)(1). This section does not prevent a student's locked, unattended confinement in an emergency situation while awaiting the arrival of law enforcement personnel if:

(1) the student possesses a weapon; and

(2) the confinement is necessary to prevent the student

from causing bodily harm to the student or another person.

(g) This section and any rules or procedures adopted under this section do not apply to:

(1) a peace officer performing law enforcement duties, except as provided by Subsection (i);

(2) juvenile probation, detention, or corrections personnel; or

(3) an educational services provider with whom a student is placed by a judicial authority, unless the services are provided in an educational program of a school district.

(h) This section and any rules or procedures adopted under this section apply to a peace officer only if the peace officer:

(1) is employed or commissioned by a school district; or

(2) provides, as a school resource officer, a regular police presence on a school district campus under a memorandum of understanding between the district and a local law enforcement agency.

(i) A school district shall report electronically to the agency, in accordance with standards provided by commissioner rule, information relating to the use of restraint by a peace officer performing law enforcement duties on school property or during a school-sponsored or school-related activity. A report submitted under this subsection must be consistent with the requirements adopted by commissioner rule for reporting the use of restraint involving students with disabilities.

Added by Acts 2001, 77th Leg., ch. 212, Sec. 1, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 6, eff. June 20, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 691 (H.B. 359), Sec. 2, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 691 (H.B. 359), Sec. 3, eff. September 1, 2011.

Sec. 37.0022. REMOVAL BY SCHOOL BUS DRIVER. (a) The driver of a school bus transporting students to or from school or a school-sponsored or school-related activity may send a student to the principal's office to maintain effective discipline on the school

bus. The principal shall respond by employing appropriate discipline management techniques consistent with the student code of conduct adopted under Section 37.001.

(b) Section 37.004 applies to any placement under Subsection (a) of a student with a disability who receives special education services.

Added by Acts 2013, 83rd Leg., R.S., Ch. 487 (S.B. 1541), Sec. 2, eff. June 14, 2013.

Sec. 37.003. PLACEMENT REVIEW COMMITTEE. (a) Each school shall establish a three-member committee to determine placement of a student when a teacher refuses the return of a student to the teacher's class and make recommendations to the district regarding readmission of expelled students. Members shall be appointed as follows:

(1) the campus faculty shall choose two teachers to serve as members and one teacher to serve as an alternate member; and

(2) the principal shall choose one member from the professional staff of a campus.

(b) The teacher refusing to readmit the student may not serve on the committee.

(c) The committee's placement determination regarding a student with a disability who receives special education services under Subchapter A, Chapter 29, is subject to the requirements of the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) and federal regulations, state statutes, and agency requirements necessary to carry out federal law or regulations or state law relating to special education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 7, eff. June 20, 2003.

Sec. 37.004. PLACEMENT OF STUDENTS WITH DISABILITIES. (a) The placement of a student with a disability who receives special education services may be made only by a duly constituted admission, review, and dismissal committee.

(b) Any disciplinary action regarding a student with a

disability who receives special education services that would constitute a change in placement under federal law may be taken only after the student's admission, review, and dismissal committee conducts a manifestation determination review under 20 U.S.C. Section 1415(k)(4) and its subsequent amendments. Any disciplinary action regarding the student shall be determined in accordance with federal law and regulations, including laws or regulations requiring the provision of:

(1) functional behavioral assessments;

(2) positive behavioral interventions, strategies, and supports;

(3) behavioral intervention plans; and

(4) the manifestation determination review.

(c) A student with a disability who receives special education services may not be placed in alternative education programs solely for educational purposes.

(d) A teacher in an alternative education program under Section 37.008 who has a special education assignment must hold an appropriate certificate or permit for that assignment.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 767, Sec. 6, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 1225, Sec. 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 435, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 6.006, eff. Sept. 1, 2003.

Sec. 37.005. SUSPENSION. (a) The principal or other appropriate administrator may suspend a student who engages in conduct identified in the student code of conduct adopted under Section 37.001 as conduct for which a student may be suspended.

(b) A suspension under this section may not exceed three school days.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 8, eff. June 20, 2003.

Sec. 37.0051. PLACEMENT OF STUDENTS COMMITTING SEXUAL ASSAULT AGAINST ANOTHER STUDENT. (a) As provided by Section 25.0341(b)(2),

a student shall be removed from class and placed in a disciplinary alternative education program under Section 37.008 or a juvenile justice alternative education program under Section 37.011.

(b) A limitation imposed by this subchapter on the length of a placement in a disciplinary alternative education program or a juvenile justice alternative education program does not apply to a placement under this section.

Added by Acts 2005, 79th Leg., Ch. 997 (H.B. 308), Sec. 2, eff. June 18, 2005.

Sec. 37.006. REMOVAL FOR CERTAIN CONDUCT. (a) A student shall be removed from class and placed in a disciplinary alternative education program as provided by Section 37.008 if the student:

(1) engages in conduct involving a public school that contains the elements of the offense of false alarm or report under Section 42.06, Penal Code, or terroristic threat under Section 22.07, Penal Code; or

(2) commits the following on or within 300 feet of school property, as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off of school property:

(A) engages in conduct punishable as a felony;

(B) engages in conduct that contains the elements of the offense of assault under Section 22.01(a)(1), Penal Code;

(C) sells, gives, or delivers to another person or possesses or uses or is under the influence of:

(i) marihuana or a controlled substance, as defined by Chapter 481, Health and Safety Code, or by 21 U.S.C. Section 801 et seq.; or

(ii) a dangerous drug, as defined by Chapter 483, Health and Safety Code;

(D) sells, gives, or delivers to another person an alcoholic beverage, as defined by Section 1.04, Alcoholic Beverage Code, commits a serious act or offense while under the influence of alcohol, or possesses, uses, or is under the influence of an alcoholic beverage;

(E) engages in conduct that contains the elements of an offense relating to an abusable volatile chemical under Sections

485.031 through 485.034, Health and Safety Code; or

(F) engages in conduct that contains the elements of the offense of public lewdness under Section 21.07, Penal Code, or indecent exposure under Section 21.08, Penal Code.

(b) Except as provided by Section 37.007(d), a student shall be removed from class and placed in a disciplinary alternative education program under Section 37.008 if the student engages in conduct on or off of school property that contains the elements of the offense of retaliation under Section 36.06, Penal Code, against any school employee.

(c) In addition to Subsections (a) and (b), a student shall be removed from class and placed in a disciplinary alternative education program under Section 37.008 based on conduct occurring off campus and while the student is not in attendance at a school-sponsored or school-related activity if:

(1) the student receives deferred prosecution under Section 53.03, Family Code, for conduct defined as:

(A) a felony offense in Title 5, Penal Code; or

(B) the felony offense of aggravated robbery under Section 29.03, Penal Code;

(2) a court or jury finds that the student has engaged in delinquent conduct under Section 54.03, Family Code, for conduct defined as:

(A) a felony offense in Title 5, Penal Code; or

(B) the felony offense of aggravated robbery under Section 29.03, Penal Code; or

(3) the superintendent or the superintendent's designee has a reasonable belief that the student has engaged in a conduct defined as:

(A) a felony offense in Title 5, Penal Code; or

(B) the felony offense of aggravated robbery under Section 29.03, Penal Code.

(d) In addition to Subsections (a), (b), and (c), a student may be removed from class and placed in a disciplinary alternative education program under Section 37.008 based on conduct occurring off campus and while the student is not in attendance at a school-sponsored or school-related activity if:

(1) the superintendent or the superintendent's designee has a reasonable belief that the student has engaged in conduct defined as a felony offense other than aggravated robbery under Section

29.03, Penal Code, or those offenses defined in Title 5, Penal Code; and

(2) the continued presence of the student in the regular classroom threatens the safety of other students or teachers or will be detrimental to the educational process.

(e) In determining whether there is a reasonable belief that a student has engaged in conduct defined as a felony offense by the Penal Code, the superintendent or the superintendent's designee may consider all available information, including the information furnished under Article 15.27, Code of Criminal Procedure.

(f) Subject to Section 37.007(e), a student who is younger than 10 years of age shall be removed from class and placed in a disciplinary alternative education program under Section 37.008 if the student engages in conduct described by Section 37.007. An elementary school student may not be placed in a disciplinary alternative education program with any other student who is not an elementary school student.

(g) The terms of a placement under this section must prohibit the student from attending or participating in a school-sponsored or school-related activity.

(h) On receipt of notice under Article 15.27(g), Code of Criminal Procedure, the superintendent or the superintendent's designee shall review the student's placement in the disciplinary alternative education program. The student may not be returned to the regular classroom pending the review. The superintendent or the superintendent's designee shall schedule a review of the student's placement with the student's parent or guardian not later than the third class day after the superintendent or superintendent's designee receives notice from the office or official designated by the court. After reviewing the notice and receiving information from the student's parent or guardian, the superintendent or the superintendent's designee may continue the student's placement in the disciplinary alternative education program if there is reason to believe that the presence of the student in the regular classroom threatens the safety of other students or teachers.

(i) The student or the student's parent or guardian may appeal the superintendent's decision under Subsection (h) to the board of trustees. The student may not be returned to the regular classroom pending the appeal. The board shall, at the next scheduled meeting, review the notice provided under Article 15.27(g), Code of Criminal

Procedure, and receive information from the student, the student's parent or guardian, and the superintendent or superintendent's designee and confirm or reverse the decision under Subsection (h). The board shall make a record of the proceedings. If the board confirms the decision of the superintendent or superintendent's designee, the board shall inform the student and the student's parent or guardian of the right to appeal to the commissioner under Subsection (j).

(j) Notwithstanding Section 7.057(e), the decision of the board of trustees under Subsection (i) may be appealed to the commissioner as provided by Sections 7.057(b), (c), (d), and (f). The student may not be returned to the regular classroom pending the appeal.

(k) Subsections (h), (i), and (j) do not apply to placements made in accordance with Subsection (a).

(l) Notwithstanding any other provision of this code, other than Section 37.007(e)(2), a student who is younger than six years of age may not be removed from class and placed in a disciplinary alternative education program.

(m) Removal to a disciplinary alternative education program under Subsection (a) is not required if the student is expelled under Section 37.007 for the same conduct for which removal would be required.

(n) A principal or other appropriate administrator may but is not required to remove a student to a disciplinary alternative education program for off-campus conduct for which removal is required under this section if the principal or other appropriate administrator does not have knowledge of the conduct before the first anniversary of the date the conduct occurred.

(o) In addition to any notice required under Article 15.27, Code of Criminal Procedure, a principal or a principal's designee shall inform each educator who has responsibility for, or is under the direction and supervision of an educator who has responsibility for, the instruction of a student who has engaged in any violation listed in this section of the student's misconduct. Each educator shall keep the information received under this subsection confidential from any person not entitled to the information under this subsection, except that the educator may share the information with the student's parent or guardian as provided for by state or federal law. The State Board for Educator Certification may revoke or suspend the certification of an educator who intentionally

violates this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 3, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.15, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 486, Sec. 1, eff. June 11, 2001; Acts 2003, 78th Leg., ch. 1055, Sec. 9, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 504 (H.B. 603), Sec. 3, eff. June 17, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 948 (H.B. 968), Sec. 1, eff. June 17, 2011.

Sec. 37.0061. FUNDING FOR ALTERNATIVE EDUCATION SERVICES IN JUVENILE RESIDENTIAL FACILITIES. A school district that provides education services to pre-adjudicated and post-adjudicated students who are confined by court order in a juvenile residential facility operated by a juvenile board is entitled to count such students in the district's average daily attendance for purposes of receipt of state funds under the Foundation School Program. If the district has a wealth per student greater than the guaranteed wealth level but less than the equalized wealth level, the district in which the student is enrolled on the date a court orders the student to be confined to a juvenile residential facility shall transfer to the district providing education services an amount equal to the difference between the average Foundation School Program costs per student of the district providing education services and the sum of the state aid and the money from the available school fund received by the district that is attributable to the student for the portion of the school year for which the district provides education services to the student.

Added by Acts 1997, 75th Leg., ch. 1015, Sec. 4, eff. June 19, 1997.

Sec. 37.0062. INSTRUCTIONAL REQUIREMENTS FOR ALTERNATIVE EDUCATION SERVICES IN JUVENILE RESIDENTIAL FACILITIES. (a) The commissioner shall determine the instructional requirements for education services provided by a school district or open-enrollment charter school in a pre-adjudication secure detention facility or a

post-adjudication secure correctional facility operated by a juvenile board or a post-adjudication secure correctional facility operated under contract with the Texas Juvenile Justice Department, including requirements relating to:

(1) the length of the school day;

(2) the number of days of instruction provided to students each school year; and

(3) the curriculum of the educational program.

(b) The commissioner shall coordinate with the Texas Juvenile Justice Department in determining the instructional requirements for education services provided under Subsection (a):

(1) in a pre-adjudication secure detention facility or a post-adjudication secure correctional facility operated by a juvenile board; and

(2) in a post-adjudication secure correctional facility operated under contract with the department.

(c) The commissioner shall adopt rules necessary to administer this section. The rules must ensure that:

(1) a student who receives education services in a pre-adjudication secure detention facility described by this section is offered courses that enable the student to maintain progress toward completing high school graduation requirements; and

(2) a student who receives education services in a post-adjudication secure correctional facility described by this section is offered, at a minimum, the courses necessary to enable the student to complete high school graduation requirements.

(d) The Texas Juvenile Justice Department shall coordinate with the commissioner in establishing standards for:

(1) ensuring security in the provision of education services in the facilities; and

(2) providing children in the custody of the facilities access to education services.

Added by Acts 2007, 80th Leg., R.S., Ch. 615 (H.B. 425), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 32, eff. September 1, 2015.

Sec. 37.007. EXPULSION FOR SERIOUS OFFENSES. (a) Except as provided by Subsection (k), a student shall be expelled from a school if the student, on school property or while attending a school-sponsored or school-related activity on or off of school property:

(1) engages in conduct that contains the elements of the offense of unlawfully carrying weapons under Section 46.02, Penal Code, or elements of an offense relating to prohibited weapons under Section 46.05, Penal Code;

(2) engages in conduct that contains the elements of the offense of:

(A) aggravated assault under Section 22.02, Penal Code, sexual assault under Section 22.011, Penal Code, or aggravated sexual assault under Section 22.021, Penal Code;

(B) arson under Section 28.02, Penal Code;

(C) murder under Section 19.02, Penal Code, capital murder under Section 19.03, Penal Code, or criminal attempt, under Section 15.01, Penal Code, to commit murder or capital murder;

(D) indecency with a child under Section 21.11, Penal Code;

(E) aggravated kidnapping under Section 20.04, Penal Code;

(F) aggravated robbery under Section 29.03, Penal Code;

(G) manslaughter under Section 19.04, Penal Code;

(H) criminally negligent homicide under Section 19.05, Penal Code; or

(I) continuous sexual abuse of young child or children under Section 21.02, Penal Code; or

(3) engages in conduct specified by Section 37.006(a)(2)(C) or (D), if the conduct is punishable as a felony.

(b) A student may be expelled if the student:

(1) engages in conduct involving a public school that contains the elements of the offense of false alarm or report under Section 42.06, Penal Code, or terroristic threat under Section 22.07, Penal Code;

(2) while on or within 300 feet of school property, as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off of school property:

(A) sells, gives, or delivers to another person or possesses, uses, or is under the influence of any amount of:

(i) marihuana or a controlled substance, as defined by Chapter 481, Health and Safety Code, or by 21 U.S.C. Section 801 et seq.;

(ii) a dangerous drug, as defined by Chapter 483, Health and Safety Code; or

(iii) an alcoholic beverage, as defined by Section 1.04, Alcoholic Beverage Code;

(B) engages in conduct that contains the elements of an offense relating to an abusable volatile chemical under Sections 485.031 through 485.034, Health and Safety Code;

(C) engages in conduct that contains the elements of an offense under Section 22.01(a)(1), Penal Code, against a school district employee or a volunteer as defined by Section 22.053; or

(D) engages in conduct that contains the elements of the offense of deadly conduct under Section 22.05, Penal Code;

(3) subject to Subsection (d), while within 300 feet of school property, as measured from any point on the school's real property boundary line:

(A) engages in conduct specified by Subsection (a); or

(B) possesses a firearm, as defined by 18 U.S.C. Section 921;

(4) engages in conduct that contains the elements of any offense listed in Subsection (a)(2)(A) or (C) or the offense of aggravated robbery under Section 29.03, Penal Code, against another student, without regard to whether the conduct occurs on or off of school property or while attending a school-sponsored or school-related activity on or off of school property; or

(5) engages in conduct that contains the elements of the offense of breach of computer security under Section 33.02, Penal Code, if:

(A) the conduct involves accessing a computer, computer network, or computer system owned by or operated on behalf of a school district; and

(B) the student knowingly:

(i) alters, damages, or deletes school district property or information; or

(ii) commits a breach of any other computer, computer network, or computer system.

(c) A student may be expelled if the student, while placed in a disciplinary alternative education program, engages in documented

serious misbehavior while on the program campus despite documented behavioral interventions. For purposes of this subsection, "serious misbehavior" means:

(1) deliberate violent behavior that poses a direct threat to the health or safety of others;

(2) extortion, meaning the gaining of money or other property by force or threat;

(3) conduct that constitutes coercion, as defined by Section 1.07, Penal Code; or

(4) conduct that constitutes the offense of:

(A) public lewdness under Section 21.07, Penal Code;

(B) indecent exposure under Section 21.08, Penal Code;

(C) criminal mischief under Section 28.03, Penal Code;

(D) personal hazing under Section 37.152; or

(E) harassment under Section 42.07(a)(1), Penal Code, of a student or district employee.

(d) A student shall be expelled if the student engages in conduct that contains the elements of any offense listed in Subsection (a), and may be expelled if the student engages in conduct that contains the elements of any offense listed in Subsection (b)(2)(C), against any employee or volunteer in retaliation for or as a result of the person's employment or association with a school district, without regard to whether the conduct occurs on or off of school property or while attending a school-sponsored or school-related activity on or off of school property.

(e) In accordance with 20 U.S.C. Section 7151, a local educational agency, including a school district, home-rule school district, or open-enrollment charter school, shall expel a student who brings a firearm, as defined by 18 U.S.C. Section 921, to school. The student must be expelled from the student's regular campus for a period of at least one year, except that:

(1) the superintendent or other chief administrative officer of the school district or of the other local educational agency, as defined by 20 U.S.C. Section 7801, may modify the length of the expulsion in the case of an individual student;

(2) the district or other local educational agency shall provide educational services to an expelled student in a disciplinary alternative education program as provided by Section 37.008 if the student is younger than 10 years of age on the date of expulsion; and

(3) the district or other local educational agency may provide educational services to an expelled student who is 10 years of age or older in a disciplinary alternative education program as provided in Section 37.008.

(f) A student who engages in conduct that contains the elements of the offense of criminal mischief under Section 28.03, Penal Code, may be expelled at the district's discretion if the conduct is punishable as a felony under that section. The student shall be referred to the authorized officer of the juvenile court regardless of whether the student is expelled.

(g) In addition to any notice required under Article 15.27, Code of Criminal Procedure, a school district shall inform each educator who has responsibility for, or is under the direction and supervision of an educator who has responsibility for, the instruction of a student who has engaged in any violation listed in this section of the student's misconduct. Each educator shall keep the information received under this subsection confidential from any person not entitled to the information under this subsection, except that the educator may share the information with the student's parent or guardian as provided for by state or federal law. The State Board for Educator Certification may revoke or suspend the certification of an educator who intentionally violates this subsection.

(h) Subject to Subsection (e), notwithstanding any other provision of this section, a student who is younger than 10 years of age may not be expelled for engaging in conduct described by this section.

(i) A student who engages in conduct described by Subsection (a) may be expelled from school by the district in which the student attends school if the student engages in that conduct:

(1) on school property of another district in this state; or

(2) while attending a school-sponsored or school-related activity of a school in another district in this state.

(k) A student may not be expelled solely on the basis of the student's use, exhibition, or possession of a firearm that occurs:

(1) at an approved target range facility that is not located on a school campus; and

(2) while participating in or preparing for a school-sponsored shooting sports competition or a shooting sports educational activity that is sponsored or supported by the Parks and

Wildlife Department or a shooting sports sanctioning organization working with the department.

(l) Subsection (k) does not authorize a student to bring a firearm on school property to participate in or prepare for a school-sponsored shooting sports competition or a shooting sports educational activity described by that subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 5, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 542, Sec. 1, eff. Aug. 30, 1999; Acts 2001, 77th Leg., ch. 486, Sec. 2, eff. June 11, 2001; Acts 2003, 78th Leg., ch. 225, Sec. 1, eff. June 18, 2003; Acts 2003, 78th Leg., ch. 443, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1055, Sec. 10, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 504 (H.B. 603), Sec. 4, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 5.004, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 593 (H.B. 8), Sec. 3.26, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 338 (H.B. 1020), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 948 (H.B. 968), Sec. 2, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 963 (H.B. 1224), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1267 (S.B. 107), Sec. 3, eff. June 20, 2015.

Sec. 37.008. DISCIPLINARY ALTERNATIVE EDUCATION PROGRAMS. (a) Each school district shall provide a disciplinary alternative education program that:

(1) is provided in a setting other than a student's regular classroom;

(2) is located on or off of a regular school campus;

(3) provides for the students who are assigned to the disciplinary alternative education program to be separated from students who are not assigned to the program;

(4) focuses on English language arts, mathematics, science, history, and self-discipline;

(5) provides for students' educational and behavioral needs;

(6) provides supervision and counseling;

(7) employs only teachers who meet all certification requirements established under Subchapter B, Chapter 21; and

(8) provides not less than the minimum amount of instructional time per day required by Section 25.082(a).

(a-1) The agency shall adopt minimum standards for the operation of disciplinary alternative education programs, including standards relating to:

(1) student/teacher ratios;

(2) student health and safety;

(3) reporting of abuse, neglect, or exploitation of students;

(4) training for teachers in behavior management and safety procedures; and

(5) planning for a student's transition from a disciplinary alternative education program to a regular campus.

(b) A disciplinary alternative education program may provide for a student's transfer to:

(1) a different campus;

(2) a school-community guidance center; or

(3) a community-based alternative school.

(c) An off-campus disciplinary alternative education program is not subject to a requirement imposed by this title, other than a limitation on liability, a reporting requirement, or a requirement imposed by this chapter or by Chapter 39.

(d) A school district may provide a disciplinary alternative education program jointly with one or more other districts.

(e) Each school district shall cooperate with government agencies and community organizations that provide services in the district to students placed in a disciplinary alternative education program.

(f) A student removed to a disciplinary alternative education program is counted in computing the average daily attendance of students in the district for the student's time in actual attendance in the program.

(g) A school district shall allocate to a disciplinary

alternative education program the same expenditure per student attending the disciplinary alternative education program, including federal, state, and local funds, that would be allocated to the student's school if the student were attending the student's regularly assigned education program, including a special education program.

(h) A school district may not place a student, other than a student suspended as provided under Section 37.005 or expelled as provided under Section 37.007, in an unsupervised setting as a result of conduct for which a student may be placed in a disciplinary alternative education program.

(i) On request of a school district, a regional education service center may provide to the district information on developing a disciplinary alternative education program that takes into consideration the district's size, wealth, and existing facilities in determining the program best suited to the district.

(j) If a student placed in a disciplinary alternative education program enrolls in another school district before the expiration of the period of placement, the board of trustees of the district requiring the placement shall provide to the district in which the student enrolls, at the same time other records of the student are provided, a copy of the placement order. The district in which the student enrolls shall inform each educator who will have responsibility for, or will be under the direction and supervision of an educator who will have responsibility for, the instruction of the student of the contents of the placement order. Each educator shall keep the information received under this subsection confidential from any person not entitled to the information under this subsection, except that the educator may share the information with the student's parent or guardian as provided for by state or federal law. The district in which the student enrolls may continue the disciplinary alternative education program placement under the terms of the order or may allow the student to attend regular classes without completing the period of placement. A district may take any action permitted by this subsection if:

(1) the student was placed in a disciplinary alternative education program by an open-enrollment charter school under Section 12.131 and the charter school provides to the district a copy of the placement order; or

(2) the student was placed in a disciplinary alternative

education program by a school district in another state and:

(A) the out-of-state district provides to the district a copy of the placement order; and

(B) the grounds for the placement by the out-of-state district are grounds for placement in the district in which the student is enrolling.

(j-1) If a student was placed in a disciplinary alternative education program by a school district in another state for a period that exceeds one year and a school district in this state in which the student enrolls continues the placement under Subsection (j), the district shall reduce the period of the placement so that the aggregate period does not exceed one year unless, after a review, the district determines that:

(1) the student is a threat to the safety of other students or to district employees; or

(2) extended placement is in the best interest of the student.

(k) A program of educational and support services may be provided to a student and the student's parents when the offense involves drugs or alcohol as specified under Section 37.006 or 37.007. A disciplinary alternative education program that provides chemical dependency treatment services must be licensed under Chapter 464, Health and Safety Code.

(l) A school district is required to provide in the district's disciplinary alternative education program a course necessary to fulfill a student's high school graduation requirements only as provided by this subsection. A school district shall offer a student removed to a disciplinary alternative education program an opportunity to complete coursework before the beginning of the next school year. The school district may provide the student an opportunity to complete coursework through any method available, including a correspondence course, distance learning, or summer school. The district may not charge the student for a course provided under this subsection.

(l-1) A school district shall provide the parents of a student removed to a disciplinary alternative education program with written notice of the district's obligation under Subsection (l) to provide the student with an opportunity to complete coursework required for graduation. The notice must:

(1) include information regarding all methods available for

completing the coursework; and

(2) state that the methods are available at no cost to the student.

(m) The commissioner shall adopt rules necessary to evaluate annually the performance of each district's disciplinary alternative education program established under this subchapter. The evaluation required by this section shall be based on indicators defined by the commissioner, but must include student performance on assessment instruments required under Sections 39.023(a) and (c). Academically, the mission of disciplinary alternative education programs shall be to enable students to perform at grade level.

(m-1) The commissioner shall develop a process for evaluating a school district disciplinary alternative education program electronically. The commissioner shall also develop a system and standards for review of the evaluation or use systems already available at the agency. The system must be designed to identify districts that are at high risk of having inaccurate disciplinary alternative education program data or of failing to comply with disciplinary alternative education program requirements. The commissioner shall notify the board of trustees of a district of any objection the commissioner has to the district's disciplinary alternative education program data or of a violation of a law or rule revealed by the data, including any violation of disciplinary alternative education program requirements, or of any recommendation by the commissioner concerning the data. If the data reflect that a penal law has been violated, the commissioner shall notify the county attorney, district attorney, or criminal district attorney, as appropriate, and the attorney general. The commissioner is entitled to access to all district records the commissioner considers necessary or appropriate for the review, analysis, or approval of disciplinary alternative education program data.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 6, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.16, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1112, Sec. 1, eff. June 18, 1999; Acts 2003, 78th Leg., ch. 631, Sec. 2, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1055, Sec. 11, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 504 (H.B. 603), Sec. 5, eff. June 17,

2005.

Acts 2007, 80th Leg., R.S., Ch. 1171 (H.B. 426), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1316 (S.B. 49), Sec. 1, eff. June 17, 2011.

Sec. 37.0081. EXPULSION AND PLACEMENT OF CERTAIN STUDENTS IN ALTERNATIVE SETTINGS. (a) Subject to Subsection (h), but notwithstanding any other provision of this subchapter, the board of trustees of a school district, or the board's designee, after an opportunity for a hearing may expel a student and elect to place the student in an alternative setting as provided by Subsection (a-1) if:

(1) the student:

(A) has received deferred prosecution under Section 53.03, Family Code, for conduct defined as:

(i) a felony offense in Title 5, Penal Code; or

(ii) the felony offense of aggravated robbery under Section 29.03, Penal Code;

(B) has been found by a court or jury to have engaged in delinquent conduct under Section 54.03, Family Code, for conduct defined as:

(i) a felony offense in Title 5, Penal Code; or

(ii) the felony offense of aggravated robbery under Section 29.03, Penal Code;

(C) is charged with engaging in conduct defined as:

(i) a felony offense in Title 5, Penal Code; or

(ii) the felony offense of aggravated robbery under Section 29.03, Penal Code;

(D) has been referred to a juvenile court for allegedly engaging in delinquent conduct under Section 54.03, Family Code, for conduct defined as:

(i) a felony offense in Title 5, Penal Code; or

(ii) the felony offense of aggravated robbery under Section 29.03, Penal Code;

(E) has received probation or deferred adjudication for a felony offense under Title 5, Penal Code, or the felony offense of aggravated robbery under Section 29.03, Penal Code;

(F) has been convicted of a felony offense under Title 5, Penal Code, or the felony offense of aggravated robbery under

Section 29.03, Penal Code; or

(G) has been arrested for or charged with a felony offense under Title 5, Penal Code, or the felony offense of aggravated robbery under Section 29.03, Penal Code; and

(2) the board or the board's designee determines that the student's presence in the regular classroom:

(A) threatens the safety of other students or teachers;

(B) will be detrimental to the educational process; or

(C) is not in the best interests of the district's students.

(a-1) The student must be placed in:

(1) a juvenile justice alternative education program, if the school district is located in a county that operates a juvenile justice alternative education program or the school district contracts with the juvenile board of another county for the provision of a juvenile justice alternative education program; or

(2) a disciplinary alternative education program.

(b) Any decision of the board of trustees or the board's designee under this section is final and may not be appealed.

(c) The board of trustees or the board's designee may expel the student and order placement in accordance with this section regardless of:

(1) the date on which the student's conduct occurred;

(2) the location at which the conduct occurred;

(3) whether the conduct occurred while the student was enrolled in the district; or

(4) whether the student has successfully completed any court disposition requirements imposed in connection with the conduct.

(d) Notwithstanding Section 37.009(c) or (d) or any other provision of this subchapter, a student expelled and ordered placed in an alternative setting by the board of trustees or the board's designee is subject to that placement until:

(1) the student graduates from high school;

(2) the charges described by Subsection (a)(1) are dismissed or reduced to a misdemeanor offense; or

(3) the student completes the term of the placement or is assigned to another program.

(e) A student placed in an alternative setting in accordance with this section is entitled to the periodic review prescribed by

Section 37.009(e).

(f) Subsection (d) continues to apply to the student if the student transfers to another school district in the state.

(g) The board of trustees shall reimburse a juvenile justice alternative education program in which a student is placed under this section for the actual cost incurred each day for the student while the student is enrolled in the program. For purposes of this subsection:

(1) the actual cost incurred each day for the student is determined by the juvenile board of the county operating the program; and

(2) the juvenile board shall determine the actual cost each day of the program based on the board's annual audit.

(h) To the extent of a conflict between this section and Section 37.007, Section 37.007 prevails.

Added by Acts 2003, 78th Leg., ch. 1055, Sec. 12, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 948 (H.B. 968), Sec. 3, eff. June 17, 2011.

Sec. 37.0082. ASSESSMENT OF ACADEMIC GROWTH OF STUDENTS IN DISCIPLINARY ALTERNATIVE EDUCATION PROGRAMS. (a) To assess a student's academic growth during placement in a disciplinary alternative education program, a school district shall administer to a student placed in a program for a period of 90 school days or longer an assessment instrument approved by the commissioner for that purpose. The instrument shall be administered:

(1) initially on placement of the student in the program; and

(2) subsequently on the date of the student's departure from the program, or as near that date as possible.

(b) The assessment instrument required by this section:

(1) must be designed to assess at least a student's basic skills in reading and mathematics;

(2) may be:

(A) comparable to any assessment instrument generally

administered to students placed in juvenile justice alternative education programs for a similar purpose; or

(B) based on an appropriate alternative assessment instrument developed by the agency to measure student academic growth; and

(3) is in addition to the assessment instruments required to be administered under Chapter 39.

(c) The commissioner shall adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 2, eff. June 15, 2007.

Sec. 37.009. CONFERENCE; HEARING; REVIEW. (a) Not later than the third class day after the day on which a student is removed from class by the teacher under Section 37.002(b) or (d) or by the school principal or other appropriate administrator under Section 37.001(a)(2) or 37.006, the campus behavior coordinator or other appropriate administrator shall schedule a conference among the campus behavior coordinator or other appropriate administrator, a parent or guardian of the student, the teacher removing the student from class, if any, and the student. At the conference, the student is entitled to written or oral notice of the reasons for the removal, an explanation of the basis for the removal, and an opportunity to respond to the reasons for the removal. The student may not be returned to the regular classroom pending the conference. Following the conference, and whether or not each requested person is in attendance after valid attempts to require the person's attendance, the campus behavior coordinator, after consideration of the factors under Section 37.001(a)(4), shall order the placement of the student for a period consistent with the student code of conduct. Before ordering the suspension, expulsion, removal to a disciplinary alternative education program, or placement in a juvenile justice alternative education program of a student, the behavior coordinator must consider whether the student acted in self-defense, the intent or lack of intent at the time the student engaged in the conduct, the student's disciplinary history, and whether the student has a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct, regardless of

whether the decision of the behavior coordinator concerns a mandatory or discretionary action. If school district policy allows a student to appeal to the board of trustees or the board's designee a decision of the campus behavior coordinator or other appropriate administrator, other than an expulsion under Section 37.007, the decision of the board or the board's designee is final and may not be appealed. If the period of the placement is inconsistent with the guidelines included in the student code of conduct under Section 37.001(a)(5), the order must give notice of the inconsistency. The period of the placement may not exceed one year unless, after a review, the district determines that the student is a threat to the safety of other students or to district employees.

(b) If a student's placement in a disciplinary alternative education program is to extend beyond 60 days or the end of the next grading period, whichever is earlier, a student's parent or guardian is entitled to notice of and an opportunity to participate in a proceeding before the board of trustees of the school district or the board's designee, as provided by policy of the board of trustees of the district. Any decision of the board or the board's designee under this subsection is final and may not be appealed.

(c) Before it may place a student in a disciplinary alternative education program for a period that extends beyond the end of the school year, the board or the board's designee must determine that:

(1) the student's presence in the regular classroom program or at the student's regular campus presents a danger of physical harm to the student or to another individual; or

(2) the student has engaged in serious or persistent misbehavior that violates the district's student code of conduct.

(d) The board or the board's designee shall set a term for a student's placement in a disciplinary alternative education program. If the period of the placement is inconsistent with the guidelines included in the student code of conduct under Section 37.001(a)(5), the order must give notice of the inconsistency. The period of the placement may not exceed one year unless, after a review, the district determines that:

(1) the student is a threat to the safety of other students or to district employees; or

(2) extended placement is in the best interest of the student.

(e) A student placed in a disciplinary alternative education

program shall be provided a review of the student's status, including a review of the student's academic status, by the board's designee at intervals not to exceed 120 days. In the case of a high school student, the board's designee, with the student's parent or guardian, shall review the student's progress towards meeting high school graduation requirements and shall establish a specific graduation plan for the student. The district is not required under this subsection to provide a course in the district's disciplinary alternative education program except as required by Section 37.008(l). At the review, the student or the student's parent or guardian must be given the opportunity to present arguments for the student's return to the regular classroom or campus. The student may not be returned to the classroom of the teacher who removed the student without that teacher's consent. The teacher may not be coerced to consent.

(f) Before a student may be expelled under Section 37.007, the board or the board's designee must provide the student a hearing at which the student is afforded appropriate due process as required by the federal constitution and which the student's parent or guardian is invited, in writing, to attend. At the hearing, the student is entitled to be represented by the student's parent or guardian or another adult who can provide guidance to the student and who is not an employee of the school district. If the school district makes a good-faith effort to inform the student and the student's parent or guardian of the time and place of the hearing, the district may hold the hearing regardless of whether the student, the student's parent or guardian, or another adult representing the student attends. Before ordering the expulsion of a student, the board of trustees must consider whether the student acted in self-defense, the intent or lack of intent at the time the student engaged in the conduct, the student's disciplinary history, and whether the student has a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct, regardless of whether the decision of the board concerns a mandatory or discretionary action. If the decision to expel a student is made by the board's designee, the decision may be appealed to the board. The decision of the board may be appealed by trial de novo to a district court of the county in which the school district's central administrative office is located.

(g) The board or the board's designee shall deliver to the

student and the student's parent or guardian a copy of the order placing the student in a disciplinary alternative education program under Section 37.001, 37.002, or 37.006 or expelling the student under Section 37.007.

(h) If the period of an expulsion is inconsistent with the guidelines included in the student code of conduct under Section 37.001(a)(5), the order must give notice of the inconsistency. The period of an expulsion may not exceed one year unless, after a review, the district determines that:

(1) the student is a threat to the safety of other students or to district employees; or

(2) extended placement is in the best interest of the student. After a school district notifies the parents or guardians of a student that the student has been expelled, the parent or guardian shall provide adequate supervision of the student during the period of expulsion.

(i) If a student withdraws from the district before an order for placement in a disciplinary alternative education program or expulsion is entered under this section, the principal or board, as appropriate, may complete the proceedings and enter an order. If the student subsequently enrolls in the district during the same or subsequent school year, the district may enforce the order at that time except for any period of the placement or expulsion that has been served by the student on enrollment in another district that honored the order. If the principal or board fails to enter an order after the student withdraws, the next district in which the student enrolls may complete the proceedings and enter an order.

(j) If, during the term of a placement or expulsion ordered under this section, a student engages in additional conduct for which placement in a disciplinary alternative education program or expulsion is required or permitted, additional proceedings may be conducted under this section regarding that conduct and the principal or board, as appropriate, may enter an additional order as a result of those proceedings.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 7, eff. June 19, 1997; Acts 2003, 78th Leg., ch. 1055, Sec. 13, eff. June 20, 2003. Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1267 (S.B. 107), Sec. 4, eff.

June 20, 2015.

Sec. 37.0091. NOTICE TO NONCUSTODIAL PARENT. (a) A noncustodial parent may request in writing that a school district or school, for the remainder of the school year in which the request is received, provide that parent with a copy of any written notification relating to student misconduct under Section 37.006 or 37.007 that is generally provided by the district or school to a student's parent or guardian.

(b) A school district or school may not unreasonably deny a request authorized by Subsection (a).

(c) Notwithstanding any other provision of this section, a school district or school shall comply with any applicable court order of which the district or school has knowledge.

Added by Acts 2003, 78th Leg., ch. 1055, Sec. 14, eff. June 20, 2003.

Sec. 37.010. COURT INVOLVEMENT. (a) Not later than the second business day after the date a hearing is held under Section 37.009, the board of trustees of a school district or the board's designee shall deliver a copy of the order placing a student in a disciplinary alternative education program under Section 37.006 or expelling a student under Section 37.007 and any information required under Section 52.04, Family Code, to the authorized officer of the juvenile court in the county in which the student resides. In a county that operates a program under Section 37.011, an expelled student shall to the extent provided by law or by the memorandum of understanding immediately attend the educational program from the date of expulsion, except that in a county with a population greater than 125,000, every expelled student who is not detained or receiving treatment under an order of the juvenile court must be enrolled in an educational program.

(b) If a student is expelled under Section 37.007(c), the board or its designee shall refer the student to the authorized officer of the juvenile court for appropriate proceedings under Title 3, Family Code.

(c) Unless the juvenile board for the county in which the district's central administrative office is located has entered into

a memorandum of understanding with the district's board of trustees concerning the juvenile probation department's role in supervising and providing other support services for students in disciplinary alternative education programs, a court may not order a student expelled under Section 37.007 to attend a regular classroom, a regular campus, or a school district disciplinary alternative education program as a condition of probation.

(d) Unless the juvenile board for the county in which the district's central administrative office is located has entered into a memorandum of understanding as described by Subsection (c), if a court orders a student to attend a disciplinary alternative education program as a condition of probation once during a school year and the student is referred to juvenile court again during that school year, the juvenile court may not order the student to attend a disciplinary alternative education program in a district without the district's consent until the student has successfully completed any sentencing requirements the court imposes.

(e) Any placement in a disciplinary alternative education program by a court under this section must prohibit the student from attending or participating in school-sponsored or school-related activities.

(f) If a student is expelled under Section 37.007, on the recommendation of the committee established under Section 37.003 or on its own initiative, a district may readmit the student while the student is completing any court disposition requirements the court imposes. After the student has successfully completed any court disposition requirements the court imposes, including conditions of a deferred prosecution ordered by the court, or such conditions required by the prosecutor or probation department, if the student meets the requirements for admission into the public schools established by this title, a district may not refuse to admit the student, but the district may place the student in the disciplinary alternative education program. Notwithstanding Section 37.002(d), the student may not be returned to the classroom of the teacher under whose supervision the offense occurred without that teacher's consent. The teacher may not be coerced to consent.

(g) If an expelled student enrolls in another school district, the board of trustees of the district that expelled the student shall provide to the district in which the student enrolls, at the same time other records of the student are provided, a copy of the

expulsion order and the referral to the authorized officer of the juvenile court. The district in which the student enrolls may continue the expulsion under the terms of the order, may place the student in a disciplinary alternative education program for the period specified by the expulsion order, or may allow the student to attend regular classes without completing the period of expulsion. A district may take any action permitted by this subsection if the student was expelled by a school district in another state if:

(1) the out-of-state district provides to the district a copy of the expulsion order; and

(2) the grounds for the expulsion are also grounds for expulsion in the district in which the student is enrolling.

(g-1) If a student was expelled by a school district in another state for a period that exceeds one year and a school district in this state continues the expulsion or places the student in a disciplinary alternative education program under Subsection (g), the district shall reduce the period of the expulsion or placement so that the aggregate period does not exceed one year unless, after a review, the district determines that:

(1) the student is a threat to the safety of other students or to district employees; or

(2) extended placement is in the best interest of the student.

(h) A person is not liable in civil damages for a referral to juvenile court as required by this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 8, eff. June 19, 1997; Acts 2003, 78th Leg., ch. 1055, Sec. 15, eff. June 20, 2003.

Sec. 37.011. JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM. (a) The juvenile board of a county with a population greater than 125,000 shall develop a juvenile justice alternative education program, subject to the approval of the Texas Juvenile Justice Department. The juvenile board of a county with a population of 125,000 or less may develop a juvenile justice alternative education program. For the purposes of this subchapter, only a disciplinary alternative education program operated under the authority of a juvenile board of a county is considered a juvenile justice

alternative education program. A juvenile justice alternative education program in a county with a population of 125,000 or less:

(1) is not required to be approved by the department; and

(2) is not subject to Subsection (c), (d), (f), or (g).

(a-1) For purposes of this section and Section 37.010(a), a county with a population greater than 125,000 is considered to be a county with a population of 125,000 or less if:

(1) the county had a population of 125,000 or less according to the 2000 federal census; and

(2) the juvenile board of the county enters into, with the approval of the Texas Juvenile Justice Department, a memorandum of understanding with each school district within the county that:

(A) outlines the responsibilities of the board and school districts in minimizing the number of students expelled without receiving alternative educational services; and

(B) includes the coordination procedures required by Section 37.013.

(a-2) For purposes of this section and Section 37.010(a), a county with a population greater than 125,000 is considered to be a county with a population of 125,000 or less if the county:

(1) has a population of 180,000 or less;

(2) is adjacent to two counties, each of which has a population of more than 1.7 million; and

(3) has seven or more school districts located wholly within the county's boundaries.

(a-3) For purposes of this section and Section 37.010(a), a county with a population greater than 125,000 is considered to be a county with a population of 125,000 or less if the county:

(1) has a population of more than 200,000 and less than 220,000;

(2) has five or more school districts located wholly within the county's boundaries; and

(3) has located in the county a juvenile justice alternative education program that, on May 1, 2011, served fewer than 15 students.

(a-4) A school district located in a county considered to be a county with a population of 125,000 or less under Subsection (a-3) shall provide educational services to a student who is expelled from school under this chapter. The district is entitled to count the student in the district's average daily attendance for purposes of

receipt of state funds under the Foundation School Program. An educational placement under this section may include:

(1) the district's disciplinary alternative education program; or

(2) a contracted placement with:

(A) another school district;

(B) an open-enrollment charter school;

(C) an institution of higher education;

(D) an adult literacy council; or

(E) a community organization that can provide an educational program that allows the student to complete the credits required for high school graduation.

(a-5) For purposes of Subsection (a-4), an educational placement other than a school district's disciplinary alternative education program is subject to the educational and certification requirements applicable to an open-enrollment charter school under Subchapter D, Chapter 12.

(b) If a student admitted into the public schools of a school district under Section 25.001(b) is expelled from school for conduct for which expulsion is required under Section 37.007(a), (d), or (e), the juvenile court, the juvenile board, or the juvenile board's designee, as appropriate, shall:

(1) if the student is placed on probation under Section 54.04, Family Code, order the student to attend the juvenile justice alternative education program in the county in which the student resides from the date of disposition as a condition of probation, unless the child is placed in a post-adjudication treatment facility;

(2) if the student is placed on deferred prosecution under Section 53.03, Family Code, by the court, prosecutor, or probation department, require the student to immediately attend the juvenile justice alternative education program in the county in which the student resides for a period not to exceed six months as a condition of the deferred prosecution;

(3) in determining the conditions of the deferred prosecution or court-ordered probation, consider the length of the school district's expulsion order for the student; and

(4) provide timely educational services to the student in the juvenile justice alternative education program in the county in which the student resides, regardless of the student's age or whether the juvenile court has jurisdiction over the student.

(b-1) Subsection (b)(4) does not require that educational services be provided to a student who is not entitled to admission into the public schools of a school district under Section 25.001(b).

(c) A juvenile justice alternative education program shall adopt a student code of conduct in accordance with Section 37.001.

(d) A juvenile justice alternative education program must focus on English language arts, mathematics, science, social studies, and self-discipline. Each school district shall consider course credit earned by a student while in a juvenile justice alternative education program as credit earned in a district school. Each program shall administer assessment instruments under Subchapter B, Chapter 39, and shall offer a high school equivalency program. The juvenile board or the board's designee, with the parent or guardian of each student, shall regularly review the student's academic progress. In the case of a high school student, the board or the board's designee, with the student's parent or guardian, shall review the student's progress towards meeting high school graduation requirements and shall establish a specific graduation plan for the student. The program is not required to provide a course necessary to fulfill a student's high school graduation requirements other than a course specified by this subsection.

(e) A juvenile justice alternative education program may be provided in a facility owned by a school district. A school district may provide personnel and services for a juvenile justice alternative education program under a contract with the juvenile board.

(f) A juvenile justice alternative education program must operate at least seven hours per day and 180 days per year, except that a program may apply to the Texas Juvenile Justice Department for a waiver of the 180-day requirement. The department may not grant a waiver to a program under this subsection for a number of days that exceeds the highest number of instructional days waived by the commissioner during the same school year for a school district served by the program.

(g) A juvenile justice alternative education program shall be subject to a written operating policy developed by the local juvenile justice board and submitted to the Texas Juvenile Justice Department for review and comment. A juvenile justice alternative education program is not subject to a requirement imposed by this title, other than a reporting requirement or a requirement imposed by this chapter or by Chapter 39.

(h) Academically, the mission of juvenile justice alternative education programs shall be to enable students to perform at grade level. For purposes of accountability under Chapter 39, a student enrolled in a juvenile justice alternative education program is reported as if the student were enrolled at the student's assigned campus in the student's regularly assigned education program, including a special education program. Annually the Texas Juvenile Justice Department, with the agreement of the commissioner, shall develop and implement a system of accountability consistent with Chapter 39, where appropriate, to assure that students make progress toward grade level while attending a juvenile justice alternative education program. The department shall adopt rules for the distribution of funds appropriated under this section to juvenile boards in counties required to establish juvenile justice alternative education programs. Except as determined by the commissioner, a student served by a juvenile justice alternative education program on the basis of an expulsion required under Section 37.007(a), (d), or (e) is not eligible for Foundation School Program funding under Chapter 42 or 31 if the juvenile justice alternative education program receives funding from the department under this subchapter.

(i) A student transferred to a juvenile justice alternative education program must participate in the program for the full period ordered by the juvenile court unless the student's school district agrees to accept the student before the date ordered by the juvenile court. The juvenile court may not order a period of transfer under this section that exceeds the term of any probation ordered by the juvenile court.

(j) In relation to the development and operation of a juvenile justice alternative education program, a juvenile board and a county and a commissioners court are immune from liability to the same extent as a school district, and the juvenile board's or county's professional employees and volunteers are immune from liability to the same extent as a school district's professional employees and volunteers.

(k) Each school district in a county with a population greater than 125,000 and the county juvenile board shall annually enter into a joint memorandum of understanding that:

(1) outlines the responsibilities of the juvenile board concerning the establishment and operation of a juvenile justice alternative education program under this section;

(2) defines the amount and conditions on payments from the school district to the juvenile board for students of the school district served in the juvenile justice alternative education program whose placement was not made on the basis of an expulsion required under Section 37.007(a), (d), or (e);

(3) establishes that a student may be placed in the juvenile justice alternative education program if the student engages in serious misbehavior, as defined by Section 37.007(c);

(4) identifies and requires a timely placement and specifies a term of placement for expelled students for whom the school district has received a notice under Section 52.041(d), Family Code;

(5) establishes services for the transitioning of expelled students to the school district prior to the completion of the student's placement in the juvenile justice alternative education program;

(6) establishes a plan that provides transportation services for students placed in the juvenile justice alternative education program;

(7) establishes the circumstances and conditions under which a juvenile may be allowed to remain in the juvenile justice alternative education program setting once the juvenile is no longer under juvenile court jurisdiction; and

(8) establishes a plan to address special education services required by law.

(l) The school district shall be responsible for providing an immediate educational program to students who engage in behavior resulting in expulsion under Section 37.007(b) and (f) but who are not eligible for admission into the juvenile justice alternative education program in accordance with the memorandum of understanding required under this section. The school district may provide the program or the school district may contract with a county juvenile board, a private provider, or one or more other school districts to provide the program. The memorandum of understanding shall address the circumstances under which such students who continue to engage in serious misbehavior, as defined by Section 37.007(c), shall be admitted into the juvenile justice alternative education program.

(m) Each school district in a county with a population greater than 125,000 and the county juvenile board shall adopt a joint memorandum of understanding as required by this section not later

than September 1 of each school year.

(n) If a student who is ordered to attend a juvenile justice alternative education program moves from one county to another, the juvenile court may request the juvenile justice alternative education program in the county to which the student moves to provide educational services to the student in accordance with the local memorandum of understanding between the school district and juvenile board in the receiving county.

(o) In relation to the development and operation of a juvenile justice alternative education program, a juvenile board and a county and a commissioners court are immune from liability to the same extent as a school district, and the juvenile board's or county's employees and volunteers are immune from liability to the same extent as a school district's employees and volunteers.

(p) If a district elects to contract with the juvenile board for placement in the juvenile justice alternative education program of students expelled under Section 37.007(b), (c), and (f) and the juvenile board and district are unable to reach an agreement in the memorandum of understanding, either party may request that the issues of dispute be referred to a binding arbitration process that uses a qualified alternative dispute resolution arbitrator in which each party will pay its pro rata share of the arbitration costs. Each party must submit its final proposal to the arbitrator. If the parties cannot agree on an arbitrator, the juvenile board shall select an arbitrator, the school districts shall select an arbitrator, and those two arbitrators shall select an arbitrator who will decide the issues in dispute. An arbitration decision issued under this subsection is enforceable in a court in the county in which the juvenile justice alternative education program is located. Any decision by an arbitrator concerning the amount of the funding for a student who is expelled and attending a juvenile justice alternative education program must provide an amount sufficient based on operation of the juvenile justice alternative education program in accordance with this chapter. In determining the amount to be paid by a school district for an expelled student enrolled in a juvenile justice alternative education program, the arbitrator shall consider the relevant factors, including evidence of:

(1) the actual average total per student expenditure in the district's alternative education setting;

(2) the expected per student cost in the juvenile justice

alternative education program as described and agreed on in the memorandum of understanding and in compliance with this chapter; and

(3) the costs necessary to achieve the accountability goals under this chapter.

(q) In accordance with rules adopted by the board of trustees for the Teacher Retirement System of Texas, a certified educator employed by a juvenile board in a juvenile justice alternative education program shall be eligible for membership and participation in the system to the same extent that an employee of a public school district is eligible. The juvenile board shall make any contribution that otherwise would be the responsibility of the school district if the person were employed by the school district, and the state shall make any contribution to the same extent as if the person were employed by a school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 9, eff. June 19, 1997; Acts 1997, 75th Leg., ch. 1282, Sec. 1, eff. June 20, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.17, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1225, Sec. 2, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 1055, Sec. 16, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 376 (H.B. 1425), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 235 (H.B. 592), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 948 (H.B. 968), Sec. 4, eff. June 17, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 70.01, eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 33, eff. September 1, 2015.

Sec. 37.012. FUNDING OF JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAMS. (a) Subject to Section 37.011(n), the school district in which a student is enrolled on the date the student is expelled for conduct for which expulsion is permitted but not required under Section 37.007 shall, if the student is served by the juvenile justice alternative education program, provide funding to the

juvenile board for the portion of the school year for which the juvenile justice alternative education program provides educational services in an amount determined by the memorandum of understanding under Section 37.011(k)(2).

(b) Funds received under this section must be expended on juvenile justice alternative education programs.

(c) The Office of State-Federal Relations shall assist a local juvenile probation department in identifying additional state or federal funds to assist local juvenile probation departments conducting educational or job training programs within juvenile justice alternative education programs.

(d) A school district is not required to provide funding to a juvenile board for a student who is assigned by a court to a juvenile justice alternative education program but who has not been expelled.

(e) Except as otherwise authorized by law, a juvenile justice alternative education program may not require a student or the parent or guardian of a student to pay any fee, including an entrance fee or supply fee, for participating in the program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1015, Sec. 10, eff. June 19, 1997; Acts 2003, 78th Leg., ch. 1055, Sec. 17, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 964 (H.B. 1687), Sec. 1, eff. June 18, 2005.

Sec. 37.013. COORDINATION BETWEEN SCHOOL DISTRICTS AND JUVENILE BOARDS. The board of trustees of the school district or the board's designee shall at the call of the president of the board of trustees regularly meet with the juvenile board for the county in which the district's central administrative office is located or the juvenile board's designee concerning supervision and rehabilitative services appropriate for expelled students and students assigned to disciplinary alternative education programs. Matters for discussion shall include service by probation officers at the disciplinary alternative education program site, recruitment of volunteers to serve as mentors and provide tutoring services, and coordination with other social service agencies.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 18, eff. June 20, 2003.

Sec. 37.014. COURT-RELATED CHILDREN--LIAISON OFFICERS. Each school district shall appoint at least one educator to act as liaison officer for court-related children who are enrolled in the district. The liaison officer shall provide counselling and services for each court-related child and the child's parents to establish or reestablish normal attendance and progress of the child in the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.015. REPORTS TO LOCAL LAW ENFORCEMENT; LIABILITY. (a) The principal of a public or private primary or secondary school, or a person designated by the principal under Subsection (d), shall notify any school district police department and the police department of the municipality in which the school is located or, if the school is not in a municipality, the sheriff of the county in which the school is located if the principal has reasonable grounds to believe that any of the following activities occur in school, on school property, or at a school-sponsored or school-related activity on or off school property, whether or not the activity is investigated by school security officers:

(1) conduct that may constitute an offense listed under Section 508.149, Government Code;

(2) deadly conduct under Section 22.05, Penal Code;

(3) a terroristic threat under Section 22.07, Penal Code;

(4) the use, sale, or possession of a controlled substance, drug paraphernalia, or marihuana under Chapter 481, Health and Safety Code;

(5) the possession of any of the weapons or devices listed under Sections 46.01(1)-(14) or Section 46.01(16), Penal Code;

(6) conduct that may constitute a criminal offense under Section 71.02, Penal Code; or

(7) conduct that may constitute a criminal offense for which a student may be expelled under Section 37.007(a), (d), or (e).

(b) A person who makes a notification under this section shall

include the name and address of each student the person believes may have participated in the activity.

(c) A notification is not required under Subsection (a) if the person reasonably believes that the activity does not constitute a criminal offense.

(d) The principal of a public or private primary or secondary school may designate a school employee who is under the supervision of the principal to make the reports required by this section.

(e) The person who makes the notification required under Subsection (a) shall also notify each instructional or support employee of the school who has regular contact with a student whose conduct is the subject of the notice.

(f) A person is not liable in civil damages for reporting in good faith as required by this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 12.05, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 1055, Sec. 19, eff. June 20, 2003.

Sec. 37.016. REPORT OF DRUG OFFENSES; LIABILITY. A teacher, school administrator, or school employee is not liable in civil damages for reporting to a school administrator or governmental authority, in the exercise of professional judgment within the scope of the teacher's, administrator's, or employee's duties, a student whom the teacher suspects of using, passing, or selling, on school property:

(1) marihuana or a controlled substance, as defined by Chapter 481, Health and Safety Code;

(2) a dangerous drug, as defined by Chapter 483, Health and Safety Code;

(3) an abusable glue or aerosol paint, as defined by Chapter 485, Health and Safety Code, or a volatile chemical, as listed in Chapter 484, Health and Safety Code, if the substance is used or sold for the purpose of inhaling its fumes or vapors; or

(4) an alcoholic beverage, as defined by Section 1.04, Alcoholic Beverage Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.017. DESTRUCTION OF CERTAIN RECORDS. Information received by a school district under Article 15.27, Code of Criminal Procedure, may not be attached to the permanent academic file of the student who is the subject of the report. The school district shall destroy the information at the end of the school year in which the report was filed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.018. INFORMATION FOR EDUCATORS. Each school district shall provide each teacher and administrator with a copy of this subchapter and with a copy of the local policy relating to this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.0181. PROFESSIONAL DEVELOPMENT REGARDING DISCIPLINARY PROCEDURES. (a) Each principal or other appropriate administrator who oversees student discipline shall, at least once every three school years, attend professional development training regarding this subchapter, including training relating to the distinction between a discipline management technique used at the principal's discretion under Section 37.002(a) and the discretionary authority of a teacher to remove a disruptive student under Section 37.002(b).

(b) Professional development training under this section may be provided in coordination with regional education service centers through the use of distance learning methods, such as telecommunications networks, and using available agency resources.

Added by Acts 2013, 83rd Leg., R.S., Ch. 329 (H.B. 1952), Sec. 1, eff. June 14, 2013.

Sec. 37.019. EMERGENCY PLACEMENT OR EXPULSION. (a) This subchapter does not prevent the principal or the principal's designee from ordering the immediate placement of a student in a disciplinary alternative education program if the principal or the principal's designee reasonably believes the student's behavior is so unruly, disruptive, or abusive that it seriously interferes with a teacher's

ability to communicate effectively with the students in a class, with the ability of the student's classmates to learn, or with the operation of school or a school-sponsored activity.

(b) This subchapter does not prevent the principal or the principal's designee from ordering the immediate expulsion of a student if the principal or the principal's designee reasonably believes that action is necessary to protect persons or property from imminent harm.

(c) At the time of an emergency placement or expulsion, the student shall be given oral notice of the reason for the action. The reason must be a reason for which placement in a disciplinary alternative education program or expulsion may be made on a nonemergency basis. Within a reasonable time after the emergency placement or expulsion, but not later than the 10th day after the date of the placement or expulsion, the student shall be accorded the appropriate due process as required under Section 37.009. If the student subject to the emergency placement or expulsion is a student with disabilities who receives special education services, the emergency placement or expulsion is subject to federal law and regulations and must be consistent with the consequences that would apply under this subchapter to a student without a disability.

(d) A principal or principal's designee is not liable in civil damages for an emergency placement under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 767, Sec. 7, eff. June 13, 2001; Acts 2003, 78th Leg., ch. 1055, Sec. 20, eff. June 20, 2003.

Sec. 37.020. REPORTS RELATING TO EXPULSIONS AND DISCIPLINARY ALTERNATIVE EDUCATION PROGRAM PLACEMENTS. (a) In the manner required by the commissioner, each school district shall annually report to the commissioner the information required by this section.

(b) For each placement in a disciplinary alternative education program established under Section 37.008, the district shall report:

(1) information identifying the student, including the student's race, sex, and date of birth, that will enable the agency to compare placement data with information collected through other reports;

(2) information indicating whether the placement was based

on:

(A) conduct violating the student code of conduct adopted under Section 37.001;

(B) conduct for which a student may be removed from class under Section 37.002(b);

(C) conduct for which placement in a disciplinary alternative education program is required by Section 37.006; or

(D) conduct occurring while a student was enrolled in another district and for which placement in a disciplinary alternative education program is permitted by Section 37.008(j);

(3) the number of full or partial days the student was assigned to the program and the number of full or partial days the student attended the program; and

(4) the number of placements that were inconsistent with the guidelines included in the student code of conduct under Section 37.001(a)(5).

(c) For each expulsion under Section 37.007, the district shall report:

(1) information identifying the student, including the student's race, sex, and date of birth, that will enable the agency to compare placement data with information collected through other reports;

(2) information indicating whether the expulsion was based on:

(A) conduct for which expulsion is required under Section 37.007, including information specifically indicating whether a student was expelled on the basis of Section 37.007(e); or

(B) conduct for which expulsion is permitted under Section 37.007;

(3) the number of full or partial days the student was expelled;

(4) information indicating whether:

(A) the student was placed in a juvenile justice alternative education program under Section 37.011;

(B) the student was placed in a disciplinary alternative education program; or

(C) the student was not placed in a juvenile justice or other disciplinary alternative education program; and

(5) the number of expulsions that were inconsistent with the guidelines included in the student code of conduct under Section

37.001(a)(5).

Added by Acts 1997, 75th Leg., ch. 1015, Sec. 11, eff. June 19, 1997. Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 21, eff. June 20, 2003.

Sec. 37.021. OPPORTUNITY TO COMPLETE COURSES DURING IN-SCHOOL AND CERTAIN OTHER PLACEMENTS. (a) If a school district removes a student from the regular classroom and places the student in in-school suspension or another setting other than a disciplinary alternative education program, the district shall offer the student the opportunity to complete before the beginning of the next school year each course in which the student was enrolled at the time of the removal.

(b) The district may provide the opportunity to complete courses by any method available, including a correspondence course, distance learning, or summer school.

Added by Acts 2003, 78th Leg., ch. 1055, Sec. 22, eff. June 20, 2003.

Sec. 37.022. NOTICE OF DISCIPLINARY ACTION. (a) In this section:

(1) "Disciplinary action" means a suspension, expulsion, placement in an alternative education program, or other limitation in enrollment eligibility of a student by a district or school.

(2) "District or school" includes an independent school district, a home-rule school district, a campus or campus program charter holder, or an open-enrollment charter school.

(b) If a district or school takes disciplinary action against a student and the student subsequently enrolls in another district or school before the expiration of the period of disciplinary action, the governing body of the district or school taking the disciplinary action shall provide to the district or school in which the student enrolls, at the same time other records of the student are provided, a copy of the order of disciplinary action.

(c) Subject to Section 37.007(e), the district or school in which the student enrolls may continue the disciplinary action under the terms of the order or may allow the student to attend regular classes without completing the period of disciplinary action.

Added by Acts 2003, 78th Leg., ch. 631, Sec. 1, eff. June 20, 2003. Renumbered from Education Code, Section 37.021 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(16), eff. September 1, 2005.

SUBCHAPTER B. SCHOOL-COMMUNITY GUIDANCE CENTERS

Sec. 37.051. ESTABLISHMENT. Each school district may establish a school-community guidance center designed to locate and assist children with problems that interfere with education, including juvenile offenders and children with severe behavioral problems or character disorders. Each center shall coordinate the efforts of school district personnel, local police departments, school attendance officers, and probation officers in working with students, dropouts, and parents in identifying and correcting factors that adversely affect the education of the children.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.052. COOPERATIVE PROGRAMS. The board of trustees of a school district may develop cooperative programs with state youth agencies for children found to have engaged in delinquent conduct.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.053. COOPERATION OF GOVERNMENTAL AGENCIES. (a) Each governmental agency that is concerned with children and that has jurisdiction in the school district shall cooperate with the school-community guidance centers on the request of the superintendent of the district and shall designate a liaison to work with the centers in identifying and correcting problems affecting school-age children in the district.

(b) The governmental agency may establish or finance a school-community guidance center jointly with the school district according to terms approved by the governing body of each entity participating in the joint establishment or financing of the center.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.054. PARENTAL NOTICE, CONSENT, AND ACCESS TO INFORMATION. (a) Before a student is admitted to a school-community guidance center, the administrator of the center must notify the student's parent or guardian that the student has been assigned to attend the center.

(b) The notification must include:

(1) the reason that the student has been assigned to the center;

(2) a statement that on request the parent or guardian is entitled to be fully informed in writing of any treatment method or testing program involving the student; and

(3) a statement that the parent or guardian may request to be advised and to give written, signed consent for any psychological testing or treatment involving the student.

(c) If, after notification, a parent refuses to consent to testing or treatment of the student, the center may not provide any further psychological treatment or testing.

(d) A parent or guardian of a student attending a center is entitled to inspect:

(1) any instructional or guidance material to be used by the student, including teachers' manuals, tapes, and films; and

(2) the results of any treatment, testing, or guidance method involving the student.

(e) The administrator of the center may set a schedule for inspection of materials that allows reasonable access but does not interfere with the conduct of classes or business activities of the school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.055. PARENTAL INVOLVEMENT. (a) On admitting a student to a school-community guidance center, a representative of the school district, the student, and the student's parent shall develop an agreement that specifies the responsibilities of the parent and the student. The agreement must include:

(1) a statement of the student's behavioral and learning objectives;

(2) a requirement that the parent attend specified meetings and conferences for teacher review of the student's progress; and

(3) the parent's acknowledgement that the parent understands and accepts the responsibilities imposed by the agreement regarding attendance at meetings and conferences and assistance in meeting other objectives, defined by the district, to aid student remediation.

(b) The superintendent of the school district may obtain a court order from a district court in the school district requiring a parent to comply with an agreement made under this section. A parent who violates a court order issued under this subsection may be punished for contempt of court.

(c) In this section, "parent" includes a legal guardian.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.056. COURT SUPERVISION. (a) In this section, "court" means a juvenile court or alternate juvenile court designated under Chapter 51, Family Code. The court may delegate responsibility under this section to a referee appointed under Section 51.04, Family Code.

(b) If a representative of the school district, the student, and the parent or guardian for any reason fail to reach an agreement under Section 37.055, the court may, on the request of any party and after a hearing, enter an order establishing the responsibilities and duties of each of the parties as the court considers appropriate.

(c) The court may compel attendance at any hearing held under this section through any legal process, including subpoena and habeas corpus.

(d) If the parties reach an agreement under Section 37.055, and if the written agreement so provides, the court may enter an order that incorporates the terms of the agreement.

(e) Any party who violates an order issued under this section may be punished for contempt of court.

(f) A school district may enter into an agreement to share the costs incurred by a county under this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. LAW AND ORDER

Sec. 37.081. SCHOOL DISTRICT PEACE OFFICERS AND SECURITY PERSONNEL. (a) The board of trustees of any school district may

employ security personnel and may commission peace officers to carry out this subchapter. If a board of trustees authorizes a person employed as security personnel to carry a weapon, the person must be a commissioned peace officer. The jurisdiction of a peace officer or security personnel under this section shall be determined by the board of trustees and may include all territory in the boundaries of the school district and all property outside the boundaries of the district that is owned, leased, or rented by or otherwise under the control of the school district and the board of trustees that employ the peace officer or security personnel.

(b) In a peace officer's jurisdiction, a peace officer commissioned under this section:

(1) has the powers, privileges, and immunities of peace officers;

(2) may enforce all laws, including municipal ordinances, county ordinances, and state laws;

(3) may, in accordance with Chapter 52, Family Code, or Article 45.058, Code of Criminal Procedure, take a child into custody; and

(4) may dispose of cases in accordance with Section 52.03 or 52.031, Family Code.

(c) A school district peace officer may provide assistance to another law enforcement agency. A school district may contract with a political subdivision for the jurisdiction of a school district peace officer to include all territory in the jurisdiction of the political subdivision.

(d) A school district peace officer shall perform law enforcement duties for the school district as determined by the board of trustees of the school district. Those duties must include protecting:

(1) the safety and welfare of any person in the jurisdiction of the peace officer; and

(2) the property of the school district.

(e) The board of trustees of the district shall determine the scope of the on-duty and off-duty law enforcement activities of school district peace officers. A school district must authorize in writing any off-duty law enforcement activities performed by a school district peace officer.

(f) The chief of police of the school district police department shall be accountable to the superintendent and shall

report to the superintendent. School district police officers shall be supervised by the chief of police of the school district or the chief of police's designee and shall be licensed by the Texas Commission on Law Enforcement.

(g) A school district police department and the law enforcement agencies with which it has overlapping jurisdiction shall enter into a memorandum of understanding that outlines reasonable communication and coordination efforts between the department and the agencies.

(h) A peace officer assigned to duty and commissioned under this section shall take and file the oath required of peace officers and shall execute and file a bond in the sum of $1,000, payable to the board of trustees, with two or more sureties, conditioned that the peace officer will fairly, impartially, and faithfully perform all the duties that may be required of the peace officer by law. The bond may be sued on in the name of any person injured until the whole amount of the bond is recovered. Any peace officer commissioned under this section must meet all minimum standards for peace officers established by the Texas Commission on Law Enforcement.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.11, eff. May 18, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 9, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 4, eff. September 1, 2013.

Sec. 37.0811. SCHOOL MARSHALS. (a) The board of trustees of a school district or the governing body of an open-enrollment charter school may appoint not more than one school marshal per 400 students in average daily attendance per campus.

(b) The board of trustees of a school district or the governing body of an open-enrollment charter school may select for appointment as a school marshal under this section an applicant who is an employee of the school district or open-enrollment charter school and certified as eligible for appointment under Section 1701.260, Occupations Code. The board of trustees or governing body may, but shall not be required to, reimburse the amount paid by the applicant

to participate in the training program under that section.

(c) A school marshal appointed by the board of trustees of a school district or the governing body of an open-enrollment charter school may carry or possess a handgun on the physical premises of a school, but only:

(1) in the manner provided by written regulations adopted by the board of trustees or the governing body; and

(2) at a specific school as specified by the board of trustees or governing body, as applicable.

(d) Any written regulations adopted for purposes of Subsection (c) must provide that a school marshal may carry a concealed handgun as described by Subsection (c), except that if the primary duty of the school marshal involves regular, direct contact with students, the marshal may not carry a concealed handgun but may possess a handgun on the physical premises of a school in a locked and secured safe within the marshal's immediate reach when conducting the marshal's primary duty. The written regulations must also require that a handgun carried by or within access of a school marshal may be loaded only with frangible ammunition designed to disintegrate on impact for maximum safety and minimal danger to others.

(e) A school marshal may access a handgun under this section only under circumstances that would justify the use of deadly force under Section 9.32 or 9.33, Penal Code.

(f) A school district or charter school employee's status as a school marshal becomes inactive on:

(1) expiration of the employee's school marshal license under Section 1701.260, Occupations Code;

(2) suspension or revocation of the employee's license to carry a handgun issued under Subchapter H, Chapter 411, Government Code;

(3) termination of the employee's employment with the district or charter school; or

(4) notice from the board of trustees of the district or the governing body of the charter school that the employee's services as school marshal are no longer required.

(g) The identity of a school marshal appointed under this section is confidential, except as provided by Section 1701.260(j), Occupations Code, and is not subject to a request under Chapter 552, Government Code.

(h) If a parent or guardian of a student enrolled at a school

inquires in writing, the school district or open-enrollment charter school shall provide the parent or guardian written notice indicating whether any employee of the school is currently appointed a school marshal. The notice may not disclose information that is confidential under Subsection (g).

Added by Acts 2013, 83rd Leg., R.S., Ch. 655 (H.B. 1009), Sec. 3, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 437 (H.B. 910), Sec. 8, eff. January 1, 2016.
Acts 2015, 84th Leg., R.S., Ch. 1176 (S.B. 996), Sec. 1, eff. June 19, 2015.

Sec. 37.0812. TRAINING POLICY: SCHOOL DISTRICT PEACE OFFICERS AND SCHOOL RESOURCE OFFICERS. A school district with an enrollment of 30,000 or more students that commissions a school district peace officer or at which a school resource officer provides law enforcement shall adopt a policy requiring the officer to complete the education and training program required by Section 1701.263, Occupations Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1258 (H.B. 2684), Sec. 1, eff. June 20, 2015.

Sec. 37.082. POSSESSION OF PAGING DEVICES. (a) The board of trustees of a school district may adopt a policy prohibiting a student from possessing a paging device while on school property or while attending a school-sponsored or school-related activity on or off school property. The policy may establish disciplinary measures to be imposed for violation of the prohibition and may provide for confiscation of the paging device.

(b) The policy may provide for the district to:

(1) dispose of a confiscated paging device in any reasonable manner after having provided the student's parent and the company whose name and address or telephone number appear on the device 30 days' prior notice of its intent to dispose of that device. The notice shall include the serial number of the device and may be made by telephone, telegraph, or in writing; and

(2) charge the owner of the device or the student's parent an administrative fee not to exceed $15 before it releases the device.

(c) In this section, "paging device" means a telecommunications device that emits an audible signal, vibrates, displays a message, or otherwise summons or delivers a communication to the possessor. The term does not include an amateur radio under the control of an operator who holds an amateur radio station license issued by the Federal Communications Commission.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 2.02, eff. September 1, 2007.

Sec. 37.083. DISCIPLINE MANAGEMENT PROGRAMS; SEXUAL HARASSMENT POLICIES. (a) Each school district shall adopt and implement a discipline management program to be included in the district improvement plan under Section 11.252. The program must provide for prevention of and education concerning unwanted physical or verbal aggression and sexual harassment in school, on school grounds, and in school vehicles.

(b) Each school district may develop and implement a sexual harassment policy to be included in the district improvement plan under Section 11.252.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 920 (H.B. 283), Sec. 4, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 6, eff. June 17, 2011.

Sec. 37.0831. DATING VIOLENCE POLICIES. (a) Each school district shall adopt and implement a dating violence policy to be included in the district improvement plan under Section 11.252.

(b) A dating violence policy must:

(1) include a definition of dating violence that includes the intentional use of physical, sexual, verbal, or emotional abuse

by a person to harm, threaten, intimidate, or control another person in a dating relationship, as defined by Section 71.0021, Family Code; and

(2) address safety planning, enforcement of protective orders, school-based alternatives to protective orders, training for teachers and administrators, counseling for affected students, and awareness education for students and parents.

Added by Acts 2007, 80th Leg., R.S., Ch. 131 (H.B. 121), Sec. 1, eff. May 18, 2007.

Sec. 37.0832. BULLYING PREVENTION POLICIES AND PROCEDURES. (a) In this section, "bullying" means, subject to Subsection (b), engaging in written or verbal expression, expression through electronic means, or physical conduct that occurs on school property, at a school-sponsored or school-related activity, or in a vehicle operated by the district and that:

(1) has the effect or will have the effect of physically harming a student, damaging a student's property, or placing a student in reasonable fear of harm to the student's person or of damage to the student's property; or

(2) is sufficiently severe, persistent, and pervasive enough that the action or threat creates an intimidating, threatening, or abusive educational environment for a student.

(b) Conduct described by Subsection (a) is considered bullying if that conduct:

(1) exploits an imbalance of power between the student perpetrator and the student victim through written or verbal expression or physical conduct; and

(2) interferes with a student's education or substantially disrupts the operation of a school.

(c) The board of trustees of each school district shall adopt a policy, including any necessary procedures, concerning bullying that:

(1) prohibits the bullying of a student;

(2) prohibits retaliation against any person, including a victim, a witness, or another person, who in good faith provides information concerning an incident of bullying;

(3) establishes a procedure for providing notice of an incident of bullying to a parent or guardian of the victim and a

parent or guardian of the bully within a reasonable amount of time after the incident;

(4) establishes the actions a student should take to obtain assistance and intervention in response to bullying;

(5) sets out the available counseling options for a student who is a victim of or a witness to bullying or who engages in bullying;

(6) establishes procedures for reporting an incident of bullying, investigating a reported incident of bullying, and determining whether the reported incident of bullying occurred;

(7) prohibits the imposition of a disciplinary measure on a student who, after an investigation, is found to be a victim of bullying, on the basis of that student's use of reasonable self-defense in response to the bullying; and

(8) requires that discipline for bullying of a student with disabilities comply with applicable requirements under federal law, including the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

(d) The policy and any necessary procedures adopted under Subsection (c) must be included:

(1) annually, in the student and employee school district handbooks; and

(2) in the district improvement plan under Section 11.252.

(e) The procedure for reporting bullying established under Subsection (c) must be posted on the district's Internet website to the extent practicable.

Added by Acts 2011, 82nd Leg., R.S., Ch. 776 (H.B. 1942), Sec. 7, eff. June 17, 2011.

Sec. 37.084. INTERAGENCY SHARING OF RECORDS. (a) A school district superintendent or the superintendent's designee shall disclose information contained in a student's educational records to a juvenile service provider as required by Section 58.0051, Family Code.

(b) The commissioner may enter into an interagency agreement to share educational information for research and analytical purposes with the:

(1) Texas Juvenile Justice Department; and

(2) Texas Department of Criminal Justice.

(c) This section does not require or authorize release of student-level information except in conformity with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), as amended.

Added by Acts 1999, 76th Leg., ch. 217, Sec. 2, eff. May 24, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 653 (S.B. 1106), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 34, eff. September 1, 2015.

Sec. 37.085. ARRESTS PROHIBITED FOR CERTAIN CLASS C MISDEMEANORS. Notwithstanding any other provision of law, a warrant may not be issued for the arrest of a person for a Class C misdemeanor under this code committed when the person was younger than 17 years of age.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 5, eff. September 1, 2013.

SUBCHAPTER D. PROTECTION OF BUILDINGS AND GROUNDS

Sec. 37.101. APPLICABILITY OF CRIMINAL LAWS. The criminal laws of the state apply in the areas under the control and jurisdiction of the board of trustees of any school district in this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.102. RULES; PENALTY. (a) The board of trustees of a school district may adopt rules for the safety and welfare of students, employees, and property and other rules it considers necessary to carry out this subchapter and the governance of the district, including rules providing for the operation and parking of vehicles on school property. The board may adopt and charge a reasonable fee for parking and for providing traffic control.

(b) A law or ordinance regulating traffic on a public highway or street applies to the operation of a vehicle on school property,

except as modified by this subchapter.

(c) A person who violates any rule adopted under this subchapter providing for the operation and parking of vehicles on school property commits an offense. An offense under this section is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1167 (H.B. 278), Sec. 1, eff. September 1, 2007.

Sec. 37.103. ENFORCEMENT OF RULES. Notwithstanding any other provision of this subchapter, the board of trustees of a school district may authorize any officer commissioned by the board to enforce rules adopted by the board. This subchapter is not intended to restrict the authority of each district to adopt and enforce appropriate rules for the orderly conduct of the district in carrying out its purposes and objectives or the right of separate jurisdiction relating to the conduct of its students and personnel.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.104. COURTS HAVING JURISDICTION. The judge of a municipal court of a municipality in which, or any justice of the peace of a county in which, property under the control and jurisdiction of a school district is located may hear and determine criminal cases involving violations of this subchapter or rules adopted under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.105. UNAUTHORIZED PERSONS: REFUSAL OF ENTRY, EJECTION, IDENTIFICATION. The board of trustees of a school district or its authorized representative may refuse to allow a person without legitimate business to enter on property under the board's control and may eject any undesirable person from the property on the person's refusal to leave peaceably on request. Identification may be required of any person on the property.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.106. VEHICLE IDENTIFICATION INSIGNIA. The board of trustees of a school district may provide for the issuance and use of suitable vehicle identification insignia. The board may bar or suspend a person from driving or parking a vehicle on any school property as a result of the person's violation of any rule adopted by the board or of this subchapter. Reinstatement of the privileges may be permitted and a reasonable fee assessed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.107. TRESPASS ON SCHOOL GROUNDS. An unauthorized person who trespasses on the grounds of any school district of this state commits an offense. An offense under this section is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.108. MULTIHAZARD EMERGENCY OPERATIONS PLAN; SAFETY AND SECURITY AUDIT. (a) Each school district or public junior college district shall adopt and implement a multihazard emergency operations plan for use in the district's facilities. The plan must address mitigation, preparedness, response, and recovery as defined by the commissioner of education or commissioner of higher education in conjunction with the governor's office of homeland security. The plan must provide for:

(1) district employee training in responding to an emergency;

(2) if the plan applies to a school district, mandatory school drills and exercises to prepare district students and employees for responding to an emergency;

(3) measures to ensure coordination with the Department of State Health Services and local emergency management agencies, law enforcement, health departments, and fire departments in the event of an emergency; and

(4) the implementation of a safety and security audit as required by Subsection (b).

(b) At least once every three years, each school district or public junior college district shall conduct a safety and security audit of the district's facilities. To the extent possible, a district shall follow safety and security audit procedures developed by the Texas School Safety Center or a comparable public or private entity.

(c) A school district or public junior college district shall report the results of the safety and security audit conducted under Subsection (b) to the district's board of trustees and, in the manner required by the Texas School Safety Center, to the Texas School Safety Center.

(c-1) Except as provided by Subsection (c-2), any document or information collected, developed, or produced during a safety and security audit conducted under Subsection (b) is not subject to disclosure under Chapter 552, Government Code.

(c-2) A document relating to a school district's or public junior college district's multihazard emergency operations plan is subject to disclosure if the document enables a person to:

(1) verify that the district has established a plan and determine the agencies involved in the development of the plan and the agencies coordinating with the district to respond to an emergency, including the Department of State Health Services, local emergency services agencies, law enforcement agencies, health departments, and fire departments;

(2) verify that the district's plan was reviewed within the last 12 months and determine the specific review dates;

(3) verify that the plan addresses the four phases of emergency management under Subsection (a);

(4) verify that district employees have been trained to respond to an emergency and determine the types of training, the number of employees trained, and the person conducting the training;

(5) verify that each campus in the district has conducted mandatory emergency drills and exercises in accordance with the plan and determine the frequency of the drills;

(6) if the district is a school district, verify that the district has established a plan for responding to a train derailment if required under Subsection (d);

(7) verify that the district has completed a safety and security audit under Subsection (b) and determine the date the audit was conducted, the person conducting the audit, and the date the

district presented the results of the audit to the district's board of trustees;

(8) verify that the district has addressed any recommendations by the district's board of trustees for improvement of the plan and determine the district's progress within the last 12 months; and

(9) if the district is a school district, verify that the district has established a visitor policy and identify the provisions governing access to a district building or other district property.

(d) A school district shall include in its multihazard emergency operations plan a policy for responding to a train derailment near a district school. A school district is only required to adopt the policy described by this subsection if a district school is located within 1,000 yards of a railroad track, as measured from any point on the school's real property boundary line. The school district may use any available community resources in developing the policy described by this subsection.

Added by Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 1, eff. September 1, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 3.02, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1326 (S.B. 1504), Sec. 2, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.01, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.02, eff. September 1, 2009.

For expiration of this section, see Subsection (c).

Sec. 37.1081. SCHOOL SAFETY CERTIFICATION PROGRAM. (a) The Texas School Safety Center, in consultation with the School Safety Task Force established under Section 37.1082, shall develop a school safety certification program.

(b) The Texas School Safety Center shall award a school safety certificate to a school district that:

(1) has adopted and implemented a multihazard emergency operations plan as required under Section 37.108 and that includes in

that plan:

(A) measures for security of facilities and grounds;

(B) measures for communication with parents and the media in the event of an emergency; and

(C) an outline of safety training for school employees;

(2) demonstrates to the center with current written self-audit processes that the district conducts at least one drill per year for each of the following types of drills:

(A) a school lockdown drill;

(B) an evacuation drill;

(C) a weather-related emergency drill;

(D) a reverse evacuation drill; and

(E) a shelter-in-place drill;

(3) is in compliance with Sections 37.108(b) and (c); and

(4) meets any other eligibility criteria as recommended by the School Safety Task Force.

(c) The certification program is abolished and this section expires September 1, 2017.

Added by Acts 2013, 83rd Leg., R.S., Ch. 620 (S.B. 1556), Sec. 1, eff. June 14, 2013.

For expiration of this section, see Subsection (g).

Sec. 37.1082. SCHOOL SAFETY TASK FORCE. (a) The School Safety Task Force is established to:

(1) study, on an ongoing basis, best practices for school multihazard emergency operations planning; and

(2) based on those studies, make recommendations to the legislature, the Texas School Safety Center, and the governor's office of homeland security.

(b) The task force is composed of:

(1) the chief of the Texas Division of Emergency Management, or the chief's designee;

(2) the training director of the Advanced Law Enforcement Rapid Response Training Center at Texas State University--San Marcos, or the training director's designee;

(3) the chairperson of the Texas School Safety Center, or the chairperson's designee; and

(4) the agency director of the Texas A&M Engineering

Extension Service, or the agency director's designee.

(c) The chief of the Texas Division of Emergency Management, or the chief's designee, shall serve as the presiding officer of the task force.

(d) A member of the task force is not entitled to compensation for service on the task force but is entitled to reimbursement for actual and necessary expenses incurred in performing task force duties.

(e) In performing the task force's duties under this section for schools, the task force shall consult with and consider recommendations from school district and school personnel, including school safety personnel and educators, and from first responders, emergency managers, local officials, representatives of appropriate nonprofit organizations, and other interested parties with knowledge and experience concerning school emergency operations planning.

(f) Not later than September 1 of each even-numbered year, the task force shall prepare and submit to the legislature a report concerning the results of the task force's most recent study, including any recommendations for statutory changes the task force considers necessary or appropriate to improve school multihazard emergency operations.

(g) The task force is abolished and this section expires September 1, 2017.

Added by Acts 2013, 83rd Leg., R.S., Ch. 620 (S.B. 1556), Sec. 1, eff. June 14, 2013.

Sec. 37.109. SCHOOL SAFETY AND SECURITY COMMITTEE. (a) In accordance with guidelines established by the Texas School Safety Center, each school district shall establish a school safety and security committee.

(b) The committee shall:

(1) participate on behalf of the district in developing and implementing emergency plans consistent with the district multihazard emergency operations plan required by Section 37.108(a) to ensure that the plans reflect specific campus, facility, or support services needs;

(2) provide the district with any campus, facility, or support services information required in connection with a safety and

security audit required by Section 37.108(b), a safety and security audit report required by Section 37.108(c), or another report required to be submitted by the district to the Texas School Safety Center; and

(3) review each report required to be submitted by the district to the Texas School Safety Center to ensure that the report contains accurate and complete information regarding each campus, facility, or support service in accordance with criteria established by the center.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.03, eff. September 1, 2009.

Sec. 37.110. INFORMATION REGARDING GANG-FREE ZONES. The superintendent of each public school district and the administrator of each private elementary or secondary school located in the public school district shall ensure that the student handbook for each campus in the public school district includes information on gang-free zones and the consequences of engaging in organized criminal activity within those zones.

Added by Acts 2009, 81st Leg., R.S., Ch. 1130 (H.B. 2086), Sec. 4, eff. June 19, 2009.

SUBCHAPTER E. PENAL PROVISIONS

Sec. 37.121. FRATERNITIES, SORORITIES, SECRET SOCIETIES, AND GANGS. (a) A person commits an offense if the person:

(1) is a member of, pledges to become a member of, joins, or solicits another person to join or pledge to become a member of a public school fraternity, sorority, secret society, or gang; or

(2) is not enrolled in a public school and solicits another person to attend a meeting of a public school fraternity, sorority, secret society, or gang or a meeting at which membership in one of those groups is encouraged.

(b) A school district board of trustees or an educator shall recommend placing in a disciplinary alternative education program any student under the person's control who violates Subsection (a).

(c) An offense under this section is a Class C misdemeanor.

(d) In this section, "public school fraternity, sorority,

secret society, or gang" means an organization composed wholly or in part of students of public primary or secondary schools that seeks to perpetuate itself by taking in additional members from the students enrolled in school on the basis of the decision of its membership rather than on the free choice of a student in the school who is qualified by the rules of the school to fill the special aims of the organization. The term does not include an agency for public welfare, including Boy Scouts, Hi-Y, Girl Reserves, DeMolay, Rainbow Girls, Pan-American Clubs, scholarship societies, or other similar educational organizations sponsored by state or national education authorities.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 1055, Sec. 23, eff. June 20, 2003.

Sec. 37.122. POSSESSION OF INTOXICANTS ON PUBLIC SCHOOL GROUNDS. (a) A person commits an offense if the person possesses an intoxicating beverage for consumption, sale, or distribution while:

(1) on the grounds or in a building of a public school; or

(2) entering or inside any enclosure, field, or stadium where an athletic event sponsored or participated in by a public school of this state is being held.

(b) An officer of this state who sees a person violating this section shall immediately seize the intoxicating beverage and, within a reasonable time, deliver it to the county or district attorney to be held as evidence until the trial of the accused possessor.

(c) An offense under this section is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.123. DISRUPTIVE ACTIVITIES. (a) A person commits an offense if the person, alone or in concert with others, intentionally engages in disruptive activity on the campus or property of any private or public school.

(b) For purposes of this section, disruptive activity is:

(1) obstructing or restraining the passage of persons in an exit, entrance, or hallway of a building without the authorization of the administration of the school;

(2) seizing control of a building or portion of a building to interfere with an administrative, educational, research, or other authorized activity;

(3) preventing or attempting to prevent by force or violence or the threat of force or violence a lawful assembly authorized by the school administration so that a person attempting to participate in the assembly is unable to participate due to the use of force or violence or due to a reasonable fear that force or violence is likely to occur;

(4) disrupting by force or violence or the threat of force or violence a lawful assembly in progress; or

(5) obstructing or restraining the passage of a person at an exit or entrance to the campus or property or preventing or attempting to prevent by force or violence or by threats of force or violence the ingress or egress of a person to or from the property or campus without the authorization of the administration of the school.

(c) An offense under this section is a Class B misdemeanor.

(d) Any person who is convicted the third time of violating this section is ineligible to attend any institution of higher education receiving funds from this state before the second anniversary of the third conviction.

(e) This section may not be construed to infringe on any right of free speech or expression guaranteed by the constitution of the United States or of this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.124. DISRUPTION OF CLASSES. (a) A person other than a primary or secondary grade student enrolled in the school commits an offense if the person, on school property or on public property within 500 feet of school property, alone or in concert with others, intentionally disrupts the conduct of classes or other school activities.

(b) An offense under this section is a Class C misdemeanor.

(c) In this section:

(1) "Disrupting the conduct of classes or other school activities" includes:

(A) emitting noise of an intensity that prevents or hinders classroom instruction;

(B) enticing or attempting to entice a student away from a class or other school activity that the student is required to attend;

(C) preventing or attempting to prevent a student from attending a class or other school activity that the student is required to attend; and

(D) entering a classroom without the consent of either the principal or the teacher and, through either acts of misconduct or the use of loud or profane language, disrupting class activities.

(2) "Public property" includes a street, highway, alley, public park, or sidewalk.

(3) "School property" includes a public school campus or school grounds on which a public school is located and any grounds or buildings used by a school for an assembly or other school-sponsored activity.

(d) It is an exception to the application of Subsection (a) that, at the time the person engaged in conduct prohibited under that subsection, the person was younger than 12 years of age.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 691 (H.B. 359), Sec. 4, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 10, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 6, eff. September 1, 2013.

Sec. 37.125. EXHIBITION OF FIREARMS. (a) A person commits an offense if, in a manner intended to cause alarm or personal injury to another person or to damage school property, the person intentionally exhibits, uses, or threatens to exhibit or use a firearm:

(1) in or on any property, including a parking lot, parking garage, or other parking area, that is owned by a private or public school; or

(2) on a school bus being used to transport children to or from school-sponsored activities of a private or public school.

(b) An offense under this section is a third degree felony.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by:
Acts 2007, 80th Leg., R.S., Ch. 704 (H.B. 2112), Sec. 1, eff. September 1, 2007.

Sec. 37.126. DISRUPTION OF TRANSPORTATION. (a) Except as provided by Section 37.125, a person other than a primary or secondary grade student commits an offense if the person intentionally disrupts, prevents, or interferes with the lawful transportation of children:

(1) to or from school on a vehicle owned or operated by a county or independent school district; or

(2) to or from an activity sponsored by a school on a vehicle owned or operated by a county or independent school district.

(b) An offense under this section is a Class C misdemeanor.

(c) It is an exception to the application of Subsection (a)(1) that, at the time the person engaged in conduct prohibited under that subdivision, the person was younger than 12 years of age.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 691 (H.B. 359), Sec. 5, eff. September 1, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 11, eff. September 1, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1409 (S.B. 1114), Sec. 7, eff. September 1, 2013.

SUBCHAPTER E-1. CRIMINAL PROCEDURE

Sec. 37.141. DEFINITIONS. In this subchapter:

(1) "Child" means a person who is:

(A) a student; and

(B) at least 10 years of age and younger than 18 years of age.

(2) "School offense" means an offense committed by a child enrolled in a public school that is a Class C misdemeanor other than a traffic offense and that is committed on property under the control and jurisdiction of a school district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12,

eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1132 (S.B. 108), Sec. 4, eff. September 1, 2015.

Sec. 37.142. CONFLICT OF LAW. To the extent of any conflict, this subchapter controls over any other law applied to a school offense alleged to have been committed by a child.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.

Sec. 37.143. CITATION PROHIBITED; CUSTODY OF CHILD. (a) A peace officer, law enforcement officer, or school resource officer may not issue a citation to a child who is alleged to have committed a school offense.

(b) This subchapter does not prohibit a child from being taken into custody under Section 52.01, Family Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1132 (S.B. 108), Sec. 5, eff. September 1, 2015.

Sec. 37.144. GRADUATED SANCTIONS FOR CERTAIN SCHOOL OFFENSES. (a) A school district that commissions peace officers under Section 37.081 may develop a system of graduated sanctions that the school district may require to be imposed on a child before a complaint is filed under Section 37.145 against the child for a school offense that is an offense under Section 37.124 or 37.126 or under Section 42.01(a)(1), (2), (3), (4), or (5), Penal Code. A system adopted under this section must include multiple graduated sanctions. The system may require:

(1) a warning letter to be issued to the child and the child's parent or guardian that specifically states the child's alleged school offense and explains the consequences if the child engages in additional misconduct;

(2) a behavior contract with the child that must be signed by the child, the child's parent or guardian, and an employee of the school and that includes a specific description of the behavior that is required or prohibited for the child and the penalties for additional alleged school offenses, including additional disciplinary action or the filing of a complaint in a criminal court;

(3) the performance of school-based community service by the child; and

(4) the referral of the child to counseling, community-based services, or other in-school or out-of-school services aimed at addressing the child's behavioral problems.

(b) A referral made under Subsection (a)(4) may include participation by the child's parent or guardian if necessary.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.

Sec. 37.145. COMPLAINT. If a child fails to comply with or complete graduated sanctions under Section 37.144, or if the school district has not elected to adopt a system of graduated sanctions under that section, the school may file a complaint against the child with a criminal court in accordance with Section 37.146.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.

Sec. 37.146. REQUISITES OF COMPLAINT. (a) A complaint alleging the commission of a school offense must, in addition to the requirements imposed by Article 45.019, Code of Criminal Procedure:

(1) be sworn to by a person who has personal knowledge of the underlying facts giving rise to probable cause to believe that an offense has been committed; and

(2) be accompanied by a statement from a school employee stating:

(A) whether the child is eligible for or receives special services under Subchapter A, Chapter 29; and

(B) the graduated sanctions, if required under Section 37.144, that were imposed on the child before the complaint was filed.

(b) After a complaint has been filed under this subchapter, a summons may be issued under Articles 23.04 and 45.057(e), Code of Criminal Procedure.

(c) A complaint under this subchapter may include a recommendation by a school employee that the child attend a teen court program under Article 45.052, Code of Criminal Procedure, if the school employee believes attending a teen court program is in the best interest of the child.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1132 (S.B. 108), Sec. 6, eff. September 1, 2015.

Sec. 37.147. PROSECUTING ATTORNEYS. An attorney representing the state in a court with jurisdiction may adopt rules pertaining to the filing of a complaint under this subchapter that the state considers necessary in order to:

(1) determine whether there is probable cause to believe that the child committed the alleged offense;

(2) review the circumstances and allegations in the complaint for legal sufficiency; and

(3) see that justice is done.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1407 (S.B. 393), Sec. 12, eff. September 1, 2013.

Sec. 37.148. RIGHT TO REPORT CRIME. (a) An employee of a school district or open-enrollment charter school may report a crime witnessed at the school to any peace officer with authority to investigate the crime.

(b) A school district or open-enrollment charter school may not adopt a policy requiring a school employee to:

(1) refrain from reporting a crime witnessed at the school; or

(2) report a crime witnessed at the school only to certain persons or peace officers.

Added by Acts 2015, 84th Leg., R.S., Ch. 1043 (H.B. 1783), Sec. 4, eff. September 1, 2015.

SUBCHAPTER F. HAZING

Sec. 37.151. DEFINITIONS. In this subchapter:

(1) "Educational institution" includes a public or private high school.

(2) "Pledge" means any person who has been accepted by, is considering an offer of membership from, or is in the process of qualifying for membership in an organization.

(3) "Pledging" means any action or activity related to becoming a member of an organization.

(4) "Student" means any person who:

(A) is registered in or in attendance at an educational institution;

(B) has been accepted for admission at the educational institution where the hazing incident occurs; or

(C) intends to attend an educational institution during any of its regular sessions after a period of scheduled vacation.

(5) "Organization" means a fraternity, sorority, association, corporation, order, society, corps, club, or service, social, or similar group, whose members are primarily students.

(6) "Hazing" means any intentional, knowing, or reckless act, occurring on or off the campus of an educational institution, by one person alone or acting with others, directed against a student, that endangers the mental or physical health or safety of a student for the purpose of pledging, being initiated into, affiliating with, holding office in, or maintaining membership in an organization. The term includes:

(A) any type of physical brutality, such as whipping, beating, striking, branding, electronic shocking, placing of a harmful substance on the body, or similar activity;

(B) any type of physical activity, such as sleep deprivation, exposure to the elements, confinement in a small space, calisthenics, or other activity that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student;

(C) any activity involving consumption of a food, liquid, alcoholic beverage, liquor, drug, or other substance that

subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student;

(D) any activity that intimidates or threatens the student with ostracism, that subjects the student to extreme mental stress, shame, or humiliation, that adversely affects the mental health or dignity of the student or discourages the student from entering or remaining registered in an educational institution, or that may reasonably be expected to cause a student to leave the organization or the institution rather than submit to acts described in this subdivision; and

(E) any activity that induces, causes, or requires the student to perform a duty or task that involves a violation of the Penal Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.152. PERSONAL HAZING OFFENSE. (a) A person commits an offense if the person:

(1) engages in hazing;

(2) solicits, encourages, directs, aids, or attempts to aid another in engaging in hazing;

(3) recklessly permits hazing to occur; or

(4) has firsthand knowledge of the planning of a specific hazing incident involving a student in an educational institution, or has firsthand knowledge that a specific hazing incident has occurred, and knowingly fails to report that knowledge in writing to the dean of students or other appropriate official of the institution.

(b) The offense of failing to report is a Class B misdemeanor.

(c) Any other offense under this section that does not cause serious bodily injury to another is a Class B misdemeanor.

(d) Any other offense under this section that causes serious bodily injury to another is a Class A misdemeanor.

(e) Any other offense under this section that causes the death of another is a state jail felony.

Text of subsection effective until January 1, 2017

(f) Except if an offense causes the death of a student, in sentencing a person convicted of an offense under this section, the court may require the person to perform community service, subject to

the same conditions imposed on a person placed on community supervision under Section 11, Article 42.12, Code of Criminal Procedure, for an appropriate period of time in lieu of confinement in county jail or in lieu of a part of the time the person is sentenced to confinement in county jail.

Text of subsection effective on January 1, 2017

(f) Except if an offense causes the death of a student, in sentencing a person convicted of an offense under this section, the court may require the person to perform community service, subject to the same conditions imposed on a person placed on community supervision under Chapter 42A, Code of Criminal Procedure, for an appropriate period of time in lieu of confinement in county jail or in lieu of a part of the time the person is sentenced to confinement in county jail.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 770 (H.B. 2299), Sec. 2.30, eff. January 1, 2017.

Sec. 37.153. ORGANIZATION HAZING OFFENSE. (a) An organization commits an offense if the organization condones or encourages hazing or if an officer or any combination of members, pledges, or alumni of the organization commits or assists in the commission of hazing.

(b) An offense under this section is a misdemeanor punishable by:

(1) a fine of not less than $5,000 nor more than $10,000; or

(2) if the court finds that the offense caused personal injury, property damage, or other loss, a fine of not less than $5,000 nor more than double the amount lost or expenses incurred because of the injury, damage, or loss.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.154. CONSENT NOT A DEFENSE. It is not a defense to prosecution of an offense under this subchapter that the person against whom the hazing was directed consented to or acquiesced in

the hazing activity.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.155. IMMUNITY FROM PROSECUTION AVAILABLE. In the prosecution of an offense under this subchapter, the court may grant immunity from prosecution for the offense to each person who is subpoenaed to testify for the prosecution and who does testify for the prosecution. Any person reporting a specific hazing incident involving a student in an educational institution to the dean of students or other appropriate official of the institution is immune from civil or criminal liability that might otherwise be incurred or imposed as a result of the report. Immunity extends to participation in any judicial proceeding resulting from the report. A person reporting in bad faith or with malice is not protected by this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.156. OFFENSES IN ADDITION TO OTHER PENAL PROVISIONS. This subchapter does not affect or repeal any penal law of this state. This subchapter does not limit or affect the right of an educational institution to enforce its own penalties against hazing.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 37.157. REPORTING BY MEDICAL AUTHORITIES. A doctor or other medical practitioner who treats a student who may have been subjected to hazing activities:

(1) may report the suspected hazing activities to police or other law enforcement officials; and

(2) is immune from civil or other liability that might otherwise be imposed or incurred as a result of the report, unless the report is made in bad faith or with malice.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. TEXAS SCHOOL SAFETY CENTER

Sec. 37.201. DEFINITION. In this subchapter, "center" means the Texas School Safety Center.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.

Sec. 37.202. PURPOSE. The purpose of the center is to serve as:

(1) a central location for school safety and security information, including research, training, and technical assistance related to successful school safety and security programs;

(2) a central registry of persons providing school safety and security consulting services in the state; and

(3) a resource for the prevention of youth violence and the promotion of safety in the state.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.04, eff. September 1, 2009.

Sec. 37.203. BOARD. (a) The center is advised by a board of directors composed of:

(1) the attorney general, or the attorney general's designee;

(2) the commissioner, or the commissioner's designee;

(3) the executive director of the Texas Juvenile Justice Department, or the executive director's designee;

(4) the commissioner of the Department of State Health Services, or the commissioner's designee;

(5) the commissioner of higher education, or the commissioner's designee; and

(6) the following members appointed by the governor with the advice and consent of the senate:

(A) a juvenile court judge;

(B) a member of a school district's board of trustees;

(C) an administrator of a public primary school;

(D) an administrator of a public secondary school;

(E) a member of the state parent-teacher association;

(F) a teacher from a public primary or secondary school;

(G) a public school superintendent who is a member of the Texas Association of School Administrators;

(H) a school district police officer or a peace officer whose primary duty consists of working in a public school; and

(I) two members of the public.

(b) Members of the board appointed under Subsection (a)(6) serve staggered two-year terms, with the terms of the members described by Subsections (a)(6)(A)-(E) expiring on February 1 of each odd-numbered year and the terms of the members described by Subsections (a)(6)(F)-(I) expiring on February 1 of each even-numbered year. A member may serve more than one term.

(c) The board may form committees as necessary.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 2, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 3.03, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 263 (S.B. 103), Sec. 4, eff. June 8, 2007.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.005, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.05, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.06, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 35, eff. September 1, 2015.

Sec. 37.204. OFFICERS; MEETINGS; COMPENSATION. (a) The board shall annually elect from among its members a chairperson and a vice chairperson.

(b) The board shall meet at least four times each year.

(c) A member of the board may not receive compensation but is entitled to reimbursement of the travel expenses incurred by the member while conducting the business of the board as provided by the

General Appropriations Act.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.

Sec. 37.205. SAFETY TRAINING PROGRAMS. The center shall conduct for school districts a safety training program that includes:

(1) development of a positive school environment and proactive safety measures designed to address local concerns;

(2) school safety courses for law enforcement officials, with a focus on school district police officers and school resource officers;

(3) discussion of school safety issues with parents and community members; and

(4) assistance in developing a multihazard emergency operations plan for adoption under Section 37.108.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 3, eff. September 1, 2005.

Sec. 37.207. MODEL SAFETY AND SECURITY AUDIT PROCEDURE. (a) The center shall develop a model safety and security audit procedure for use by school districts and public junior college districts that includes:

(1) providing each district with guidelines showing proper audit procedures;

(2) reviewing elements of each district audit and making recommendations for improvements in the state based on that review; and

(3) incorporating the findings of district audits in a statewide report on school safety and security made available by the center to the public.

(b) Each school district shall report the results of its audits to the center in the manner required by the center.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 3.04, eff.

September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.07, eff. September 1, 2009.

Sec. 37.208. ON-SITE ASSISTANCE. On request of a school district, the center may provide on-site technical assistance to the district for:

(1) school safety and security audits; and

(2) school safety and security information and presentations.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 5, eff. September 1, 2005.

Sec. 37.209. CENTER WEBSITE. The center shall develop and maintain an interactive Internet website that includes:

(1) quarterly news updates related to school safety and security and violence prevention;

(2) school crime data;

(3) a schedule of training and special events; and

(4) a list of persons who provide school safety or security consulting services in this state and are registered in accordance with Section 37.2091.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.08, eff. September 1, 2009.

Sec. 37.2091. REGISTRY OF PERSONS PROVIDING SCHOOL SAFETY OR SECURITY CONSULTING SERVICES. (a) In this section, "school safety or security consulting services" includes any service provided to a school district, institution of higher education, district facility, or campus by a person consisting of advice, information, recommendations, data collection, or safety and security audit services relevant to school safety and security, regardless of

whether the person is paid for those services.

(b) The center shall establish a registry of persons providing school safety or security consulting services in this state.

(c) Each person providing school safety or security consulting services in this state shall register with the center in accordance with requirements established by the center. The requirements must include provisions requiring a person registering with the center to provide information regarding:

(1) the person's background, education, and experience that are relevant to the person's ability to provide knowledgeable and effective school safety or security consulting services; and

(2) any complaints or pending litigation relating to the person's provision of school safety or security consulting services.

(d) The registry is intended to serve only as an informational resource for school districts and institutions of higher education. The inclusion of a person in the registry is not an indication of the person's qualifications or ability to provide school safety or security consulting services or that the center endorses the person's school safety or security consulting services.

(e) The center shall include information regarding the registry, including the number of persons registered and the general degree of school safety or security experience possessed by those persons, in the biennial report required by Section 37.216.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.09, eff. September 1, 2009.

Sec. 37.211. RECOGNITION OF SCHOOLS. The center shall provide for the public recognition of schools that implement effective school safety measures and violence prevention.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.

Sec. 37.212. INTERAGENCY COOPERATION. The center shall promote cooperation between state agencies, institutions of higher education, and any local juvenile delinquency prevention councils to address discipline and safety issues in the state.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.

Sec. 37.2121. MEMORANDA OF UNDERSTANDING AND MUTUAL AID AGREEMENTS. (a) The center shall identify and inform school districts of the types of entities, including local and regional authorities, other school districts, and emergency first responders, with whom school districts should customarily make efforts to enter into memoranda of understanding or mutual aid agreements addressing issues that affect school safety and security.

(b) The center shall develop guidelines regarding memoranda of understanding and mutual aid agreements between school districts and the entities identified in accordance with Subsection (a). The guidelines:

(1) must include descriptions of the provisions that should customarily be included in each memorandum or agreement with a particular type of entity;

(2) may include sample language for those provisions; and

(3) must be consistent with the Texas Statewide Mutual Aid System established under Subchapter E-1, Chapter 418, Government Code.

(c) The center shall encourage school districts to enter into memoranda of understanding and mutual aid agreements with entities identified in accordance with Subsection (a) that comply with the guidelines developed under Subsection (b).

(d) Each school district that enters into a memorandum of understanding or mutual aid agreement addressing issues that affect school safety and security shall, at the center's request, provide the following information to the center:

(1) the name of each entity with which the school district has entered into a memorandum of understanding or mutual aid agreement;

(2) the effective date of each memorandum or agreement; and

(3) a summary of each memorandum or agreement.

(e) The center shall include information regarding the center's efforts under this section in the report required by Section 37.216.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.09, eff. September 1, 2009.

Sec. 37.213. PUBLIC JUNIOR COLLEGES. (a) In this section, "public junior college" has the meaning assigned by Section 61.003.

(b) The center shall research best practices regarding emergency preparedness of public junior colleges and serve as a clearinghouse for that information.

(c) The center shall provide public junior colleges with training, technical assistance, and published guidelines or templates, as appropriate, in the following areas:

(1) multihazard emergency operations plan development;

(2) drill and exercise development and implementation;

(3) mutual aid agreements;

(4) identification of equipment and funds that may be used by public junior colleges in an emergency; and

(5) reporting in accordance with 20 U.S.C. Section 1092(f).

Added by Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 3.05, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.10, eff. September 1, 2009.

Sec. 37.214. AUTHORITY TO ACCEPT CERTAIN FUNDS. The center may solicit and accept gifts, grants, and donations from public and private entities to use for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.

Sec. 37.215. BUDGET. (a) The board shall annually approve a budget for the center.

(b) The center shall biannually prepare a budget request for submission to the legislature.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 6, eff. September 1, 2005.

Sec. 37.216. BIENNIAL REPORT. (a) Not later than January 1 of

each odd-numbered year, the board shall provide a report to the governor, the legislature, the State Board of Education, and the agency.

(b) The biennial report must include any findings made by the center regarding school safety and security and the center's functions, budget information, and strategic planning initiatives of the center.

Added by Acts 2001, 77th Leg., ch. 923, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.11, eff. September 1, 2009.

Sec. 37.2161. SCHOOL SAFETY AND SECURITY PROGRESS REPORT. (a) The center shall periodically provide a school safety and security progress report to the governor, the legislature, the State Board of Education, and the agency that contains current information regarding school safety and security in the school districts and public junior college districts of this state based on:

(1) elements of each district's multihazard emergency operations plan required by Section 37.108(a);

(2) elements of each district's safety and security audit required by Section 37.108(b); and

(3) any other report required to be submitted to the center.

(b) The center shall establish guidelines regarding the specific information to be included in the report required by this section.

(c) The center may provide the report required by this section in conjunction with the report required by Section 37.216.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.12, eff. September 1, 2009.

Sec. 37.217. COMMUNITY EDUCATION RELATING TO INTERNET SAFETY. (a) The center, in cooperation with the attorney general, shall develop a program that provides instruction concerning Internet safety, including instruction relating to:

(1) the potential dangers of allowing personal information

to appear on an Internet website;

(2) the manner in which to report an inappropriate online solicitation; and

(3) the prevention, detection, and reporting of bullying or threats occurring over the Internet.

(b) In developing the program, the center shall:

(1) solicit input from interested stakeholders; and

(2) to the extent practicable, draw from existing resources and programs.

(c) The center shall make the program available to public schools.

Added by Acts 2007, 80th Leg., R.S., Ch. 343 (S.B. 136), Sec. 1, eff. June 15, 2007.

Sec. 37.218. PROGRAMS ON DANGERS OF STUDENTS SHARING VISUAL MATERIAL DEPICTING MINOR ENGAGED IN SEXUAL CONDUCT. (a) In this section:

(1) "Bullying" has the meaning assigned by Section 25.0342.

(2) "Cyberbullying" means the use of any electronic communication device to engage in bullying or intimidation.

(3) "Harassment" has the meaning assigned by Section 37.001.

(4) "Sexual conduct" has the meaning assigned by Section 43.25, Penal Code.

(b) The center, in consultation with the office of the attorney general, shall develop programs for use by school districts that address:

(1) the possible legal consequences, including criminal penalties, of sharing visual material depicting a minor engaged in sexual conduct;

(2) other possible consequences of sharing visual material depicting a minor engaged in sexual conduct, including:

(A) negative effects on relationships;

(B) loss of educational and employment opportunities; and

(C) possible removal, if applicable, from certain school programs or extracurricular activities;

(3) the unique characteristics of the Internet and other

communications networks that could affect visual material depicting a minor engaged in sexual conduct, including:

(A) search and replication capabilities; and

(B) a potentially worldwide audience;

(4) the prevention of, identification of, responses to, and reporting of incidents of bullying; and

(5) the connection between bullying, cyberbullying, harassment, and a minor sharing visual material depicting a minor engaged in sexual conduct.

(c) Each school district shall annually provide or make available information on the programs developed under Subsection (b) to parents and students in a grade level the district considers appropriate. Each district shall provide or make available the information by any means the district considers appropriate.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1322 (S.B. 407), Sec. 22, eff. September 1, 2011.

SUBCHAPTER I. PLACEMENT OF REGISTERED SEX OFFENDERS

Sec. 37.301. DEFINITION. In this subchapter, "board of trustees" includes the board's designee.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.302. APPLICABILITY. This subchapter:

(1) applies to a student who is required to register as a sex offender under Chapter 62, Code of Criminal Procedure; and

(2) does not apply to a student who is no longer required to register as a sex offender under Chapter 62, Code of Criminal Procedure, including a student who receives an exemption from registration under Subchapter H, Chapter 62, Code of Criminal Procedure, or a student who receives an early termination of the obligation to register under Subchapter I, Chapter 62, Code of Criminal Procedure.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3,

eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.303. REMOVAL OF REGISTERED SEX OFFENDER FROM REGULAR CLASSROOM. Notwithstanding any provision of Subchapter A, on receiving notice under Article 15.27, Code of Criminal Procedure, or Chapter 62, Code of Criminal Procedure, that a student is required to register as a sex offender under that chapter, a school district shall remove the student from the regular classroom and determine the appropriate placement of the student in the manner provided by this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.304. PLACEMENT OF REGISTERED SEX OFFENDER WHO IS UNDER COURT SUPERVISION. (a) A school district shall place a student to whom this subchapter applies and who is under any form of court supervision, including probation, community supervision, or parole, in the appropriate alternative education program as provided by Section 37.309 for at least one semester.

(b) If a student transfers to another school district during the student's mandatory placement in an alternative education program under Subsection (a), the district to which the student transfers may:

(1) require the student to complete an additional semester in the appropriate alternative education program without conducting a review of the student's placement for that semester under Section 37.306; or

(2) count any time spent by the student in an alternative education program in the district from which the student transfers toward the mandatory placement requirement under Subsection (a).

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff.

September 1, 2007.

Sec. 37.305. PLACEMENT OF REGISTERED SEX OFFENDER WHO IS NOT UNDER COURT SUPERVISION. A school district may place a student to whom this subchapter applies and who is not under any form of court supervision in the appropriate alternative education program as provided by Section 37.309 for one semester or in the regular classroom. The district may not place the student in the regular classroom if the district board of trustees determines that the student's presence in the regular classroom:

(1) threatens the safety of other students or teachers;

(2) will be detrimental to the educational process; or

(3) is not in the best interests of the district's students.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.306. REVIEW OF PLACEMENT IN ALTERNATIVE EDUCATION PROGRAM. (a) At the end of the first semester of a student's placement in an alternative education program under Section 37.304 or 37.305, the school district board of trustees shall convene a committee to review the student's placement in the alternative education program. The committee must be composed of:

(1) a classroom teacher from the campus to which the student would be assigned were the student not placed in an alternative education program;

(2) the student's parole or probation officer or, in the case of a student who does not have a parole or probation officer, a representative of the local juvenile probation department;

(3) an instructor from the alternative education program to which the student is assigned;

(4) a school district designee selected by the board of trustees; and

(5) a school counselor employed by the school district.

(b) The committee by majority vote shall determine and

recommend to the school district board of trustees whether the student should be returned to the regular classroom or remain in the alternative education program.

(c) If the committee recommends that the student be returned to the regular classroom, the board of trustees shall return the student to the regular classroom unless the board determines that the student's presence in the regular classroom:

(1) threatens the safety of other students or teachers;

(2) will be detrimental to the educational process; or

(3) is not in the best interests of the district's students.

(d) If the committee recommends that the student remain in the alternative education program, the board of trustees shall continue the student's placement in the alternative education program unless the board determines that the student's presence in the regular classroom:

(1) does not threaten the safety of other students or teachers;

(2) will not be detrimental to the educational process; and

(3) is not contrary to the best interests of the district's students.

(e) If, after receiving a recommendation under Subsection (b), the school district board of trustees determines that the student should remain in an alternative education program, the board shall before the beginning of each school year convene the committee described by Subsection (a) to review, in the manner provided by Subsections (b), (c), and (d), the student's placement in an alternative education program.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 33, eff. June 14, 2013.

Sec. 37.307. PLACEMENT AND REVIEW OF STUDENT WITH DISABILITY. (a) The placement under this subchapter of a student with a

disability who receives special education services must be made in compliance with the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

(b) The review under Section 37.306 of the placement of a student with a disability who receives special education services may be made only by a duly constituted admission, review, and dismissal committee. The admission, review, and dismissal committee may request that the board of trustees convene a committee described by Section 37.306(a) to assist the admission, review, and dismissal committee in conducting the review.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.308. TRANSFER OF REGISTERED SEX OFFENDER. Except as provided by Section 37.304(b), a school district shall determine whether to place a student to whom this subchapter applies and who transfers to the district in the appropriate alternative education program as provided by Section 37.309 or in a regular classroom. The school district shall follow the procedures specified under Section 37.306 in making the determination.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.309. PLACEMENT IN DISCIPLINARY ALTERNATIVE EDUCATION PROGRAM OR JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM. (a) Except as provided by Subsection (b), a school district shall place a student who is required by the board of trustees to attend an alternative education program under this subchapter in a disciplinary alternative education program.

(b) A school district shall place a student who is required by the board of trustees to attend an alternative education program under this subchapter in a juvenile justice alternative education program if:

(1) the memorandum of understanding entered into between the school district and juvenile board under Section 37.011(k) provides for the placement of students to whom this subchapter applies in the juvenile justice alternative education program; or

(2) a court orders the placement of the student in a juvenile justice alternative education program.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.310. FUNDING FOR REGISTERED SEX OFFENDER PLACED IN JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM. A juvenile justice alternative education program is entitled to funding for a student who is placed in the program under this subchapter in the same manner as a juvenile justice alternative education program is entitled to funding under Section 37.012 for a student who is expelled and placed in a juvenile justice alternative education program for conduct for which expulsion is permitted but not required under Section 37.007.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.311. CONFERENCE. (a) A student or the student's parent or guardian may appeal a decision by a school district board of trustees to place the student in an alternative education program under this subchapter by requesting a conference among the board of trustees, the student's parent or guardian, and the student. The conference is limited to the factual question of whether the student is required to register as a sex offender under Chapter 62, Code of Criminal Procedure.

(b) If the school district board of trustees determines at the conclusion of the conference that the student is required to register as a sex offender under Chapter 62, Code of Criminal Procedure, the student is subject to placement in an alternative education program in the manner provided by this subchapter.

(c) A decision by the board of trustees under this section is final and may not be appealed.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.312. LIABILITY. This subchapter does not:

(1) waive any liability or immunity of a governmental entity or its officers or employees; or

(2) create any liability for or a cause of action against a governmental entity or its officers or employees.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

Sec. 37.313. CONFLICTS OF LAW. To the extent of any conflict between a provision of this subchapter and a provision of Subchapter A, this subchapter prevails.

Added by Acts 2007, 80th Leg., R.S., Ch. 1240 (H.B. 2532), Sec. 3, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1291 (S.B. 6), Sec. 3, eff. September 1, 2007.

CHAPTER 38. HEALTH AND SAFETY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 38.001. IMMUNIZATION; REQUIREMENTS; EXCEPTIONS. (a) Each student shall be fully immunized against diphtheria, rubeola, rubella, mumps, tetanus, and poliomyelitis, except as provided by Subsection (c).

Text of subsection as amended by Acts 2007, 80th Leg., R.S., Ch. 43 (H.B. 1098), Sec. 1

(b) Subject to Subsections (b-1) and (c), the executive commissioner of the Health and Human Services Commission may modify

or delete any of the immunizations in Subsection (a) or may require immunizations against additional diseases as a requirement for admission to any elementary or secondary school.

Text of subsection as amended by Acts 2007, 80th Leg., R.S., Ch. 94 (H.B. 1059), Sec. 2

(b) Subject to Subsection (c), the Department of State Health Services may modify or delete any of the immunizations in Subsection (a) or may require immunizations against additional diseases as a requirement for admission to any elementary or secondary school.

(b-1) Each year, the Department of State Health Services shall prepare a list of the immunizations required under this section for admission to public schools and of any additional immunizations the department recommends for school-age children. The department shall prepare the list in English and Spanish and make the list available in a manner that permits a school district to easily post the list on the district's Internet website as required by Section 38.019.

(c) Immunization is not required for a person's admission to any elementary or secondary school if the person applying for admission:

(1) submits to the admitting official:

(A) an affidavit or a certificate signed by a physician who is duly registered and licensed to practice medicine in the United States, in which it is stated that, in the physician's opinion, the immunization required poses a significant risk to the health and well-being of the applicant or any member of the applicant's family or household; or

(B) an affidavit signed by the applicant or, if a minor, by the applicant's parent or guardian stating that the applicant declines immunization for reasons of conscience, including a religious belief; or

(2) is a member of the armed forces of the United States and is on active duty.

(c-1) An affidavit submitted under Section (c)(1)(B) must be on a form described by Section 161.0041, Health and Safety Code, and must be submitted to the admitting official not later than the 90th day after the date the affidavit is notarized.

(d) The Department of State Health Services shall provide the required immunization to children in areas where no local provision exists to provide those services.

(e) A person may be provisionally admitted to an elementary or

secondary school if the person has begun the required immunizations and if the person continues to receive the necessary immunizations as rapidly as is medically feasible. The Department of State Health Services shall adopt rules relating to the provisional admission of persons to an elementary or secondary school.

(f) A person who has not received the immunizations required by this section for reasons of conscience, including because of the person's religious beliefs, may be excluded from school in times of emergency or epidemic declared by the commissioner of public health.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.160, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 43 (H.B. 1098), Sec. 1, eff. May 8, 2007.

Acts 2007, 80th Leg., R.S., Ch. 94 (H.B. 1059), Sec. 2, eff. May 15, 2007.

Sec. 38.002. IMMUNIZATION RECORDS; REPORTING. (a) Each public school shall keep an individual immunization record during the period of attendance for each student admitted. The records shall be open for inspection at all reasonable times by the Texas Education Agency or by representatives of local health departments or the Texas Department of Health.

(b) Each public school shall cooperate in transferring students' immunization records to other schools. Specific approval from students, parents, or guardians is not required before transferring those records.

(c) The Texas Education Agency and the Texas Department of Health shall develop the form for a required annual report of the immunization status of students. The report shall be submitted by all schools at the time and in the manner indicated in the instructions printed on the form.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 38.0025. DISSEMINATION OF BACTERIAL MENINGITIS INFORMATION. (a) The agency shall prescribe procedures by which

each school district shall provide information relating to bacterial meningitis to its students and their parents each school year. The procedures must ensure that the information is reasonably likely to come to the attention of the parents of each student. The agency shall prescribe the form and content of the information. The information must cover:

(1) the symptoms of the disease, how it may be diagnosed, and its possible consequences if untreated;

(2) how the disease is transmitted, how it may be prevented, and the relative risk of contracting the disease for primary and secondary school students;

(3) the availability and effectiveness of vaccination against and treatment for the disease, and a brief description of the risks and possible side effects of vaccination; and

(4) sources of additional information regarding the disease, including any appropriate office of the school district and the appropriate office of the Texas Department of Health.

(b) The agency shall consult with the Texas Department of Health in prescribing the content of the information to be provided to students under this section. The agency shall establish an advisory committee to assist the agency in the initial implementation of this section. The advisory committee must include at least two members who are parents of students at public schools in this state.

(c) A school district, with the written consent of the agency, may provide the information required by this section to its students and their parents by a method different from the method prescribed by the agency under Subsection (a) if the agency determines that method would be effective in bringing the information to the attention of the parents of each student.

Added by Acts 2001, 77th Leg., ch. 219, Sec. 2, eff. May 22, 2001.

Sec. 38.003. SCREENING AND TREATMENT FOR DYSLEXIA AND RELATED DISORDERS. (a) Students enrolling in public schools in this state shall be tested for dyslexia and related disorders at appropriate times in accordance with a program approved by the State Board of Education.

(b) In accordance with the program approved by the State Board of Education, the board of trustees of each school district shall

provide for the treatment of any student determined to have dyslexia or a related disorder.

(b-1) Unless otherwise provided by law, a student determined to have dyslexia during testing under Subsection (a) or accommodated because of dyslexia may not be retested for dyslexia for the purpose of reassessing the student's need for accommodations until the district reevaluates the information obtained from previous testing of the student.

(c) The State Board of Education shall adopt any rules and standards necessary to administer this section.

(d) In this section:

(1) "Dyslexia" means a disorder of constitutional origin manifested by a difficulty in learning to read, write, or spell, despite conventional instruction, adequate intelligence, and sociocultural opportunity.

(2) "Related disorders" includes disorders similar to or related to dyslexia, such as developmental auditory imperception, dysphasia, specific developmental dyslexia, developmental dysgraphia, and developmental spelling disability.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 635 (S.B. 866), Sec. 3, eff. June 17, 2011.

Sec. 38.0031. CLASSROOM TECHNOLOGY PLAN FOR STUDENTS WITH DYSLEXIA. (a) The agency shall establish a committee to develop a plan for integrating technology into the classroom to help accommodate students with dyslexia. The plan must:

(1) determine the classroom technologies that are useful and practical in assisting public schools in accommodating students with dyslexia, considering budget constraints of school districts; and

(2) develop a strategy for providing those effective technologies to students.

(b) The agency shall provide the plan and information about the availability and benefits of the technologies identified under Subsection (a)(1) to school districts.

(c) A member of the committee established under Subsection (a)

is not entitled to reimbursement for travel expenses incurred by the member under this section unless agency funds are available for that purpose.

Added by Acts 2011, 82nd Leg., R.S., Ch. 635 (S.B. 866), Sec. 4, eff. June 17, 2011.

Sec. 38.004. CHILD ABUSE REPORTING AND PROGRAMS. (a) The agency shall develop a policy governing the reports of child abuse or neglect, including reports related to the trafficking of a child under Section 20A.02(a)(5), (6), (7), or (8), Penal Code, as required by Chapter 261, Family Code, for school districts, open-enrollment charter schools, and their employees. The policy must provide for cooperation with law enforcement child abuse investigations without the consent of the child's parents if necessary, including investigations by the Department of Family and Protective Services. The policy must require each school district and open-enrollment charter school employee to report child abuse or neglect, including the trafficking of a child under Section 20A.02(a)(5) or (7), Penal Code, in the manner required by Chapter 261, Family Code. Each school district and open-enrollment charter school shall adopt the policy.

(a-1) The agency shall:

(1) maintain on the agency Internet website a list of links to websites that provide information regarding the prevention of child abuse; and

(2) develop and periodically update a training program on prevention of child abuse that a school district may use for staff development.

(b) Each school district shall provide child abuse antivictimization programs in elementary and secondary schools.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 561 (S.B. 1456), Sec. 1, eff. June 16, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 592 (S.B. 939), Sec. 1, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 332 (H.B. 10), Sec. 6, eff. September 1, 2015.

Sec. 38.0041. POLICIES ADDRESSING SEXUAL ABUSE AND OTHER MALTREATMENT OF CHILDREN. (a) Each school district and open-enrollment charter school shall adopt and implement a policy addressing sexual abuse and other maltreatment of children, to be included in the district improvement plan under Section 11.252 and any informational handbook provided to students and parents.

(b) A policy required by this section must address:

(1) methods for increasing staff, student, and parent awareness of issues regarding sexual abuse and other maltreatment of children, including prevention techniques and knowledge of likely warning signs indicating that a child may be a victim of sexual abuse or other maltreatment, using resources developed by the agency under Section 38.004;

(2) actions that a child who is a victim of sexual abuse or other maltreatment should take to obtain assistance and intervention; and

(3) available counseling options for students affected by sexual abuse or other maltreatment.

(c) The methods under Subsection (b)(1) for increasing awareness of issues regarding sexual abuse and other maltreatment of children must include training, as provided by this subsection, concerning prevention techniques for and recognition of sexual abuse and all other maltreatment of children. The training:

(1) must be provided, as part of a new employee orientation, to all new school district and open-enrollment charter school employees and to existing district and open-enrollment charter school employees on a schedule adopted by the agency by rule until all district and open-enrollment charter school employees have taken the training; and

(2) must include training concerning:

(A) factors indicating a child is at risk for sexual abuse or other maltreatment;

(B) likely warning signs indicating a child may be a victim of sexual abuse or other maltreatment;

(C) internal procedures for seeking assistance for a child who is at risk for sexual abuse or other maltreatment, including referral to a school counselor, a social worker, or another mental health professional;

(D) techniques for reducing a child's risk of sexual abuse or other maltreatment; and

(E) community organizations that have relevant existing research-based programs that are able to provide training or other education for school district or open-enrollment charter school staff members, students, and parents.

(d) For any training under Subsection (c), each school district and open-enrollment charter school shall maintain records that include the name of each district or charter school staff member who participated in the training.

(e) If a school district or open-enrollment charter school determines that the district or charter school does not have sufficient resources to provide the training required under Subsection (c), the district or charter school shall work in conjunction with a community organization to provide the training at no cost to the district or charter school.

(f) The training under Subsection (c) may be included in staff development under Section 21.451.

(g) A school district or open-enrollment charter school employee may not be subject to any disciplinary proceeding, as defined by Section 22.0512(b), resulting from an action taken in compliance with this section. The requirements of this section are considered to involve an employee's judgment and discretion and are not considered ministerial acts for purposes of immunity from liability under Section 22.0511. Nothing in this section may be considered to limit the immunity from liability provided under Section 22.0511.

(h) For purposes of this section, "other maltreatment" has the meaning assigned by Section 42.002, Human Resources Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1115 (H.B. 1041), Sec. 2, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1323 (S.B. 471), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 34, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 592 (S.B. 939), Sec. 2, eff. September 1, 2013.

Sec. 38.0042. POSTING CHILD ABUSE HOTLINE TELEPHONE NUMBER. (a) Each public school and open-enrollment charter school shall post in a clearly visible location in a public area of the school that is readily accessible to students a sign in English and in Spanish that contains the toll-free telephone number operated by the Department of Family and Protective Services to receive reports of child abuse or neglect.

(b) The commissioner may adopt rules relating to the size and location of the sign required by Subsection (a).

Added by Acts 2013, 83rd Leg., R.S., Ch. 592 (S.B. 939), Sec. 3, eff. September 1, 2013.

Sec. 38.005. PROTECTIVE EYE DEVICES IN PUBLIC SCHOOLS. Each teacher and student must wear industrial-quality eye-protective devices in appropriate situations as determined by school district policy.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 38.006. E-CIGARETTES AND TOBACCO PRODUCTS ON SCHOOL PROPERTY. (a) In this section, "e-cigarette" has the meaning assigned by Section 161.081, Health and Safety Code.

(b) The board of trustees of a school district shall:

(1) prohibit smoking or using e-cigarettes or tobacco products at a school-related or school-sanctioned activity on or off school property;

(2) prohibit students from possessing e-cigarettes or tobacco products at a school-related or school-sanctioned activity on or off school property; and

(3) ensure that school personnel enforce the policies on school property.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 181 (S.B. 97), Sec. 38, eff. October 1, 2015.

Sec. 38.007. ALCOHOL-FREE SCHOOL ZONES. (a) The board of trustees of a school district shall prohibit the use of alcoholic beverages at a school-related or school-sanctioned activity on or off school property.

(b) The board of trustees of a school district shall attempt to provide a safe alcohol-free environment to students coming to or going from school. The board of trustees may cooperate with local law enforcement officials and the Texas Alcoholic Beverage Commission in attempting to provide this environment and in enforcing Sections 101.75, 109.33, and 109.59, Alcoholic Beverage Code. Additionally, the board, if a majority of the area of a district is located in a municipality with a population of 900,000 or more, may petition the commissioners court of the county in which the district is located or the governing board of an incorporated city or town in which the district is located to adopt a 1,000-foot zone under Section 109.33, Alcoholic Beverage Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 38.008. POSTING OF STEROID LAW NOTICE. Each school in a school district in which there is a grade level of seven or higher shall post in a conspicuous location in the school gymnasium and each other place in a building where physical education classes are conducted the following notice:

> Anabolic steroids are for medical use only. State law prohibits possessing, dispensing, delivering, or administering an anabolic steroid in any manner not allowed by state law. State law provides that body building, muscle enhancement, or the increase of muscle bulk or strength through the use of an anabolic steroid or human growth hormone by a person who is in good health is not a valid medical purpose. Only a medical doctor may prescribe an anabolic steroid or human growth hormone for a person. A violation of state law concerning anabolic steroids or human growth hormones is a criminal offense punishable by confinement in jail or imprisonment in the Texas Department of Criminal Justice.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.050, eff. September 1, 2009.

Sec. 38.0081. INFORMATION ABOUT STEROIDS. (a) The agency, in conjunction with the Department of State Health Services, shall:

(1) develop information about the use of anabolic steroids and the health risks involved with such use; and

(2) distribute the information to school districts.

(b) Each school district shall, at appropriate grade levels as determined by the State Board of Education, provide the information developed under Subsection (a) to district students, particularly to those students involved in extracurricular athletic activities.

Added by Acts 2005, 79th Leg., Ch. 1177 (H.B. 3563), Sec. 2, eff. June 18, 2005.

Sec. 38.009. ACCESS TO MEDICAL RECORDS. (a) A school administrator, nurse, or teacher is entitled to access to a student's medical records maintained by the school district for reasons determined by district policy.

(b) A school administrator, nurse, or teacher who views medical records under this section shall maintain the confidentiality of those medical records.

(c) This section does not authorize a school administrator, nurse, or teacher to require a student to be tested to determine the student's medical condition or status.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 38.0095. PARENTAL ACCESS TO MEDICAL RECORDS. (a) A parent or guardian of a student is entitled to access to the student's medical records maintained by a school district.

(b) On request of a student's parent or guardian, the school district shall provide a copy of the student's medical records to the parent or guardian. The district may not impose a charge for providing the copy that exceeds the charge authorized by Section 552.261, Government Code, for providing a copy of public information.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 3, eff. June 19, 1999.

Sec. 38.010. OUTSIDE COUNSELORS. (a) A school district or school district employee may not refer a student to an outside counselor for care or treatment of a chemical dependency or an emotional or psychological condition unless the district:

(1) obtains prior written consent for the referral from the student's parent;

(2) discloses to the student's parent any relationship between the district and the outside counselor;

(3) informs the student and the student's parent of any alternative public or private source of care or treatment reasonably available in the area;

(4) requires the approval of appropriate school district personnel before a student may be referred for care or treatment or before a referral is suggested as being warranted; and

(5) specifically prohibits any disclosure of a student record that violates state or federal law.

(b) In this section, "parent" includes a managing conservator or guardian.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 38.011. DIETARY SUPPLEMENTS. (a) A school district employee may not:

(1) knowingly sell, market, or distribute a dietary supplement that contains performance enhancing compounds to a primary or secondary education student with whom the employee has contact as part of the employee's school district duties; or

(2) knowingly endorse or suggest the ingestion, intranasal application, or inhalation of a dietary supplement that contains performance enhancing compounds by a primary or secondary education student with whom the employee has contact as part of the employee's school district duties.

(b) This section does not prohibit a school district employee from:

(1) providing or endorsing a dietary supplement that contains performance enhancing compounds to, or suggesting the

ingestion, intranasal application, or inhalation of a dietary supplement that contains performance enhancing compounds by, the employee's child; or

(2) selling, marketing, or distributing a dietary supplement that contains performance enhancing compounds to, or endorsing or suggesting the ingestion, intranasal application, or inhalation of a dietary supplement that contains performance enhancing compounds by, a primary or secondary education student as part of activities that:

(A) do not occur on school property or at a school-related function;

(B) are entirely separate from any aspect of the employee's employment with the school district; and

(C) do not in any way involve information about or contacts with students that the employee has had access to, directly or indirectly, through any aspect of the employee's employment with the school district.

(c) A person who violates this section commits an offense. An offense under this section is a Class C misdemeanor.

(d) In this section:

(1) "Dietary supplement" has the meaning assigned by 21 U.S.C. Section 321 and its subsequent amendments.

(2) "Performance enhancing compound" means a manufactured product for oral ingestion, intranasal application, or inhalation that:

(A) contains a stimulant, amino acid, hormone precursor, herb or other botanical, or any other substance other than an essential vitamin or mineral; and

(B) is intended to increase athletic or intellectual performance, promote muscle growth, or increase an individual's endurance or capacity for exercise.

Added by Acts 1999, 76th Leg., ch. 1086, Sec. 1, eff. Sept. 1, 1999.

Sec. 38.012. NOTICE CONCERNING HEALTH CARE SERVICES. (a) Before a school district or school may expand or change the health care services available at a school in the district from those that were available on January 1, 1999, the board of trustees must:

(1) hold a public hearing at which the board discloses all

information on the proposed health care services, including:

(A) all health care services to be provided;

(B) whether federal law permits or requires any health care service provided to be kept confidential from parents;

(C) whether a child's medical records will be accessible to the child's parent;

(D) information concerning grant funds to be used;

(E) the titles of persons who will have access to the medical records of a student; and

(F) the security measures that will be used to protect the privacy of students' medical records; and

(2) approve the expansion or change by a record vote.

(b) A hearing under Subsection (a) must include an opportunity for public comment on the proposal.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 2, eff. June 19, 1999.

Sec. 38.013. COORDINATED HEALTH PROGRAM FOR ELEMENTARY, MIDDLE, AND JUNIOR HIGH SCHOOL STUDENTS. (a) The agency shall make available to each school district one or more coordinated health programs designed to prevent obesity, cardiovascular disease, oral diseases, and Type 2 diabetes in elementary school, middle school, and junior high school students. Each program must provide for coordinating:

(1) health education, including oral health education;

(2) physical education and physical activity;

(3) nutrition services; and

(4) parental involvement.

(a-1) The commissioner by rule shall adopt criteria for evaluating a coordinated health program before making the program available under Subsection (a). Before adopting the criteria, the commissioner shall request review and comment concerning the criteria from the Department of State Health Services School Health Advisory Committee. The commissioner may make available under Subsection (a) only those programs that meet criteria adopted under this subsection.

(b) The agency shall notify each school district of the availability of the programs.

(c) The commissioner by rule shall adopt criteria for evaluating the nutritional services component of a program under this

section that includes an evaluation of program compliance with the Department of Agriculture guidelines relating to foods of minimal nutritional value.

Added by Acts 2001, 77th Leg., ch. 907, Sec. 3, eff. June 14, 2001.
Amended by Acts 2003, 78th Leg., ch. 944, Sec. 3, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 3, eff. June 17, 2005.
Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 4, eff. June 17, 2005.
Acts 2013, 83rd Leg., R.S., Ch. 1399 (H.B. 2483), Sec. 1, eff. June 14, 2013.

Sec. 38.014. IMPLEMENTATION OF COORDINATED HEALTH PROGRAM FOR ELEMENTARY, MIDDLE, AND JUNIOR HIGH SCHOOL STUDENTS. (a) Each school district shall:

(1) participate in appropriate training for the implementation of the program approved by the agency under Section 38.013; and

(2) implement the program in each elementary school, middle school, and junior high school in the district.

(b) The agency, in cooperation with the Texas Department of Health, shall adopt a schedule for regional education service centers to provide necessary training under this section.

Added by Acts 2001, 77th Leg., ch. 907, Sec. 3, eff. June 14, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 5, eff. June 17, 2005.
Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 6, eff. June 17, 2005.

Sec. 38.0141. REPORTING OF CERTAIN HEALTH AND SAFETY INFORMATION REQUIRED. Each school district shall provide to the agency information as required by the commissioner, including statistics and data, relating to student health and physical activity and information described by Section 28.004(k), presented in a form determined by the commissioner. The district shall provide the

information required by this section for the district and for each campus in the district.

Added by Acts 2005, 79th Leg., Ch. 784 (S.B. 42), Sec. 7, eff. June 17, 2005.

Sec. 38.015. SELF-ADMINISTRATION OF PRESCRIPTION ASTHMA OR ANAPHYLAXIS MEDICINE BY STUDENTS. (a) In this section:

(1) "Parent" includes a person standing in parental relation.

(2) "Self-administration of prescription asthma or anaphylaxis medicine" means a student's discretionary use of prescription asthma or anaphylaxis medicine.

(b) A student with asthma or anaphylaxis is entitled to possess and self-administer prescription asthma or anaphylaxis medicine while on school property or at a school-related event or activity if:

(1) the prescription medicine has been prescribed for that student as indicated by the prescription label on the medicine;

(2) the student has demonstrated to the student's physician or other licensed health care provider and the school nurse, if available, the skill level necessary to self-administer the prescription medication, including the use of any device required to administer the medication;

(3) the self-administration is done in compliance with the prescription or written instructions from the student's physician or other licensed health care provider; and

(4) a parent of the student provides to the school:

(A) a written authorization, signed by the parent, for the student to self-administer the prescription medicine while on school property or at a school-related event or activity; and

(B) a written statement from the student's physician or other licensed health care provider, signed by the physician or provider, that states:

(i) that the student has asthma or anaphylaxis and is capable of self-administering the prescription medicine;

(ii) the name and purpose of the medicine;

(iii) the prescribed dosage for the medicine;

(iv) the times at which or circumstances under which the medicine may be administered; and

(v) the period for which the medicine is prescribed.

(c) The physician's statement must be kept on file in the office of the school nurse of the school the student attends or, if there is not a school nurse, in the office of the principal of the school the student attends.

(d) This section does not:

(1) waive any liability or immunity of a governmental unit or its officers or employees; or

(2) create any liability for or a cause of action against a governmental unit or its officers or employees.

(e) The commissioner may adopt rules and prescribe forms to assist in the implementation of this section.

Added by Acts 2001, 77th Leg., ch. 511, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 38.013 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(19), eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 10.01, eff. May 31, 2006.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 10.02, eff. May 31, 2006.

Sec. 38.0151. POLICIES FOR CARE OF CERTAIN STUDENTS AT RISK FOR ANAPHYLAXIS. (a) The board of trustees of each school district and the governing body or an appropriate officer of each open-enrollment charter school shall adopt and administer a policy for the care of students with a diagnosed food allergy at risk for anaphylaxis based on guidelines developed by the commissioner of state health services in consultation with an ad hoc committee appointed by the commissioner of state health services.

(b) A school district or open-enrollment charter school that implemented a policy for the care of students with a diagnosed food allergy at risk for anaphylaxis before the development of the guidelines described by Subsection (a) shall review the policy and revise the policy as necessary to ensure the policy is consistent with the guidelines.

(c) The guidelines described by Subsection (a) may not:

(1) require a school district or open-enrollment charter

school to purchase prescription anaphylaxis medication, such as epinephrine, or require any other expenditure that would result in a negative fiscal impact on the district or charter school; or

(2) require the personnel of a district or charter school to administer anaphylaxis medication, such as epinephrine, to a student unless the anaphylaxis medication is prescribed for that student.

(d) This section does not:

(1) waive any liability or immunity of a governmental entity or its officers or employees; or

(2) create any liability for or a cause of action against a governmental entity or its officers or employees.

(e) The agency shall post the guidelines developed by the commissioner of state health services under this section on the agency's website with any other information relating to students with special health needs.

(f) A school district or open-enrollment charter school that provides for the maintenance, administration, and disposal of epinephrine auto-injectors under Subchapter E is not required to comply with this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 590 (S.B. 27), Sec. 1, eff. June 17, 2011.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 3, eff. May 28, 2015.

Sec. 38.016. PSYCHOTROPIC DRUGS AND PSYCHIATRIC EVALUATIONS OR EXAMINATIONS. (a) In this section:

(1) "Parent" includes a guardian or other person standing in parental relation.

(2) "Psychotropic drug" means a substance that is:

(A) used in the diagnosis, treatment, or prevention of a disease or as a component of a medication; and

(B) intended to have an altering effect on perception, emotion, or behavior.

(b) A school district employee may not:

(1) recommend that a student use a psychotropic drug; or

(2) suggest any particular diagnosis; or

(3) use the refusal by a parent to consent to administration of a psychotropic drug to a student or to a psychiatric evaluation or examination of a student as grounds, by itself, for prohibiting the child from attending a class or participating in a school-related activity.

(c) Subsection (b) does not:

(1) prevent an appropriate referral under the child find system required under 20 U.S.C. Section 1412, as amended; or

(2) prohibit a school district employee who is a registered nurse, advanced nurse practitioner, physician, or certified or appropriately credentialed mental health professional from recommending that a child be evaluated by an appropriate medical practitioner; or

(3) prohibit a school employee from discussing any aspect of a child's behavior or academic progress with the child's parent or another school district employee.

(d) The board of trustees of each school district shall adopt a policy to ensure implementation and enforcement of this section.

(e) An act in violation of Subsection (b) does not override the immunity from personal liability granted in Section 22.0511 or other law or the district's sovereign and governmental immunity.

Added by Acts 2003, 78th Leg., ch. 1058, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.008, eff. September 1, 2007.

Sec. 38.017. AVAILABILITY OF AUTOMATED EXTERNAL DEFIBRILLATOR. (a) Each school district shall make available at each campus in the district at least one automated external defibrillator, as defined by Section 779.001, Health and Safety Code. A campus defibrillator must be readily available during any University Interscholastic League athletic competition held on the campus. In determining the location at which to store a campus defibrillator, the principal of the campus shall consider the primary location on campus where students engage in athletic activities.

(b) To the extent practicable, each school district, in cooperation with the University Interscholastic League, shall make reasonable efforts to ensure that an automated external defibrillator

is available at each University Interscholastic League athletic practice held at a district campus. If a school district is not able to make an automated external defibrillator available in the manner provided by this subsection, the district shall determine the extent to which an automated external defibrillator must be available at each University Interscholastic League athletic practice held at a district campus. The determination must be based, in addition to any other appropriate considerations, on relevant medical information.

(c) Each school district, in cooperation with the University Interscholastic League, shall determine the extent to which an automated external defibrillator must be available at each University Interscholastic League athletic competition held at a location other than a district campus. The determination must be based, in addition to any other appropriate considerations, on relevant medical information and whether emergency services personnel are present at the athletic competition under a contract with the school district.

(d) Each school district shall ensure the presence at each location at which an automated external defibrillator is required under Subsection (a), (b), or (c) of at least one campus or district employee trained in the proper use of the defibrillator at any time a substantial number of district students are present at the location.

(e) A school district shall ensure that an automated external defibrillator is used and maintained in accordance with standards established under Chapter 779, Health and Safety Code.

(f) This section does not:

(1) waive any immunity from liability of a school district or its officers or employees;

(2) create any liability for or a cause of action against a school district or its officers or employees; or

(3) waive any immunity from liability under Section 74.151, Civil Practice and Remedies Code.

(g) This subsection applies only to a private school that receives an automated external defibrillator from the agency or receives funding from the agency to purchase or lease an automated external defibrillator. A private school shall:

(1) make available at the school at least one automated external defibrillator; and

(2) in coordination with the Texas Association of Private and Parochial Schools, adopt a policy concerning the availability of an automated external defibrillator at athletic competitions and

practices in a manner consistent with the requirements prescribed by this section, including the training and maintenance requirements prescribed by this section.

(h) A school district may seek and accept gifts, grants, or other donations to pay the district's cost of purchasing automated external defibrillators required under this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 6, eff. June 15, 2007.

Sec. 38.018. PROCEDURES REGARDING RESPONSE TO CARDIAC ARREST. (a) Each school district and private school shall develop safety procedures for a district or school employee or student to follow in responding to a medical emergency involving cardiac arrest, including the appropriate response time in administering cardiopulmonary resuscitation, using an automated external defibrillator, as defined by Section 779.001, Health and Safety Code, or calling a local emergency medical services provider.

(b) A private school is required to develop safety procedures under this section only if the school receives an automated external defibrillator from the agency or receives funding from the agency to purchase or lease an automated external defibrillator.

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 6, eff. June 15, 2007.

Sec. 38.0181. CARDIOVASCULAR SCREENING PILOT PROGRAM. (a) In this section, "pilot program" means the cardiovascular screening pilot program.

(b) The commissioner shall establish a pilot program under which sixth grade students at participating campuses are administered a cardiovascular screening, including an electrocardiogram and an echocardiogram.

(c) The commissioner shall select campuses to participate in the pilot program. In selecting campuses, the commissioner shall ensure that the cardiovascular screening is administered to an ethnically diverse range of students.

(d) The commissioner may accept grants and donations for use in administering the pilot program.

(e) The commissioner shall require a participating campus to provide the results of a student's cardiovascular screening to the student's parent or guardian.

(g) The commissioner may adopt rules necessary to administer this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 6, eff. June 15, 2007.
Renumbered from Education Code, Section 38.019 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(6), eff. September 1, 2009.

Sec. 38.019. IMMUNIZATION AWARENESS PROGRAM. (a) A school district that maintains an Internet website shall post prominently on the website:

(1) a list, in English and Spanish, of:

(A) the immunizations required for admission to public school by rules of the Department of State Health Services adopted under Section 38.001;

(B) any immunizations or vaccines recommended for public school students by the Department of State Health Services; and

(C) health clinics in the district that offer the influenza vaccine, to the extent those clinics are known to the district; and

(2) a link to the Department of State Health Services Internet website where a person may obtain information relating to the procedures for claiming an exemption from the immunization requirements of Section 38.001.

(a-1) The link to the Department of State Health Services Internet website provided under Subsection (a)(2) must be presented in the same manner as the information provided under Subsection (a)(1).

(b) The list of recommended immunizations or vaccines under Subsection (a)(2) must include the influenza vaccine, unless the Department of State Health Services requires the influenza vaccine for admission to public school.

Added by Acts 2007, 80th Leg., R.S., Ch. 94 (H.B. 1059), Sec. 3, eff. May 15, 2007.

Sec. 38.021. USE OF SUNSCREEN PRODUCTS. (a) A student may possess and use a topical sunscreen product while on school property or at a school-related event or activity to avoid overexposure to the sun and not for the medical treatment of an injury or illness if the product is approved by the federal Food and Drug Administration for over-the-counter use.

(b) This section does not:

(1) waive any immunity from liability of a school district, its board of trustees, or its employees; or

(2) create any liability for or a cause of action against a school district, its board of trustees, or its employees.

Added by Acts 2015, 84th Leg., R.S., Ch. 1139 (S.B. 265), Sec. 1, eff. June 19, 2015.

Sec. 38.022. SCHOOL VISITORS. (a) A school district may require a person who enters a district campus to display the person's driver's license or another form of identification containing the person's photograph issued by a governmental entity.

(b) A school district may establish an electronic database for the purpose of storing information concerning visitors to district campuses. Information stored in the electronic database may be used only for the purpose of school district security and may not be sold or otherwise disseminated to a third party for any purpose.

(c) A school district may verify whether a visitor to a district campus is a sex offender registered with the computerized central database maintained by the Department of Public Safety as provided by Article 62.005, Code of Criminal Procedure, or any other database accessible by the district.

(d) The board of trustees of a school district shall adopt a policy regarding the action to be taken by the administration of a school campus when a visitor is identified as a sex offender.

Added by Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 12, eff. June 15, 2007.

Sec. 38.023. LIST OF RESOURCES CONCERNING INTERNET SAFETY. The

agency shall develop and make available to school districts a list of resources concerning Internet safety, including a list of organizations and Internet websites that may assist in educating teachers and students about:

(1) the potential dangers of allowing personal information to appear on an Internet website;

(2) the significance of copyright laws; and

(3) the consequences of cyber-plagiarism and theft of audiovisual works, including motion pictures, software, and sound recordings, through uploading and downloading files on the Internet.

Added by Acts 2007, 80th Leg., R.S., Ch. 751 (H.B. 3171), Sec. 1, eff. June 15, 2007.

Sec. 38.024. INSURANCE AGAINST STUDENT INJURIES. (a) In compliance with this section, the board of trustees of a school district may obtain insurance against bodily injuries sustained by students while training for or engaging in interschool athletic competition or while engaging in school-sponsored activities.

(b) The amount of insurance to be obtained must be in keeping with the financial condition of the school district and may not exceed the amount that, in the opinion of the board of trustees, is reasonably necessary to afford adequate medical treatment of injured students.

(c) The insurance authorized by this section must be obtained from a reliable insurance company authorized to do business in this state and must be on forms approved by the commissioner of insurance.

(d) The cost of the insurance is a legitimate part of the total cost of operating the school district.

(e) The failure of any board of trustees to carry the insurance authorized by this section may not be construed as placing any legal liability on the school district or its officers, agents, or employees for any injury that results.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 534, Sec. 1, eff. Sept. 1, 2001. Transferred from Education Code, Section 33.085 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.004(a), eff. September 1, 2009. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.004(b),

eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 92 (H.B. 744), Sec. 1, eff. May 23, 2015.

Sec. 38.026. GRANT PROGRAM FOR BEST PRACTICES IN NUTRITION EDUCATION. (a) The Department of Agriculture shall develop a program under which the department awards grants to public school campuses for best practices in nutrition education.

(b) The Department of Agriculture may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this section.

(c) The Department of Agriculture may adopt rules as necessary to administer a grant program established under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 728 (S.B. 282), Sec. 2, eff. June 19, 2009.

SUBCHAPTER B. SCHOOL-BASED HEALTH CENTERS

Sec. 38.051. ESTABLISHMENT OF SCHOOL-BASED HEALTH CENTERS. (a) A school district in this state may, if the district identifies the need, design a model in accordance with this subchapter for the delivery of cooperative health care programs for students and their families and may compete for grants awarded under this subchapter. The model may provide for the delivery of conventional health services and disease prevention of emerging health threats that are specific to the district.

(b) On the recommendation of an advisory council established under Section 38.058, a school district may establish a school-based health center at one or more campuses in the district to meet the health care needs of students and their families.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.052. CONTRACT FOR SERVICES. A district may contract with a person to provide services at a school-based health center.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.053. PARENTAL CONSENT REQUIRED. (a) A school-based health center may provide services to a student only if the district or the provider with whom the district contracts obtains the written consent of the student's parent or guardian or another person having legal control of the student on a consent form developed by the district or provider. The student's parent or guardian or another person having legal control of the student may give consent for a student to receive ongoing services or may limit consent to one or more services provided on a single occasion.

(b) The consent form must list every service the school-based health center delivers in a format that complies with all applicable state and federal laws and allows a person to consent to one or more categories of services.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.054. CATEGORIES OF SERVICES. The permissible categories of services are:

(1) family and home support;
(2) health care, including immunizations;
(3) dental health care;
(4) health education; and
(5) preventive health strategies.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.055. USE OF GRANT FUNDS FOR REPRODUCTIVE SERVICES PROHIBITED. Reproductive services, counseling, or referrals may not be provided through a school-based health center using grant funds awarded under this subchapter.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.056. PROVISION OF CERTAIN SERVICES BY LICENSED HEALTH CARE PROVIDER REQUIRED. Any service provided using grant funds awarded under this subchapter must be provided by an appropriate professional who is properly licensed, certified, or otherwise authorized under state law to provide the service.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.057. IDENTIFICATION OF HEALTH-RELATED CONCERNS. (a) The staff of a school-based health center and the person whose consent is obtained under Section 38.053 shall jointly identify any health-related concerns of a student that may be interfering with the student's well-being or ability to succeed in school.

(b) If it is determined that a student is in need of a referral for mental health services, the staff of the center shall notify the person whose consent is required under Section 38.053 verbally and in writing of the basis for the referral. The referral may not be provided unless the person provides written consent for the type of service to be provided and provides specific written consent for each treatment occasion.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.058. HEALTH EDUCATION AND HEALTH CARE ADVISORY COUNCIL. (a) The board of trustees of a school district may establish and appoint members to a local health education and health care advisory council to make recommendations to the district on the establishment of school-based health centers and to assist the district in ensuring that local community values are reflected in the operation of each center and in the provision of health education.

(b) A majority of the members of the council must be parents of students enrolled in the district. In addition to the appointees who are parents of students, the board of trustees shall also appoint at least one person from each of the following groups:

(1) teachers;
(2) school administrators;
(3) licensed health care professionals;
(4) the clergy;
(5) law enforcement;
(6) the business community;
(7) senior citizens; and
(8) students.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.059. ASSISTANCE OF PUBLIC HEALTH AGENCY. (a) A school district may seek assistance in establishing and operating a school-based health center from any public health agency in the community. On request, a public health agency shall cooperate with a district and to the extent practicable, considering the resources of the agency, may provide assistance.

(b) A district and a public health agency may, by agreement, jointly establish, operate, and fund a school-based health center.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.060. COORDINATION WITH EXISTING PROVIDERS IN CERTAIN AREAS. (a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or
(2) has been designated under state or federal law as:
(A) a health professional shortage area;
(B) a medically underserved area; or
(C) a medically underserved community by the Texas

Department of Rural Affairs.

(b) If a school-based health center is located in an area described by Subsection (a), the school district and the advisory council established under Section 38.058 shall make a good faith effort to identify and coordinate with existing providers to preserve and protect existing health care systems and medical relationships in the area.

(c) The council shall keep a record of efforts made to coordinate with existing providers.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 609, Sec. 7, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 9.006(f), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 112 (H.B. 1918), Sec. 2, eff. September 1, 2009.

Sec. 38.061. COMMUNICATION WITH PRIMARY CARE PHYSICIAN. (a) If a person receiving a medical service from a school-based health center has a primary care physician, the staff of the center shall provide notice of the service the person received to the primary care physician in order to allow the physician to maintain a complete medical history of the person.

(b) The staff of a school-based health center shall, before delivering a medical service to a person with a primary care physician under the state Medicaid program, a state children's health plan program, or a private health insurance or health benefit plan, notify the physician for the purpose of sharing medical information and obtaining authorization for delivering the medical service.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.062. FUNDING FOR PROVISION OF SERVICES. A school district or the provider with whom the district contracts shall seek all available sources of funding to compensate the district or

provider for services provided by a school-based health center, including money available under the state Medicaid program, a state children's health plan program, or private health insurance or health benefit plans or available from those persons using a school-based health center who have the ability to pay for the services.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Sec. 38.063. GRANTS. (a) Subject to the availability of federal or state appropriated funds, the commissioner of state health services shall administer a program under which grants are awarded to assist school districts and local health departments, hospitals, health care systems, universities, or nonprofit organizations that contract with school districts with the costs of school-based health centers in accordance with this section.

(b) The commissioner of state health services, by rules adopted in accordance with this section, shall establish procedures for awarding grants. The rules must provide that:

(1) grants are awarded annually through a competitive process to:

(A) school districts; and

(B) local health departments, hospitals, health care systems, universities, or nonprofit organizations that have contracted with school districts to establish and operate school-based health centers;

(2) subject to the availability of federal or state appropriated funds, each grant is for a term of five years; and

(3) a preference is given to school-based health centers in school districts that are located in rural areas or that have low property wealth per student.

(c) All health care programs should be designed to meet the following goals:

(1) reducing student absenteeism;

(2) increasing a student's ability to meet the student's academic potential; and

(3) stabilizing the physical well-being of a student.

(d) A school district, local health department, hospital,

health care system, university, or nonprofit organization may not receive more than $250,000 per state fiscal biennium through grants awarded under this section.

(e) To be eligible to receive a grant, a school district, local health department, hospital, health care system, university, or nonprofit organization must provide matching funds in accordance with rules adopted under Subsection (b). The matching funds may be obtained from any source available to the district, local health department, hospital, health care system, university, or nonprofit organization, including in-kind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds.

(e-1) A grant under this section may not be given to a nonprofit organization that offers reproductive services, contraceptive services, counseling, or referrals, or any other services that require a license under Chapter 245, Health and Safety Code, or that is affiliated with a nonprofit organization that is licensed under Chapter 245, Health and Safety Code.

(e-2) A school district, local health department, hospital, health care system, university, or nonprofit organization receiving a grant under this section may use the grant funds to:

(1) establish a new school-based health center;

(2) expand an existing school-based health center; or

(3) operate a school-based health center.

(f) The commissioner of state health services shall adopt rules establishing standards for health care centers funded through grants that place primary emphasis on delivery of health services and secondary emphasis on population-based models that prevent emerging health threats.

(g) The commissioner of state health services shall require client surveys to be conducted in school-based health centers funded through grants awarded under this section.

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 598 (H.B. 281), Sec. 1, eff. June 19, 2009.

Sec. 38.064. REPORT TO LEGISLATURE. (a) Based on statistics obtained from every school-based health center in this state that receives funding through the Department of State Health Services, the Department of State Health Services shall issue a biennial report to the legislature about the relative efficacy of services delivered by the centers during the preceding two years and any increased academic success of students at campuses served by those centers, with special emphasis on any:

(1) increased attendance, including attendance information regarding students with chronic illnesses;

(2) decreased drop-out rates;

(3) improved student health;

(4) increased student immunization rates;

(5) increased student participation in preventive health measures, including routine physical examinations and checkups conducted in accordance with the Texas Health Steps program; and

(6) improved performance on student assessment instruments administered under Subchapter B, Chapter 39.

(b) The Department of State Health Services may modify any requirement imposed by Subsection (a) if necessary to comply with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

Added by Acts 1999, 76th Leg., ch. 1418, Sec. 1, eff. June 19, 1999. Renumbered from Education Code Sec. 38.011 and amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.005, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 598 (H.B. 281), Sec. 2, eff. June 19, 2009.

SUBCHAPTER C. PHYSICAL FITNESS ASSESSMENT

Sec. 38.101. ASSESSMENT REQUIRED. (a) Except as provided by Subsection (b), a school district annually shall assess the physical fitness of students enrolled in grade three or higher in a course that satisfies the curriculum requirements for physical education under Section 28.002(a)(2)(C).

(b) A school district is not required to assess a student for whom, as a result of disability or other condition identified by commissioner rule, the assessment instrument adopted under Section 38.102 is inappropriate.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3, eff. June 15, 2007.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 17, eff. September 28, 2011.

Sec. 38.102. ADOPTION OF ASSESSMENT INSTRUMENT. (a) The commissioner by rule shall adopt an assessment instrument to be used by a school district in assessing student physical fitness under this subchapter.

(b) The assessment instrument must:

(1) be based on factors related to student health, including the following factors that have been identified as essential to overall health and function:

(A) aerobic capacity;

(B) body composition; and

(C) muscular strength, endurance, and flexibility; and

(2) include criterion-referenced standards specific to a student's age and gender and based on the physical fitness level required for good health.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3, eff. June 15, 2007.

Sec. 38.103. REPORTING OF PHYSICAL FITNESS RESULTS. (a) A school district shall provide the results of individual student performance on the physical fitness assessment required by this subchapter to the agency. The results may not contain the names of individual students or teachers or a student's social security number or date of birth.

(b) The results of individual student performance on the physical fitness assessment instrument are confidential and may be released only in accordance with state and federal law.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3, eff. June 15, 2007.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 372 (S.B. 226), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 372 (S.B. 226), Sec. 2, eff. June 17, 2011.

Sec. 38.104. ANALYSIS OF RESULTS. (a) The agency shall analyze the results received by the agency under this subchapter and identify, for each school district, any correlation between the results and the following:

(1) student academic achievement levels;
(2) student attendance levels;
(3) student obesity;
(4) student disciplinary problems; and
(5) school meal programs.

(b) The agency may contract with a public or private entity for that entity to conduct all or part of the analysis required by Subsection (a).

(c) Not later than September 1 of each year, the agency shall report the findings of the analysis under this section of the results obtained during the preceding school year to the School Health Advisory Committee established under Section 1001.0711, Health and Safety Code, for use by the committee in:

(1) assessing the effectiveness of coordinated health programs provided by school districts in accordance with Section 38.014; and
(2) developing recommendations for modifications to coordinated health program requirements or related curriculum.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3, eff. June 15, 2007.

Sec. 38.105. DONATIONS. The agency and each school district may accept donations made to facilitate implementation of this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3,

eff. June 15, 2007.

Sec. 38.106. RULES. The commissioner shall adopt rules necessary to implement this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 1377 (S.B. 530), Sec. 3, eff. June 15, 2007.

SUBCHAPTER D. PREVENTION, TREATMENT, AND OVERSIGHT OF CONCUSSIONS AFFECTING STUDENT ATHLETES

Sec. 38.151. DEFINITIONS. In this subchapter:

(1) "Advanced practice nurse" has the meaning assigned by Section 301.152, Occupations Code.

(2) "Athletic trainer" has the meaning assigned by Section 451.001, Occupations Code.

(3) "Coach" includes an assistant coach.

(4) "Concussion" means a complex pathophysiological process affecting the brain caused by a traumatic physical force or impact to the head or body, which may:

(A) include temporary or prolonged altered brain function resulting in physical, cognitive, or emotional symptoms or altered sleep patterns; and

(B) involve loss of consciousness.

(5) "Licensed health care professional" means an advanced practice nurse, athletic trainer, neuropsychologist, or physician assistant, as those terms are defined by this section.

(6) "Neuropsychologist" means a person who:

(A) holds a license to engage in the practice of psychology issued under Section 501.252, Occupations Code; and

(B) specializes in the practice of neuropsychology.

(7) "Open-enrollment charter school" includes a school granted a charter under Subchapter E, Chapter 12.

(8) "Physician" means a person who holds a license to practice medicine in this state.

(9) "Physician assistant" means a person who holds a license issued under Chapter 204, Occupations Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.152. APPLICABILITY. This subchapter applies to an interscholastic athletic activity, including practice and competition, sponsored or sanctioned by:

(1) a school district, including a home-rule school district, or a public school, including any school for which a charter has been granted under Chapter 12; or

(2) the University Interscholastic League.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.153. OVERSIGHT OF CONCUSSIONS BY SCHOOL DISTRICTS AND CHARTER SCHOOLS; RETURN-TO-PLAY PROTOCOL DEVELOPMENT BY CONCUSSION OVERSIGHT TEAM. (a) The governing body of each school district and open-enrollment charter school with students enrolled who participate in an interscholastic athletic activity shall appoint or approve a concussion oversight team.

(b) Each concussion oversight team shall establish a return-to-play protocol, based on peer-reviewed scientific evidence, for a student's return to interscholastic athletics practice or competition following the force or impact believed to have caused a concussion.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.154. CONCUSSION OVERSIGHT TEAM: MEMBERSHIP. (a) Each concussion oversight team must include at least one physician and, to the greatest extent practicable, considering factors including the population of the metropolitan statistical area in which the school district or open-enrollment charter school is located, district or charter school student enrollment, and the availability of and access to licensed health care professionals in the district or charter school area, must also include one or more of the following:

(1) an athletic trainer;

(2) an advanced practice nurse;

(3) a neuropsychologist; or

(4) a physician assistant.

(b) If a school district or open-enrollment charter school employs an athletic trainer, the athletic trainer must be a member of the district or charter school concussion oversight team.

(c) Each member of the concussion oversight team must have had training in the evaluation, treatment, and oversight of concussions at the time of appointment or approval as a member of the team.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.155. REQUIRED ANNUAL FORM ACKNOWLEDGING CONCUSSION INFORMATION. A student may not participate in an interscholastic athletic activity for a school year until both the student and the student's parent or guardian or another person with legal authority to make medical decisions for the student have signed a form for that school year that acknowledges receiving and reading written information that explains concussion prevention, symptoms, treatment, and oversight and that includes guidelines for safely resuming participation in an athletic activity following a concussion. The form must be approved by the University Interscholastic League.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.156. REMOVAL FROM PLAY IN PRACTICE OR COMPETITION FOLLOWING CONCUSSION. A student shall be removed from an interscholastic athletics practice or competition immediately if one of the following persons believes the student might have sustained a concussion during the practice or competition:

(1) a coach;

(2) a physician;

(3) a licensed health care professional; or

(4) the student's parent or guardian or another person with legal authority to make medical decisions for the student.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.157. RETURN TO PLAY IN PRACTICE OR COMPETITION. (a) A student removed from an interscholastic athletics practice or competition under Section 38.156 may not be permitted to practice or compete again following the force or impact believed to have caused the concussion until:

(1) the student has been evaluated, using established medical protocols based on peer-reviewed scientific evidence, by a treating physician chosen by the student or the student's parent or guardian or another person with legal authority to make medical decisions for the student;

(2) the student has successfully completed each requirement of the return-to-play protocol established under Section 38.153 necessary for the student to return to play;

(3) the treating physician has provided a written statement indicating that, in the physician's professional judgment, it is safe for the student to return to play; and

(4) the student and the student's parent or guardian or another person with legal authority to make medical decisions for the student:

(A) have acknowledged that the student has completed the requirements of the return-to-play protocol necessary for the student to return to play;

(B) have provided the treating physician's written statement under Subdivision (3) to the person responsible for compliance with the return-to-play protocol under Subsection (c) and the person who has supervisory responsibilities under Subsection (c); and

(C) have signed a consent form indicating that the person signing:

(i) has been informed concerning and consents to the student participating in returning to play in accordance with the return-to-play protocol;

(ii) understands the risks associated with the student returning to play and will comply with any ongoing requirements in the return-to-play protocol;

(iii) consents to the disclosure to appropriate persons, consistent with the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191), of the treating physician's written statement under Subdivision (3) and, if any, the return-to-play recommendations of the treating physician; and

(iv) understands the immunity provisions under Section 38.159.

(b) A coach of an interscholastic athletics team may not authorize a student's return to play.

(c) The school district superintendent or the superintendent's designee or, in the case of a home-rule school district or open-enrollment charter school, the person who serves the function of superintendent or that person's designee shall supervise an athletic trainer or other person responsible for compliance with the return-to-play protocol. The person who has supervisory responsibilities under this subsection may not be a coach of an interscholastic athletics team.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.158. TRAINING COURSES. (a) The University Interscholastic League shall approve for coaches of interscholastic athletic activities training courses that provide for not less than two hours of training in the subject matter of concussions, including evaluation, prevention, symptoms, risks, and long-term effects. The league shall maintain an updated list of individuals and organizations authorized by the league to provide the training.

(b) The Department of State Health Services Advisory Board of Athletic Trainers shall approve for athletic trainers training courses in the subject matter of concussions and shall maintain an updated list of individuals and organizations authorized by the board to provide the training.

(c) The following persons must take a training course in accordance with Subsection (e) from an authorized training provider at least once every two years:

(1) a coach of an interscholastic athletic activity;

(2) a licensed health care professional who serves as a member of a concussion oversight team and is an employee, representative, or agent of a school district or open-enrollment charter school; and

(3) a licensed health care professional who serves on a volunteer basis as a member of a concussion oversight team for a school district or open-enrollment charter school.

(d) A physician who serves as a member of a concussion oversight team shall, to the greatest extent practicable, periodically take an appropriate continuing medical education course in the subject matter of concussions.

(e) For purposes of Subsection (c):

(1) a coach must take a course described by Subsection (a);

(2) an athletic trainer must take:

(A) a course described by Subsection (b); or

(B) a course concerning the subject matter of concussions that has been approved for continuing education credit by the appropriate licensing authority for the profession; and

(3) a licensed health care professional, other than an athletic trainer, must take:

(A) a course described by Subsection (a) or (b); or

(B) a course concerning the subject matter of concussions that has been approved for continuing education credit by the appropriate licensing authority for the profession.

(f) Each person described by Subsection (c) must submit proof of timely completion of an approved course in compliance with Subsection (e) to the school district superintendent or the superintendent's designee or, in the case of a home-rule school district or open-enrollment charter school, a person who serves the function of a superintendent or that person's designee.

(g) A licensed health care professional who is not in compliance with the training requirements under this section may not serve on a concussion oversight team in any capacity.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.159. IMMUNITY. This subchapter does not:

(1) waive any immunity from liability of a school district or open-enrollment charter school or of district or charter school officers or employees;

(2) create any liability for a cause of action against a school district or open-enrollment charter school or against district or charter school officers or employees;

(3) waive any immunity from liability under Section 74.151, Civil Practice and Remedies Code; or

(4) create any cause of action or liability for a member of a concussion oversight team arising from the injury or death of a student participating in an interscholastic athletics practice or competition, based on service or participation on the concussion oversight team.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

Sec. 38.160. RULES. The commissioner may adopt rules as necessary to administer this subchapter.

Added by Acts 2011, 82nd Leg., R.S., Ch. 781 (H.B. 2038), Sec. 2, eff. June 17, 2011.

SUBCHAPTER E. MAINTENANCE, ADMINISTRATION, AND DISPOSAL OF EPINEPHRINE AUTO-INJECTORS

Sec. 38.201. DEFINITIONS. In this subchapter:

(1) "Advisory committee" means the committee established under Section 38.202.

(2) "Anaphylaxis" means a sudden, severe, and potentially life-threatening allergic reaction that occurs when a person is exposed to an allergen.

(3) "Epinephrine auto-injector" means a disposable medical drug delivery device that contains a premeasured single dose of epinephrine that is intended to be used to treat anaphylaxis.

(4) "Physician" means a person who holds a license to practice medicine in this state.

(5) "School personnel" means an employee of a school district or open-enrollment charter school. The term includes a member of the board of trustees of a school district or the governing body of an open-enrollment charter school.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.202. ADVISORY COMMITTEE: ESTABLISHMENT AND COMPOSITION. (a) The commissioner of state health services shall

establish an advisory committee to examine and review the administration of epinephrine auto-injectors to a person experiencing an anaphylactic reaction on a campus of a school district or an open-enrollment charter school.

(b) The advisory committee shall be composed of members appointed by the commissioner of state health services. In making appointments, the commissioner shall ensure that:

(1) a majority of the members are physicians with expertise in treating anaphylaxis, including physicians who specialize in the fields of pediatrics, allergies, asthma, and immunology; and

(2) at least one member is a registered nurse employed by a school district or open-enrollment charter school as a school nurse.

(c) A member of the advisory committee serves at the pleasure of the commissioner of state health services.

(d) A vacancy on the advisory committee is filled by the commissioner of state health services in the same manner as other appointments to the advisory committee.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.203. ADVISORY COMMITTEE: PRESIDING OFFICER. The advisory committee shall elect a presiding officer.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.204. ADVISORY COMMITTEE: COMPENSATION AND EXPENSES. Members of the advisory committee serve without compensation but are entitled to reimbursement for travel expenses.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.205. ADVISORY COMMITTEE: APPLICABILITY OF OTHER LAW. Chapter 2110, Government Code, does not apply to the advisory committee.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.206. ADVISORY COMMITTEE: OPEN MEETINGS. Meetings of the advisory committee are subject to Chapter 551, Government Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.207. ADVISORY COMMITTEE: DUTIES. The advisory committee shall advise the commissioner of state health services on:

(1) the storage and maintenance of epinephrine auto-injectors on school campuses;

(2) the training of school personnel and school volunteers in the administration of an epinephrine auto-injector; and

(3) a plan for one or more school personnel members or school volunteers trained in the administration of an epinephrine auto-injector to be on each school campus.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.208. MAINTENANCE AND ADMINISTRATION OF EPINEPHRINE AUTO-INJECTORS. (a) Each school district and open-enrollment charter school may adopt and implement a policy regarding the maintenance, administration, and disposal of epinephrine auto-injectors at each campus in the district or school.

(b) If a policy is adopted under Subsection (a), the policy:

(1) must provide that school personnel and school volunteers who are authorized and trained may administer an epinephrine auto-injector to a person who is reasonably believed to be experiencing anaphylaxis on a school campus; and

(2) may provide that school personnel and school volunteers who are authorized and trained may administer an epinephrine auto-injector to a person who is reasonably believed to be experiencing anaphylaxis at an off-campus school event or while in transit to or from a school event.

(c) The commissioner of state health services, in consultation

with the commissioner of education, and with advice from the advisory committee, shall adopt rules regarding the maintenance, administration, and disposal of an epinephrine auto-injector at a school campus subject to a policy adopted under Subsection (a). The rules must establish:

(1) the number of epinephrine auto-injectors available at each campus;

(2) the process for each school district and open-enrollment charter school to check the inventory of epinephrine auto-injectors at regular intervals for expiration and replacement; and

(3) the amount of training required for school personnel and school volunteers to administer an epinephrine auto-injector.

(d) Each school district and open-enrollment charter school that adopts a policy under Subsection (a) must require that each campus have one or more school personnel members or school volunteers authorized and trained to administer an epinephrine auto-injector present during all hours the campus is open.

(e) The supply of epinephrine auto-injectors at each campus must be stored in a secure location and be easily accessible to school personnel and school volunteers authorized and trained to administer an epinephrine auto-injector.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.209. REPORT ON ADMINISTERING EPINEPHRINE AUTO-INJECTOR. (a) Not later than the 10th business day after the date a school personnel member or school volunteer administers an epinephrine auto-injector in accordance with a policy adopted under Section 38.208(a), the school shall report the information required under Subsection (b) to:

(1) the school district or the charter holder if the school is an open-enrollment charter school;

(2) the physician or other person who prescribed the epinephrine auto-injector;

(3) the commissioner of education; and

(4) the commissioner of state health services.

(b) The report required under this section must include the following information:

(1) the age of the person who received the administration of the epinephrine auto-injector;

(2) whether the person who received the administration of the epinephrine auto-injector was a student, a school personnel member or school volunteer, or a visitor;

(3) the physical location where the epinephrine auto-injector was administered;

(4) the number of doses of epinephrine auto-injector administered;

(5) the title of the person who administered the epinephrine auto-injector; and

(6) any other information required by the commissioner of education.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.210. TRAINING. (a) Each school district and open-enrollment charter school that adopts a policy under Section 38.208(a) is responsible for training school personnel and school volunteers in the administration of an epinephrine auto-injector.

(b) Training required under this section must:

(1) include information on:

(A) recognizing the signs and symptoms of anaphylaxis;

(B) administering an epinephrine auto-injector;

(C) implementing emergency procedures, if necessary, after administering an epinephrine auto-injector; and

(D) properly disposing of used or expired epinephrine auto-injectors; and

(2) be provided in a formal training session or through online education and be completed annually.

(c) Each school district and open-enrollment charter school shall maintain records on the training required under this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.211. PRESCRIPTION OF EPINEPHRINE AUTO-INJECTORS. (a) A physician or person who has been delegated prescriptive authority

under Chapter 157, Occupations Code, may prescribe epinephrine auto-injectors in the name of a school district or open-enrollment charter school.

(b) A physician or other person who prescribes epinephrine auto-injectors under Subsection (a) shall provide the school district or open-enrollment charter school with a standing order for the administration of an epinephrine auto-injector to a person reasonably believed to be experiencing anaphylaxis.

(c) The standing order under Subsection (b) is not required to be patient-specific, and the epinephrine auto-injector may be administered to a person without a previously established physician-patient relationship.

(d) Notwithstanding any other provisions of law, supervision or delegation by a physician is considered adequate if the physician:

(1) periodically reviews the order; and

(2) is available through direct telecommunication as needed for consultation, assistance, and direction.

(e) An order issued under this section must contain:

(1) the name and signature of the prescribing physician or other person;

(2) the name of the school district or open-enrollment charter school to which the order is issued;

(3) the quantity of epinephrine auto-injectors to be obtained and maintained under the order; and

(4) the date of issue.

(f) A pharmacist may dispense an epinephrine auto-injector to a school district or open-enrollment charter school without requiring the name or any other identifying information relating to the user.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.212. NOTICE TO PARENTS. If a school district or open-enrollment charter school implements a policy under this subchapter for the maintenance, administration, and disposal of epinephrine auto-injectors, the district or school shall provide written notice to a parent or guardian of each student enrolled in the district or school. Notice required under this section must be provided before the policy is implemented by the district or school and before the

start of each school year.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.213. GIFTS, GRANTS, AND DONATIONS. A school district or open-enrollment charter school may accept gifts, grants, donations, and federal and local funds to implement this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.214. RULES. Except as otherwise provided by this subchapter, the commissioner of education and the commissioner of state health services shall jointly adopt rules necessary to implement this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

Sec. 38.215. IMMUNITY FROM LIABILITY. (a) A person who in good faith takes, or fails to take, any action under this subchapter is immune from civil or criminal liability or disciplinary action resulting from that action or failure to act, including:

(1) issuing an order for epinephrine auto-injectors;

(2) supervising or delegating the administration of an epinephrine auto-injector;

(3) possessing, maintaining, storing, or disposing of an epinephrine auto-injector;

(4) prescribing an epinephrine auto-injector;

(5) dispensing an epinephrine auto-injector;

(6) administering, or assisting in administering, an epinephrine auto-injector;

(7) providing, or assisting in providing, training, consultation, or advice in the development, adoption, or implementation of policies, guidelines, rules, or plans; or

(8) undertaking any other act permitted or required under this subchapter.

(b) The immunities and protections provided by this subchapter are in addition to other immunities or limitations of liability provided by law.

(c) Notwithstanding any other law, this subchapter does not create a civil, criminal, or administrative cause of action or liability or create a standard of care, obligation, or duty that provides a basis for a cause of action for an act or omission under this subchapter.

(d) A cause of action does not arise from an act or omission described by this section.

(e) A school district or open-enrollment charter school and school personnel and school volunteers are immune from suit resulting from an act, or failure to act, under this subchapter, including an act or failure to act under related policies and procedures.

(f) An act or failure to act by school personnel or a school volunteer under this subchapter, including an act or failure to act under related policies and procedures, is the exercise of judgment or discretion on the part of the school personnel or school volunteer and is not considered to be a ministerial act for purposes of liability of the school district or open-enrollment charter school.

Added by Acts 2015, 84th Leg., R.S., Ch. 180 (S.B. 66), Sec. 2, eff. May 28, 2015.

SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

Sec. 39.021. ESSENTIAL SKILLS AND KNOWLEDGE. The State Board of Education by rule shall establish the essential skills and knowledge that all students should learn to achieve the goals provided under Section 4.002.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 39.022. ASSESSMENT PROGRAM. The State Board of Education by rule shall create and implement a statewide assessment program that is knowledge- and skills-based to ensure school accountability for student achievement that achieves the goals provided under Section 4.002. After adopting rules under this section, the State

Board of Education shall consider the importance of maintaining stability in the statewide assessment program when adopting any subsequent modification of the rules.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 397, Sec. 2, eff. Sept. 1, 1999.

For expiration of Subsection (a-3) as added by Acts 2013, 83rd Leg., R.S., Ch. 1267, and Subsections (a-4) - (a-10), see Subsection (a-10)

Sec. 39.023. ADOPTION AND ADMINISTRATION OF INSTRUMENTS.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(a) The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess essential knowledge and skills in reading, writing, mathematics, social studies, and science. Except as provided by Subsection (a-2), all students, other than students assessed under Subsection (b) or (l) or exempted under Section 39.027, shall be assessed in:

(1) mathematics, annually in grades three through seven without the aid of technology and in grade eight with the aid of technology on any assessment instrument that includes algebra;

(2) reading, annually in grades three through eight;

(3) writing, including spelling and grammar, in grades four and seven;

(4) social studies, in grade eight;

(5) science, in grades five and eight; and

(6) any other subject and grade required by federal law.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(a) The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess essential knowledge and skills in reading, writing, mathematics, social studies, and science. Except as provided by Subsection (a-2), all students, other than students assessed under Subsection (b) or (l) or exempted under Section 39.027, shall be assessed in:

(1) mathematics, in grades three and five without the aid

of technology and in grade eight with the aid of technology on any assessment instrument that includes algebra;

(2) reading, in grades three, five, and eight;

(3) writing, including spelling and grammar, in grades four and seven;

(4) social studies, in grade eight; and

(5) science, in grades five and eight.

Text of subsection effective September 1, 2017; see note following section for effective date information

(a) The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess essential knowledge and skills in reading, writing, mathematics, social studies, and science. Except as provided by Subsection (a-2), all students, other than students assessed under Subsection (b) or (l) or exempted under Section 39.027, shall be assessed in:

(1) mathematics, annually in grades three through seven without the aid of technology and in grade eight with the aid of technology on any assessment instrument that includes algebra;

(2) reading, annually in grades three through eight;

(3) writing, including spelling and grammar, in grades four and seven;

(4) social studies, in grade eight;

(5) science, in grades five and eight; and

(6) any other subject and grade required by federal law.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(a-1) The agency shall develop assessment instruments required under Subsection (a) in a manner that allows, to the extent practicable:

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard under Section 39.0241; and

(2) an appropriate range of performances to serve as a valid indication of growth in student achievement.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(a-1) The agency shall develop assessment instruments required under Subsections (a), (a-4), (a-5), and (a-6) in a manner that

allows, to the extent practicable:

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard under Section 39.0241; and

(2) an appropriate range of performances to serve as a valid indication of growth in student achievement.

Text of subsection effective September 1, 2017; see note following section for effective date information

(a-1) The agency shall develop assessment instruments required under Subsection (a) in a manner that allows, to the extent practicable:

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard under Section 39.0241; and

(2) an appropriate range of performances to serve as a valid indication of growth in student achievement.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(a-2) Except as required by federal law, a student is not required to be assessed in a subject otherwise assessed at the student's grade level under Subsection (a) if the student:

(1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Subsection (a) that aligns with the curriculum for the course in which the student is enrolled; or

(2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Subsection (c) for the course.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(a-2) Except as required by federal law, a student is not required to be assessed in a subject otherwise assessed at the student's grade level under Subsection (a) if the student:

(1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Subsection (a), (a-

4), (a-5), or (a-6) that aligns with the curriculum for the course in which the student is enrolled; or

(2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Subsection (c) for the course.

Text of subsection effective September 1, 2017; see note following section for effective date information

(a-2) Except as required by federal law, a student is not required to be assessed in a subject otherwise assessed at the student's grade level under Subsection (a) if the student:

(1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Subsection (a) that aligns with the curriculum for the course in which the student is enrolled; or

(2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Subsection (c) for the course.

Text of subsection as added by Acts 2013, 83rd Leg., R.S., Ch. 861, Sec. 2, effective June 14, 2013

(a-3) The agency may not adopt or develop a criterion-referenced assessment instrument under this section based on common core state standards as defined by Section 28.002(b-1). This subsection does not prohibit the use of college advanced placement tests or international baccalaureate examinations as those terms are defined by Section 28.051.

Text of subsection as added by Acts 2013, 83rd Leg., R.S., Ch. 1267, Sec. 1, effective on or before September 1, 2015; see note following section for effective date information

(a-3) For each assessment instrument administered under Subsection (a) or (a-5), the agency shall determine, based on available information for that assessment instrument, the minimum satisfactory adjusted scale score. The minimum satisfactory adjusted scale score is the sum of the scale score that indicates satisfactory performance on that assessment instrument, as determined by the commissioner under Section 39.0241(a), plus the minimum number of points that when added to the scale score produces a score that,

within a three percent margin of error, is predictive that a student achieving that score would achieve satisfactory performance on an assessment instrument in the same subject administered to the student during the following school year.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-4) A student shall be assessed in grade four in a subject for which an assessment instrument is administered under Subsection (a) in grade three if, on the final assessment instrument in that subject administered under Subsection (a) to the student in grade three during the preceding school year, the student did not achieve a score equal to or greater than the minimum satisfactory adjusted scale score for that assessment instrument, as determined under Subsection (a-3).

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-5) A student shall be assessed in grade six in a subject for which an assessment instrument is administered under Subsection (a) in grade five if, on the final assessment instrument in that subject administered under Subsection (a) to the student in grade five during the preceding school year, the student did not achieve a score equal to or greater than the minimum satisfactory adjusted scale score for that assessment instrument, as determined under Subsection (a-3).

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-6) A student shall be assessed in grade seven in a subject for which an assessment instrument was administered under Subsection (a-5) to the student in grade six if, on the final assessment instrument in that subject administered to the student in grade six during the preceding school year, the student did not achieve a score equal to or greater than the minimum satisfactory adjusted scale score for that assessment instrument, as determined under Subsection (a-3).

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-7) A student assessed in mathematics under Subsection (a-4), (a-5), or (a-6) shall be assessed without the aid of technology.

Text of subsection effective on or before September 1, 2015; see note

following section for effective date information

(a-8) A school district or open-enrollment charter school may, for its own use in determining whether students are performing at a satisfactory level, administer to a student at the appropriate grade level, other than a student required to be assessed, an assessment instrument developed for purposes of Subsection (a-4), (a-5), or (a-6). At the request of a district or open-enrollment charter school, the agency shall provide, allow for the administration of, and score each assessment instrument administered under this subsection in the same manner and at the same cost as for assessment instruments required to be administered under the applicable subsection. The results of an assessment instrument administered under this subsection may not be included as an indicator of achievement under Section 39.053 or any other provision.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-9) If there is a conflict between this section and a federal law or regulation as a result of forgoing under this section certain administration of assessment instruments to students who have recently performed successfully on assessment instruments assessing the same subject, the commissioner shall seek a waiver from the application of the conflicting federal law or regulation. In seeking a waiver, the commissioner shall submit all relevant data, including data relating to:

(1) the likelihood that a student who achieves a score on an assessment instrument equal to or greater than the minimum satisfactory adjusted scale score for that assessment instrument, as determined under Subsection (a-3), will, in subsequent years, perform satisfactorily on assessment instruments in the same subject;

(2) the costs associated with ongoing assessment of students who have proven likely to perform successfully on subsequent assessment instruments; and

(3) the benefit of redirecting resources from assessment of students who have proven likely to perform successfully on subsequent assessment instruments toward enabling lower performing students to perform successfully on assessment instruments after one school year.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information

(a-10) This subsection and Subsections (a-3), (a-4), (a-5), (a-

6), (a-7), (a-8), and (a-9) expire September 1, 2017.

(a-11) Before an assessment instrument adopted or developed under Subsection (a) may be administered under that subsection, the assessment instrument must, on the basis of empirical evidence, be determined to be valid and reliable by an entity that is independent of the agency and of any other entity that developed the assessment instrument.

(a-12) An assessment instrument adopted or developed under Subsection (a) must be designed so that:

(1) if administered to students in grades three through five, 85 percent of students will be able to complete the assessment instrument within 120 minutes; and

(2) if administered to students in grades six through eight, 85 percent of students will be able to complete the assessment instrument within 180 minutes.

(a-13) The amount of time allowed for administration of an assessment instrument adopted or developed under Subsection (a) may not exceed eight hours, and the administration may occur on only one day.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(b) The agency shall develop or adopt appropriate criterion-referenced alternative assessment instruments to be administered to each student in a special education program under Subchapter A, Chapter 29, for whom an assessment instrument adopted under Subsection (a), even with allowable accommodations, would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee, including assessment instruments approved by the commissioner that measure growth. The assessment instruments developed or adopted under this subsection, including the assessment instruments approved by the commissioner, must, to the extent allowed under federal law, provide a district with options for the assessment of students under this subsection. The agency may not adopt a performance standard that indicates that a student's performance on the alternate assessment does not meet standards if the lowest level of the assessment accurately represents the student's developmental level as determined by the student's admission, review, and dismissal committee.

Text of subsection effective on or before September 1, 2015; see note

following section for effective date information; effective until September 1, 2017

(b) The agency shall develop or adopt appropriate criterion-referenced alternative assessment instruments to be administered to a student in a special education program under Subchapter A, Chapter 29, for whom an assessment instrument adopted under Subsection (a) or, to the extent applicable, Subsection (a-4), (a-5), or (a-6), even with allowable accommodations, would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee, including assessment instruments approved by the commissioner that measure growth. The assessment instruments developed or adopted under this subsection, including the assessment instruments approved by the commissioner, must, to the extent allowed under federal law, provide a district with options for the assessment of students under this subsection. The agency may not adopt a performance standard that indicates that a student's performance on the alternate assessment does not meet standards if the lowest level of the assessment accurately represents the student's developmental level as determined by the student's admission, review, and dismissal committee.

Text of subsection effective September 1, 2017; see note following section for effective date information

(b) The agency shall develop or adopt appropriate criterion-referenced alternative assessment instruments to be administered to each student in a special education program under Subchapter A, Chapter 29, for whom an assessment instrument adopted under Subsection (a), even with allowable accommodations, would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee, including assessment instruments approved by the commissioner that measure growth. The assessment instruments developed or adopted under this subsection, including the assessment instruments approved by the commissioner, must, to the extent allowed under federal law, provide a district with options for the assessment of students under this subsection. The agency may not adopt a performance standard that indicates that a student's performance on the alternate assessment does not meet standards if the lowest level of the assessment accurately represents the student's developmental level as determined by the student's admission, review, and dismissal committee.

(b-1) The agency, in conjunction with appropriate interested

persons, shall redevelop assessment instruments adopted or developed under Subsection (b) for administration to significantly cognitively disabled students in a manner consistent with federal law. An assessment instrument under this subsection may not require a teacher to prepare tasks or materials for a student who will be administered such an assessment instrument. Assessment instruments adopted or developed under this subsection shall be administered not later than the 2014-2015 school year.

(c) The agency shall also adopt end-of-course assessment instruments for secondary-level courses in Algebra I, biology, English I, English II, and United States history. The Algebra I end-of-course assessment instrument must be administered with the aid of technology. The English I and English II end-of-course assessment instruments must each assess essential knowledge and skills in both reading and writing in the same assessment instrument and must provide a single score. A school district shall comply with State Board of Education rules regarding administration of the assessment instruments listed in this subsection. If a student is in a special education program under Subchapter A, Chapter 29, the student's admission, review, and dismissal committee shall determine whether any allowable modification is necessary in administering to the student an assessment instrument required under this subsection. The State Board of Education shall administer the assessment instruments. The State Board of Education shall adopt a schedule for the administration of end-of-course assessment instruments that complies with the requirements of Subsection (c-3).

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(c-1) The agency shall develop any assessment instrument required under this section in a manner that allows for the measurement of annual improvement in student achievement as required by Sections 39.034(c) and (d).

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(c-1) To the greatest extent practicable, the agency shall develop any assessment instrument required under this section in a manner that allows for the measurement of annual improvement in student achievement as required by Sections 39.034(c) and (d).

Text of subsection effective September 1, 2017; see note following section for effective date information

(c-1) The agency shall develop any assessment instrument required under this section in a manner that allows for the measurement of annual improvement in student achievement as required by Sections 39.034(c) and (d).

(c-2) The agency may adopt end-of-course assessment instruments for courses not listed in Subsection (c). A student's performance on an end-of-course assessment instrument adopted under this subsection is not subject to the performance requirements established under Subsection (c) or Section 39.025.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(c-3) In adopting a schedule for the administration of assessment instruments under this section, the State Board of Education shall require:

(1) assessment instruments administered under Subsection (a) to be administered on a schedule so that the first assessment instrument is administered at least two weeks later than the date on which the first assessment instrument was administered under Subsection (a) during the 2006-2007 school year; and

(2) the spring administration of end-of-course assessment instruments under Subsection (c) to occur in each school district not earlier than the first full week in May, except that the spring administration of the end-of-course assessment instruments in English I and English II must be permitted to occur at an earlier date.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(c-3) In adopting a schedule for the administration of assessment instruments under this section, the State Board of Education shall require:

(1) assessment instruments administered under Subsections (a), (a-4), (a-5), and (a-6) to be administered on a schedule so that the first assessment instrument is administered at least two weeks later than the date on which the first assessment instrument was administered under Subsection (a) during the 2006-2007 school year; and

(2) the spring administration of end-of-course assessment

instruments under Subsection (c) to occur in each school district not earlier than the first full week in May, except that the spring administration of the end-of-course assessment instruments in English I and English II must be permitted to occur at an earlier date.

Text of subsection effective on September 1, 2017; see note following section for effective date information

(c-3) In adopting a schedule for the administration of assessment instruments under this section, the State Board of Education shall require:

(1) assessment instruments administered under Subsection (a) to be administered on a schedule so that the first assessment instrument is administered at least two weeks later than the date on which the first assessment instrument was administered under Subsection (a) during the 2006-2007 school year; and

(2) the spring administration of end-of-course assessment instruments under Subsection (c) to occur in each school district not earlier than the first full week in May, except that the spring administration of the end-of-course assessment instruments in English I and English II must be permitted to occur at an earlier date.

(c-4) To the extent practicable and subject to Section 39.024, the agency shall ensure that each end-of-course assessment instrument adopted under Subsection (c) is:

(1) developed in a manner that measures a student's performance under the college readiness standards established under Section 28.008; and

(2) validated by national postsecondary education experts for college readiness content and performance standards.

(c-5) A student's performance on an end-of-course assessment instrument required under Subsection (c) must be included in the student's academic achievement record.

(c-6) In adopting an end-of-course assessment instrument under this section, the agency shall consider the use of an existing assessment instrument that is currently available. The agency may use an existing assessment instrument that is currently available only if the assessment instrument:

(1) is aligned with the essential knowledge and skills of the subject being assessed; and

(2) allows for the measurement of annual improvement in student achievement as provided by Subsection (c-1).

(d) The commissioner may participate in multistate efforts to

develop voluntary standardized end-of-course assessment instruments. The commissioner by rule may require a school district to administer an end-of-course assessment instrument developed through the multistate efforts. The admission, review, and dismissal committee of a student in a special education program under Subchapter A, Chapter 29, shall determine whether any allowable modification is necessary in administering to the student an end-of-course assessment instrument.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (b), (c), (d), or (l), excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score. During the 2014-2015 and 2015-2016 school years, the agency shall release the questions and answer keys to assessment instruments as described by this subsection each year.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (a-4), (a-5), (a-6), (b), (c), (d), or (l), excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score. During the 2014-

2015 and 2015-2016 school years, the agency shall release the questions and answer keys to assessment instruments as described by this subsection each year.

Text of subsection effective September 1, 2017; see note following section for effective date information

(e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (b), (c), (d), or (l), excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score. During the 2014-2015 and 2015-2016 school years, the agency shall release the questions and answer keys to assessment instruments as described by this subsection each year.

(e-1) The agency may defer releasing assessment instrument questions and answer keys as required by Subsection (e) to the extent necessary to develop additional assessment instruments.

(f) The assessment instruments shall be designed to include assessment of a student's problem-solving ability and complex-thinking skills using a method of assessing those abilities and skills that is demonstrated to be highly reliable.

(g) The State Board of Education may adopt one appropriate, nationally recognized, norm-referenced assessment instrument in reading and mathematics to be administered to a selected sample of students in the spring. If adopted, a norm-referenced assessment instrument must be a secured test. The state may pay the costs of purchasing and scoring the adopted assessment instrument and of distributing the results of the adopted instrument to the school districts. A district that administers the norm-referenced test adopted under this subsection shall report the results to the agency in a manner prescribed by the commissioner.

(h) The agency shall notify school districts and campuses of the results of assessment instruments administered under this section not later than the 21st day after the date the assessment instrument is administered. The school district shall disclose to each district

teacher the results of assessment instruments administered to students taught by the teacher in the subject for the school year in which the assessment instrument is administered.

(i) The provisions of this section, except Subsection (d), are subject to modification by rules adopted under Section 39.022. Each assessment instrument adopted under those rules and each assessment instrument required under Subsection (d) must be reliable and valid and must meet any applicable federal requirements for measurement of student progress.

(j) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1312, Sec. 18, eff. September 1, 2007.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(l) The State Board of Education shall adopt rules for the administration of the assessment instruments adopted under Subsection (a) in Spanish to students in grades three through five who are of limited English proficiency, as defined by Section 29.052, whose primary language is Spanish, and who are not otherwise exempt from the administration of an assessment instrument under Section 39.027(a)(1) or (2). Each student of limited English proficiency whose primary language is Spanish, other than a student to whom Subsection (b) applies, may be assessed using assessment instruments in Spanish under this subsection for up to three years or assessment instruments in English under Subsection (a). The language proficiency assessment committee established under Section 29.063 shall determine which students are administered assessment instruments in Spanish under this subsection.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(l) The State Board of Education shall adopt rules for the administration of the assessment instruments adopted under Subsection (a) and, to the extent applicable, the assessment instruments adopted under Subsection (a-4) in Spanish to students in grades three, four, and five who are of limited English proficiency, as defined by Section 29.052, whose primary language is Spanish, and who are not otherwise exempt from the administration of an assessment instrument under Section 39.027(a)(1) or (2). Each student of limited English proficiency whose primary language is Spanish, other than a student

to whom Subsection (b) applies, may be assessed using assessment instruments in Spanish under this subsection for up to three years or assessment instruments in English under Subsection (a) and, as applicable, Subsection (a-4). The language proficiency assessment committee established under Section 29.063 shall determine which students are administered assessment instruments in Spanish under this subsection.

Text of subsection effective September 1, 2017; see note following section for effective date information

(l) The State Board of Education shall adopt rules for the administration of the assessment instruments adopted under Subsection (a) in Spanish to students in grades three through five who are of limited English proficiency, as defined by Section 29.052, whose primary language is Spanish, and who are not otherwise exempt from the administration of an assessment instrument under Section 39.027(a)(1) or (2). Each student of limited English proficiency whose primary language is Spanish, other than a student to whom Subsection (b) applies, may be assessed using assessment instruments in Spanish under this subsection for up to three years or assessment instruments in English under Subsection (a). The language proficiency assessment committee established under Section 29.063 shall determine which students are administered assessment instruments in Spanish under this subsection.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(m) The commissioner by rule shall develop procedures under which the language proficiency assessment committee established under Section 29.063 shall determine which students are exempt from the administration of the assessment instruments under Section 39.027(a)(1) or (2). The rules adopted under this subsection shall ensure that the language proficiency assessment committee provides that the exempted students are administered the assessment instruments under Subsections (a) and (c) at the earliest practical date.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(m) The commissioner by rule shall develop procedures under which the language proficiency assessment committee established under

Section 29.063 shall determine which students are exempt from the administration of the assessment instruments under Section 39.027(a)(1) or (2). The rules adopted under this subsection shall ensure that the language proficiency assessment committee provides that the exempted students are administered the assessment instruments under Subsections (a) and (c) and, to the extent applicable, Subsections (a-4), (a-5), and (a-6) at the earliest practical date.

Text of subsection effective September 1, 2017; see note following section for effective date information

(m) The commissioner by rule shall develop procedures under which the language proficiency assessment committee established under Section 29.063 shall determine which students are exempt from the administration of the assessment instruments under Section 39.027(a)(1) or (2). The rules adopted under this subsection shall ensure that the language proficiency assessment committee provides that the exempted students are administered the assessment instruments under Subsections (a) and (c) at the earliest practical date.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(n) This subsection applies only to a student who is determined to have dyslexia or a related disorder and who is an individual with a disability under 29 U.S.C. Section 705(20) and its subsequent amendments. The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess the ability of and to be administered to each student to whom this subsection applies for whom the assessment instruments adopted under Subsection (a), even with allowable modifications, would not provide an appropriate measure of student achievement, as determined by the committee established by the board of trustees of the district to determine the placement of students with dyslexia or related disorders. The committee shall determine whether any allowable modification is necessary in administering to a student an assessment instrument required under this subsection. The assessment instruments required under this subsection shall be administered on the same schedule as the assessment instruments administered under Subsection (a).

Text of subsection effective on or before September 1, 2015; see note

following section for effective date information; effective until September 1, 2017

(n) This subsection applies only to a student who is determined to have dyslexia or a related disorder and who is an individual with a disability under 29 U.S.C. Section 705(20) and its subsequent amendments. The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess the ability of and to be administered to each student to whom this subsection applies for whom the assessment instruments adopted under Subsection (a) and, to the extent applicable, the assessment instruments adopted under Subsections (a-4), (a-5), and (a-6), even with allowable modifications, would not provide an appropriate measure of student achievement, as determined by the committee established by the board of trustees of the district to determine the placement of students with dyslexia or related disorders. The committee shall determine whether any allowable modification is necessary in administering to a student an assessment instrument required under this subsection. The assessment instruments required under this subsection shall be administered on the same schedule as the assessment instruments administered under Subsections (a), (a-4), (a-5), and (a-6), as applicable.

Text of subsection effective September 1, 2017; see note following section for effective date information

(n) This subsection applies only to a student who is determined to have dyslexia or a related disorder and who is an individual with a disability under 29 U.S.C. Section 705(20) and its subsequent amendments. The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess the ability of and to be administered to each student to whom this subsection applies for whom the assessment instruments adopted under Subsection (a), even with allowable modifications, would not provide an appropriate measure of student achievement, as determined by the committee established by the board of trustees of the district to determine the placement of students with dyslexia or related disorders. The committee shall determine whether any allowable modification is necessary in administering to a student an assessment instrument required under this subsection. The assessment instruments required under this subsection shall be administered on the same schedule as the assessment instruments administered under Subsection (a).

(o) Repealed by Acts 2015, 84th Leg., R.S., Ch. 934 , Sec. 5(1), eff. June 18, 2015.

Text of subsection effective until on or before September 1, 2015; see note following section for effective date information

(p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (c), or (l):

(1) the number of questions on the assessment instrument;

(2) the number of questions that must be answered correctly to achieve satisfactory performance as determined by the commissioner under Section 39.0241(a);

(3) the number of questions that must be answered correctly to achieve satisfactory performance under the college readiness performance standard as provided by Section 39.0241; and

(4) the corresponding scale scores.

Text of subsection effective on or before September 1, 2015; see note following section for effective date information; effective until September 1, 2017

(p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (a-4), (a-5), (a-6), (c), or (l):

(1) the number of questions on the assessment instrument;

(2) the number of questions that must be answered correctly to achieve satisfactory performance as determined by the commissioner under Section 39.0241(a);

(3) the number of questions that must be answered correctly to achieve satisfactory performance under the college readiness performance standard as provided by Section 39.0241; and

(4) the corresponding scale scores.

Text of subsection effective September 1, 2017; see note following section for effective date information

(p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (c), or (l):

(1) the number of questions on the assessment instrument;

(2) the number of questions that must be answered correctly

to achieve satisfactory performance as determined by the commissioner under Section 39.0241(a);

(3) the number of questions that must be answered correctly to achieve satisfactory performance under the college readiness performance standard as provided by Section 39.0241; and

(4) the corresponding scale scores.

Section 3(a), Chapter 1267 (H.B. 866), Acts of the 83rd Legislature, Regular Session, 2013, provides that certain amendments to Section 39.023 take effect on any date not later than September 1, 2015, on which the commissioner of education:

(1) obtains any necessary waiver from the application of federal law or regulation conflicting with Section 39.023, Education Code, as amended by this Act, as required by Section 39.023(a-9), Education Code, as added by this Act; or

(2) receives written notification from the United States Department of Education that a waiver is not required.

On July 17, 2013, commissioner of education Michael Williams wrote to U.S. Secretary of Education Arne Duncan inquiring whether the U.S. Department of Education would grant a waiver of certain assessment and accountability provisions of Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA) to permit the implementation of the changes to annual assessment in grades 3 through 8 proposed by Section 1, Chapter 1267 (H.B. 866). In a response dated September 6, 2013, Deborah S. Delisle, Assistant Secretary of Education, wrote in part:

Section 9401 of the ESEA authorizes the Secretary to grant a waiver of most provisions of the ESEA if the waiver would increase the quality of instruction and improve the academic achievement of students. Secretary Duncan has delegated authority for waivers to me and, thus, I have reviewed the request. After careful review of the provided information in your letter, our team has determined that a waiver of the ESEA provisions requiring the annual assessment of students in grades 3 through 8 do not meet the statutory threshold for approval. Annual assessment of all students in grades 3 through 8 is critical to holding schools and LEAs [local education authorities] accountable for improving the achievement of all students and to providing transparency on LEA, school, and student

performance to families, communities, and other stakeholders. Therefore, should the TEA submit such a request, I would decline to exercise my authority to grant a waiver of the provisions you have identified.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 397, Sec. 3, 8, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 8, Sec. 1, eff. April 11, 2001; Acts 2001, 77th Leg., ch. 834, Sec. 9, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 25, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 430, Sec. 5, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 433, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1212, Sec. 11, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1275, Sec. 2(20), eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 8, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 18, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 50, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 3, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 31(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 590 (S.B. 906), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 861 (H.B. 462), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1267 (H.B. 866), Sec. 1.

Acts 2013, 83rd Leg., R.S., Ch. 1267 (H.B. 866), Sec. 2, eff. September 1, 2017.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 2, eff. June 18, 2015.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 5(1), eff. June 18, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1006 (H.B. 743), Sec. 1, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 13, eff.

June 19, 2015.

For expiration of this section, see Subsection (j).

Sec. 39.02301. WRITING ASSESSMENT STUDY; PILOT PROGRAM. (a) During the 2015-2016 school year, the agency, in coordination with the entity that has been contracted to develop or implement assessment instruments under Section 39.023, shall conduct a study to develop a writing assessment method as an alternative to the writing assessment instruments required under Sections 39.023(a) and (c). The writing assessment method must be designed to assess:

(1) a student's mastery of the essential knowledge and skills in writing through timed writing samples;

(2) improvement of a student's writing skills from the beginning of the school year to the end of the school year;

(3) a student's ability to follow the writing process from rough draft to final product; and

(4) a student's ability to produce more than one type of writing style.

(b) During the 2016-2017 and 2017-2018 school years, the agency shall establish a pilot program as provided by this section to implement in designated school districts the writing assessment method developed under Subsection (a).

(c) The agency shall designate school districts to participate in the pilot program as provided by this subsection. The pilot program must include at least one large urban district, one medium-sized district, and one rural district. Each district included must have a student enrollment that is representative of diverse demographics and socioeconomic backgrounds. To the extent practicable, the agency shall designate the number of districts the agency determines appropriate to achieve the cost savings described by Subsection (d).

(d) A school district designated to participate in the pilot program under this section is not required to comply with the writing assessment requirements under Sections 39.023(a) and (c) during the period the district is participating in the pilot program. The agency shall, to the greatest extent practicable, apply cost savings that result from the exemption under this subsection to offset the costs accrued under this section.

(e) The agency shall establish the process for consolidating

student writing assessments under the method developed under Subsection (a) to be submitted for scoring. This process may include the submission of a student portfolio for scoring.

(f) The individuals responsible for scoring student writing assessments under the pilot program shall be coordinated jointly by:

(1) the school district in which the student is enrolled and that is participating in the pilot program;

(2) a public junior college or institution of higher education that enters into an agreement with the participating school district; and

(3) the regional education service center that serves the participating district.

(g) A random sampling of scored student writing assessments, the size of which the agency shall determine, shall be delivered to the agency.

(h) Not later than September 1, 2016, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education a report covering the study of the development of the writing assessment method under Subsection (a). Not later than September 1 of each year in 2017 and 2018, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education a report that:

(1) evaluates the implementation and progress of the pilot program under this section; and

(2) makes recommendations regarding the continuation or expansion of the pilot program.

(i) The agency shall adopt rules as necessary to administer this section.

(j) This section expires September 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 711 (H.B. 1164), Sec. 1, eff. September 1, 2015.

Sec. 39.0231. REPORTING OF RESULTS OF CERTAIN ASSESSMENTS. The agency shall ensure that each assessment instrument administered in

accordance with Section 28.0211 is scored and that the results are returned to the appropriate school district not later than 10 days after receipt of the test materials by the agency or its test contractor.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 2.18, eff. Sept. 1, 1999.

Sec. 39.02315. REPORTING RESULTS OF ASSESSMENT INSTRUMENTS FOR OUT-OF-STATE TRANSFER STUDENTS. (a) For assessment instruments required to be administered under Section 39.023, the agency shall adopt procedures to ensure that the results of the assessment instruments administered to students who transfer from a school district in another state to a school district in this state are reported to each school district separately from the results of assessment instruments administered to other students.

(b) The commissioner by rule shall:

(1) ensure that the results of assessment instruments administered to students who transfer from a school district in another state to a school district in this state reported under Subsection (a) are properly identified in agency systems that report and track academic performance of students; and

(2) adopt procedures for reporting and tracking data relating to students who transfer from a school district in another state to a school district in this state.

Added by Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 3, eff. June 18, 2015.

Sec. 39.0232. USE OF END-OF-COURSE ASSESSMENT INSTRUMENT AS PLACEMENT INSTRUMENT; CERTAIN USES PROHIBITED. (a) To the extent practicable, the agency shall ensure that any high school end-of-course assessment instrument developed by the agency is developed in such a manner that the assessment instrument may be used to determine the appropriate placement of a student in a course of the same subject matter at an institution of higher education.

(b) A student's performance on an end-of-course assessment instrument may not be used:

(1) in determining the student's class ranking for any

purpose, including entitlement to automatic college admission under Section 51.803 or 51.804; or

(2) as a sole criterion in the determination of whether to admit the student to a general academic teaching institution in this state.

(c) Subsection (b)(2) does not prohibit a general academic teaching institution from implementing an admission policy that takes into consideration a student's performance on an end-of-course assessment instrument in addition to other criteria.

(d) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.05, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 32(a), eff. June 10, 2013.

Sec. 39.0233. SPECIAL-PURPOSE QUESTIONS INCLUDED IN END-OF-COURSE ASSESSMENT INSTRUMENTS. (a) The agency, in coordination with the Texas Higher Education Coordinating Board, shall adopt a series of questions to be included in an end-of-course assessment instrument administered under Section 39.023(c) to be used for purposes of Section 51.3062. The questions adopted under this subsection must be developed in a manner consistent with any college readiness standards adopted under Sections 39.233 and 51.3062.

(b) In addition to the questions adopted under Subsection (a), the agency shall adopt a series of questions to be included in an end-of-course assessment instrument administered under Section 39.023(c) to be used for purposes of identifying students who are likely to succeed in an advanced high school course. A school district shall notify a student who performs at a high level on the questions adopted under this subsection and the student's parent or guardian of the student's performance and potential to succeed in an advanced high school course. A school district may not require a student to perform at a particular level on the questions adopted under this subsection in order to be eligible to enroll in an advanced high school course.

(c) Repealed by Acts 2015, 84th Leg., R.S., Ch. 934 , Sec.

5(2), eff. June 18, 2015.

(d) The questions adopted under this section may not be administered in a separate section of the end-of-course assessment instrument.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 9, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 51, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.005, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 33(a), eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 5(2), eff. June 18, 2015.

Sec. 39.0234. ADMINISTRATION OF ASSESSMENT INSTRUMENTS BY COMPUTER. (a) The agency shall ensure that assessment instruments required under Section 39.023 are capable of being administered by computer. The commissioner may not require a school district or open-enrollment charter school to administer an assessment instrument by computer.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 9, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 52, eff. June 19, 2009.

Sec. 39.0235. TECHNOLOGY LITERACY ASSESSMENT PILOT PROGRAM. (a) In this section, "pilot program" means the technology literacy assessment pilot program.

(b) The commissioner by rule shall establish a pilot program in which a participating school district assesses student technology proficiency.

(c) A school district may apply to the commissioner to participate in the pilot program. The commissioner shall select for participation school districts from both rural and urban areas of the

state.

(d) The agency shall adopt an assessment instrument designed to assess an individual student's mastery of the essential knowledge and skills in technology to be administered by a school district participating in the pilot program. The assessment instrument adopted under this subsection must be an existing product that is currently available.

(e) Each school year, the assessment instrument adopted under Subsection (d) shall be administered in a participating school district to each student in either fifth, sixth, seventh, eighth, or ninth grade, with the grade level and time to be determined by the district.

(f) The assessment instrument adopted under Subsection (d) must:

(1) be administered online;

(2) be aligned with the essential knowledge and skills requirements for technology applications; and

(3) incorporate performance-based measures, including a requirement that students perform certain technological tasks and respond to questions based on the completion of those tasks.

(g) An assessment instrument administered by a participating school district must be designed in a manner to provide the district with an automatic report of the technology literacy proficiency of a district student in a format that is compatible with the school district and state data information systems.

(h) A participating school district shall report student performance on the assessment instrument to the agency.

Added by Acts 2007, 80th Leg., R.S., Ch. 1237 (H.B. 2503), Sec. 1, eff. June 15, 2007.

For expiration of this section, see Subsection (d).

Sec. 39.0236. STUDY OF ESSENTIAL KNOWLEDGE AND SKILLS AND ASSESSMENT INSTRUMENTS. (a) The agency shall conduct a study regarding the essential knowledge and skills of the required curriculum identified by the State Board of Education under Section 28.002 and assessment instruments administered under Section 39.023.

(b) The study must evaluate:

(1) the number and scope of the essential knowledge and

skills of each subject of the required curriculum under Section 28.002, with each essential knowledge or skill identified as a readiness or supporting standard, and whether the number or scope should be limited;

(2) the number and subjects of assessment instruments under Section 39.023 that are required to be administered to students in grades three through eight; and

(3) how assessment instruments described by Subdivision (2) assess standards essential for student success and whether the assessment instruments should also assess supporting standards, including analysis of:

(A) the portion of the essential knowledge and skills capable of being accurately assessed;

(B) the appropriate skills that can be assessed within the testing parameters under current law; and

(C) how current standards compare to those parameters.

(c) Not later than March 1, 2016, the agency shall prepare and submit to the State Board of Education a report concerning the results of the study under Subsection (b). Not later than May 1, 2016, the State Board of Education shall review the study and shall submit to the governor and each member of the legislature the agency's report and board recommendations regarding each issue evaluated under Subsection (b).

(d) This section expires June 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 1006 (H.B. 743), Sec. 2, eff. June 19, 2015.

Sec. 39.0238. ADOPTION AND ADMINISTRATION OF POSTSECONDARY READINESS ASSESSMENT INSTRUMENTS. (a) In addition to other assessment instruments adopted and developed under this subchapter, the agency shall adopt or develop appropriate postsecondary readiness assessment instruments for Algebra II and English III that a school district may administer at the district's option.

(b) To the extent practicable, the agency shall ensure that each postsecondary readiness assessment instrument:

(1) assesses essential knowledge and skills and growth;

(2) is developed in a manner that measures a student's performance under the college readiness standards established under

Section 28.008; and

(3) is validated by national postsecondary education experts for college readiness content and performance standards.

(c) In adopting a schedule for the administration of postsecondary readiness assessment instruments under this section, the State Board of Education shall require the annual administration of the postsecondary readiness assessment instruments to occur not earlier than the second full week in May.

(d) The agency shall adopt a policy requiring each school district that elects to administer postsecondary readiness assessment instruments under Subsection (a) to annually:

(1) administer the applicable postsecondary readiness assessment instrument to each student enrolled in a course for which a postsecondary readiness assessment instrument is adopted or developed under Subsection (a), including applied Algebra II; and

(2) report the results of the postsecondary readiness assessment instruments to the agency.

(e) The agency shall annually deliver a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of the standing committees of the legislature with jurisdiction over public education. The report must include a summary of student performance on the preceding year's postsecondary readiness assessment instruments.

(f) The results of a postsecondary readiness assessment instrument administered under this section may not be used by:

(1) the agency for accountability purposes for a school campus or school district;

(2) a school district:

(A) for the purpose of teacher evaluations; or

(B) in determining a student's final course grade or determining a student's class rank for the purpose of high school graduation; or

(3) an institution of higher education:

(A) for admission purposes; or

(B) to determine eligibility for a TEXAS grant.

(g) A school district may not administer an additional benchmark assessment instrument solely for the purpose of preparing for a postsecondary readiness assessment instrument administered under this section. In this subsection, "benchmark assessment instrument" means a district-required assessment instrument designed

to prepare students for a postsecondary readiness assessment instrument administered under this section.

(h) The agency shall acknowledge a school district that elects to administer the postsecondary readiness assessment instruments as provided by Subsection (a).

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 34(a), eff. June 10, 2013.

Sec. 39.024. MEASURE OF COLLEGE READINESS. (a) In this section, "college readiness" means the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at:

(1) a general academic teaching institution, as defined by Section 61.003, other than a research institution, as categorized under the Texas Higher Education Coordinating Board's accountability system; or

(2) a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(f) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(g) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(h) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(2), eff. September 1, 2013.

(i) The agency shall gather data and conduct research to substantiate any correlation between a certain level of performance by students on end-of-course assessment instruments and success in:

(1) military service; or

(2) a workforce training, certification, or other credential program at a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 2, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.19, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 397, Sec. 4, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.006, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1212, Sec. 12, 14, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 53, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 40, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(5), eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(a)(2), eff. September 1, 2013.

Sec. 39.0241. PERFORMANCE STANDARDS. (a) The commissioner shall determine the level of performance considered to be satisfactory on the assessment instruments.

(a-1) The commissioner of education, in collaboration with the commissioner of higher education, shall determine the level of performance necessary to indicate college readiness, as defined by Section 39.024(a).

(a-2) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(3), eff. September 1, 2013.

(c) Using funds appropriated for purposes of this subsection, the agency may develop study guides for the assessment instruments administered under Sections 39.023(a) and (c). To assist parents in providing assistance during the period that school is recessed for summer, each school district shall make the study guides available to parents of students who do not perform satisfactorily as determined by the commissioner under Subsection (a) on one or more parts of an assessment instrument administered under this subchapter.

(d) Using funds appropriated for purposes of this subsection, the agency shall develop and make available teacher training materials and other teacher training resources to assist teachers in enabling students of limited English proficiency to meet state performance expectations. The teacher training resources shall be designed to support intensive, individualized, and accelerated instructional programs developed by school districts for students of limited English proficiency.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 53, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(a)(3), eff. September 1, 2013.

Sec. 39.025. SECONDARY-LEVEL PERFORMANCE REQUIRED. (a) The commissioner shall adopt rules requiring a student in the foundation high school program under Section 28.025 to be administered an end-of-course assessment instrument listed in Section 39.023(c) only for a course in which the student is enrolled and for which an end-of-course assessment instrument is administered. A student is required to achieve a scale score that indicates satisfactory performance, as determined by the commissioner under Section 39.0241(a), on each end-of-course assessment instrument administered to the student. For each scale score required under this subsection that is not based on a 100-point scale scoring system, the commissioner shall provide for conversion, in accordance with commissioner rule, of the scale score to an equivalent score based on a 100-point scale scoring system. A student may not receive a high school diploma until the student has performed satisfactorily on end-of-course assessment instruments in the manner provided under this subsection. This subsection does not require a student to demonstrate readiness to enroll in an institution of higher education.

(a-1) A student enrolled in a college preparatory mathematics or English language arts course under Section 28.014 who satisfies the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section 51.3062(f) on an assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.3062(c)

administered at the end of the college preparatory mathematics or English language arts course satisfies the requirements concerning and is exempt from the administration of the Algebra I or the English I and English II end-of-course assessment instruments, as applicable, as prescribed by Section 39.023(c), even if the student did not perform satisfactorily on a previous administration of the applicable end-of-course assessment instrument. A student who fails to perform satisfactorily on the assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.3062(c) administered as provided by this subsection may retake that assessment instrument for purposes of this subsection or may take the appropriate end-of-course assessment instrument.

Text of subsection as added by Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 4

(a-2) Notwithstanding Subsection (a), a student who has failed to perform satisfactorily on end-of-course assessment instruments in the manner provided under this section may receive a high school diploma if the student has qualified for graduation under Section 28.0258. This subsection expires September 1, 2017.

Text of subsection as added by Acts 2015, 84th Leg., R.S., Ch. 1036 (H.B. 1613), Sec. 2

(a-2) The commissioner shall determine a method by which a student's satisfactory performance on an advanced placement test, an international baccalaureate examination, an SAT Subject Test, the SAT, the ACT, or any nationally recognized norm-referenced assessment instrument used by institutions of higher education to award course credit based on satisfactory performance on the assessment instrument shall be used to satisfy the requirements concerning an end-of-course assessment instrument in an equivalent course as prescribed by Subsection (a). The commissioner shall determine a method by which a student's satisfactory performance on the PSAT or the ACT-Plan shall be used to satisfy the requirements concerning an end-of-course assessment instrument in an equivalent course as prescribed by Subsection (a). A student who fails to perform satisfactorily on a test or other assessment instrument authorized under this subsection, other than the PSAT or the ACT-Plan, may retake that test or other assessment instrument for purposes of this subsection or may take the appropriate end-of-course assessment instrument. A student who fails to perform satisfactorily on the PSAT or the ACT-Plan must take the

appropriate end-of-course assessment instrument. The commissioner shall adopt rules as necessary for the administration of this subsection.

(a-3) A student who, after retaking an end-of-course assessment instrument for Algebra I or English II, has failed to perform satisfactorily as required by Subsection (a), but who receives a score of proficient on the Texas Success Initiative (TSI) diagnostic assessment for the corresponding subject for which the student failed to perform satisfactorily on the end-of-course assessment instrument satisfies the requirement concerning the Algebra I or English II end-of-course assessment, as applicable. This subsection expires September 1, 2017.

(a-4) The admission, review, and dismissal committee of a student in a special education program under Subchapter A, Chapter 29, shall determine whether, to receive a high school diploma, the student is required to achieve satisfactory performance on end-of-course assessment instruments.

(b) Each time an end-of-course assessment instrument adopted under Section 39.023(c) is administered, a student who failed to achieve a score requirement under Subsection (a) may retake the assessment instrument. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

(b-1) A school district shall provide each student who fails to perform satisfactorily as determined by the commissioner under Section 39.0241(a) on an end-of-course assessment instrument with accelerated instruction in the subject assessed by the assessment instrument.

(b-2) Repealed by Acts 2015, 84th Leg., R.S., Ch. 934 , Sec. 5(3), eff. June 18, 2015.

(c) A student who has been denied a high school diploma under this section and who subsequently performs at the level necessary to comply with the requirements of this section shall be issued a high school diploma.

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to

be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection. The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

(d) Notwithstanding Subsection (a), the commissioner by rule shall adopt one or more alternative nationally recognized norm referenced assessment instruments under this section to administer to a student to qualify for a high school diploma if the student enrolls after January 1 of the school year in which the student is otherwise eligible to graduate:

(1) for the first time in a public school in this state; or

(2) after an absence of at least four years from any public school in this state.

(e) The commissioner shall establish a required performance level for an assessment instrument adopted under Subsection (d) that is at least as rigorous as the performance level required to be met under Subsection (a).

(e-1) Nothing in this section has the effect of prohibiting the administration of an end-of-course assessment instrument listed in Section 39.023(c) to a student enrolled below the high school level who is enrolled in the course for which the assessment instrument is adopted. The commissioner shall adopt rules necessary to ensure that the student's performance on the assessment instrument is considered in the same manner for purposes of this section as the performance of a student enrolled at the high school level.

(f) The commissioner shall by rule adopt a transition plan to implement the amendments made by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007, replacing general subject assessment instruments administered at the high school level with end-of-course assessment instruments. The rules must provide for the end-of-course assessment instruments adopted under Section 39.023(c) to be administered beginning with students entering the

ninth grade during the 2011-2012 school year. During the period under which the transition to end-of-course assessment instruments is made:

(1) for students entering a grade above the ninth grade during the 2011-2012 school year, the commissioner shall retain, administer, and use for purposes of accreditation and other campus and district accountability measures under this chapter the assessment instruments required by Section 39.023(a) or (c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and

(2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed satisfactorily on each required assessment instrument administered under Section 39.023(c) as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007.

(g) Rules adopted under Subsection (f) must require that each student who will be subject to the requirements of Subsection (a) is entitled to notice of the specific requirements applicable to the student. Notice under this subsection must be provided not later than the date the student enters the eighth grade.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 767, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 397, Sec. 5, eff. Sept. 1, 1999.
Amended by:

Acts 2005, 79th Leg., Ch. 164 (H.B. 25), Sec. 6, eff. May 27, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 10, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 54, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 4, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 35(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 36(a), eff. September 1, 2014.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(a)(5), eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 5 (S.B. 149), Sec. 4, eff. May

11, 2015.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 4, eff. June 18, 2015.

Acts 2015, 84th Leg., R.S., Ch. 934 (H.B. 2349), Sec. 5(3), eff. June 18, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1036 (H.B. 1613), Sec. 2, eff. June 19, 2015.

Sec. 39.026. LOCAL OPTION. In addition to the assessment instruments adopted by the agency and administered by the State Board of Education, a school district may adopt and administer criterion-referenced or norm-referenced assessment instruments, or both, at any grade level. A norm-referenced assessment instrument adopted under this section must be economical, nationally recognized, and state-approved.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 39.0261. COLLEGE PREPARATION ASSESSMENTS. (a) In addition to the assessment instruments otherwise authorized or required by this subchapter:

(1) each school year and at state cost, a school district shall administer to students in the spring of the eighth grade an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument for the purpose of diagnosing the academic strengths and deficiencies of students before entrance into high school;

(2) each school year and at state cost, a school district shall administer to students in the 10th grade an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument for the purpose of measuring a student's progress toward readiness for college and the workplace; and

(3) high school students in the spring of the 11th grade or during the 12th grade may select and take once, at state cost, one of the valid, reliable, and nationally norm-referenced assessment instruments used by colleges and universities as part of their undergraduate admissions processes.

(b) The agency shall:

(1) select and approve vendors of the specific assessment instruments administered under this section; and

(2) provide reimbursement to a school district for all fees associated with the administration of the assessment instrument from funds appropriated for that purpose.

(c) The agency shall ensure that a school district is not reimbursed under Subsection (b) for the administration of an assessment instrument to a student to whom the assessment instrument is not actually administered. The agency may comply with this subsection by any reasonable means, including by creating a refund system under which a school district returns any payment made for a student who registered for the administration of an assessment instrument but did not appear for the administration.

(d) A vendor that administers an assessment instrument for a district under this section shall report the results of the assessment instrument to the agency. The agency shall:

(1) include a student's results on the assessment instrument in the electronic student records system established under Section 7.010; and

(2) ensure that a student and the student's parent receive a report of the student's results on the assessment instrument.

(e) Subsection (a)(3) does not prohibit a high school student in the spring of the 11th grade or during the 12th grade from selecting and taking, at the student's own expense, one of the valid, reliable, and nationally norm-referenced assessment instruments used by colleges and universities as part of their undergraduate admissions processes more than once.

(f) The provisions of this section apply only if the legislature appropriates funds for purposes of this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 11, eff. September 1, 2007.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1006 (H.B. 743), Sec. 3, eff. June 19, 2015.

Sec. 39.0262. ADMINISTRATION OF DISTRICT-REQUIRED ASSESSMENT INSTRUMENTS IN CERTAIN SUBJECT AREAS. (a) In a subject area for

which assessment instruments are administered under Section 39.023, a school district may not administer locally required assessment instruments designed to prepare students for state-administered assessment instruments to any student on more than 10 percent of the instructional days in any school year. A campus-level planning and decision-making committee established under Section 11.251 may limit the administration of locally required assessment instruments under this subsection to 10 percent or a lower percentage of the instructional days in any school year.

(b) The prohibition prescribed by this section does not apply to the administration of a college preparation assessment instrument, an advanced placement test, an international baccalaureate examination, or an assessment instrument administered under Section 39.023.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 11, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 55, eff. June 19, 2009.

Sec. 39.0263. ADMINISTRATION OF DISTRICT-REQUIRED BENCHMARK ASSESSMENT INSTRUMENTS TO PREPARE STUDENTS FOR STATE-ADMINISTERED ASSESSMENT INSTRUMENTS. (a) In this section, "benchmark assessment instrument" means a district-required assessment instrument designed to prepare students for a corresponding state-administered assessment instrument.

(b) Except as provided by Subsection (c), a school district may not administer to any student more than two benchmark assessment instruments to prepare the student for a corresponding state-administered assessment instrument.

(c) The prohibition prescribed by this section does not apply to the administration of a college preparation assessment instrument, including the PSAT, the ACT-Plan, the SAT, or the ACT, an advanced placement test, an international baccalaureate examination, or an independent classroom examination designed or adopted and administered by a classroom teacher.

(d) A parent of or person standing in parental relation to a student who has special needs, as determined in accordance with

commissioner rule, may request administration to the student of additional benchmark assessment instruments.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 37(a), eff. June 10, 2013.

Sec. 39.027. EXEMPTION. (a) A student may be administered an accommodated or alternative assessment instrument or may be granted an exemption from or a postponement of the administration of an assessment instrument under:

(1) Section 39.023(a), (b), (c), or (l) for a period of up to one year after initial enrollment in a school in the United States if the student is of limited English proficiency, as defined by Section 29.052, and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e);

(2) Section 39.023(a), (b), (c), or (l) for a period of up to two years in addition to the exemption period authorized by Subdivision (1) if the student has received an exemption under Subdivision (1) and:

(A) is a recent unschooled immigrant; or

(B) is in a grade for which no assessment instrument in the primary language of the student is available; or

(3) Section 39.023(a), (b), (c), or (l) for a period of up to four years, in addition to the exemption period authorized under Subdivision (1), if the student's initial enrollment in a school in the United States was as an unschooled asylee or refugee.

(a-1) For purposes of this section, "unschooled asylee or refugee" means a student who:

(1) initially enrolled in a school in the United States as:

(A) an asylee as defined by 45 C.F.R. Section 400.41; or

(B) a refugee as defined by 8 U.S.C. Section 1101;

(2) has a visa issued by the United States Department of State with a Form I-94 Arrival/Departure record, or a successor document, issued by the United States Citizenship and Immigration Services that is stamped with "Asylee," "Refugee," or "Asylum"; and

(3) as a result of inadequate schooling outside of the United States, lacks the necessary foundation in the essential knowledge and skills of the curriculum prescribed under Section

28.002, as determined by the language proficiency assessment committee established under Section 29.063.

(a-2) Unless a student is enrolled in a school in the United States for a period of at least 60 consecutive days during a year, the student may not be considered to be enrolled in a school in the United States for that year for the purpose of determining a number of years under Subsection (a)(1), (2), or (3).

(b) The State Board of Education shall adopt rules under which a dyslexic student who is not exempt under Subsection (a) may use procedures including oral examinations if appropriate or may be allowed additional time or the materials or technology necessary for the student to demonstrate the student's mastery of the competencies the assessment instruments are designed to measure.

(c) The commissioner shall develop and adopt a process for reviewing the exemption process of a school district or shared services arrangement that gives an exemption under Subsection (a)(1) as follows:

(1) to more than five percent of the students in the special education program, in the case of a district or shared services arrangement with an average daily attendance of at least 1,600;

(2) to more than 10 percent of the students in the special education program, in the case of a district or shared services arrangement with an average daily attendance of at least 190 and not more than 1,599; or

(3) to the greater of more than 10 percent of the students in the special education program or to at least five students in the special education program, in the case of a district or shared services arrangement with an average daily attendance of not more than 189.

(d) Expired.

(e) The commissioner shall develop an assessment system that shall be used for evaluating the academic progress, including reading proficiency in English, of all students of limited English proficiency, as defined by Section 29.052. A student who is exempt from the administration of an assessment instrument under Subsection (a)(1) or (2) who achieves reading proficiency in English as determined by the assessment system developed under this subsection shall be administered the assessment instruments described by Sections 39.023(a) and (c). The performance under the assessment

system developed under this subsection of students to whom Subsection (a)(1) or (2) applies shall be included in the indicator systems under Section 39.301, as applicable, the performance report under Section 39.306, and the comprehensive biennial report under Section 39.332. This information shall be provided in a manner that is disaggregated by the bilingual education or special language program, if any, in which the student is enrolled.

(f) In this section, "average daily attendance" is computed in the manner provided by Section 42.005.

(g) For purposes of this section, "recent unschooled immigrant" means an immigrant who initially enrolled in a school in the United States not more than 12 months before the date of the administration of an assessment instrument under Section 39.023(a) or (l) and who, as a result of inadequate schooling outside of the United States, lacks the necessary foundation in the essential knowledge and skills of the curriculum prescribed under Section 28.002 as determined by the language proficiency assessment committee established under Section 29.063. For purposes of this subsection and to the extent authorized by federal law, a child's prior enrollment in a school in the United States shall be determined on the basis of documents and records required under Section 25.002(a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 4, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 397, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 8, Sec. 2, eff. April 11, 2001; Acts 2001, 77th Leg., ch. 725, Sec. 3, eff. June 13, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 6.007, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 4, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 56, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 38(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 413 (S.B. 377), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 7, eff. September 1, 2013.

Sec. 39.028. COMPARISON OF STATE RESULTS TO NATIONAL RESULTS. The state assessment program shall obtain nationally comparative results for the subject areas and grade levels for which criterion-referenced assessment instruments are adopted under Section 39.023.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 39.029. MIGRATORY CHILDREN. The State Board of Education by rule may provide alternate dates for the administration of the assessment instruments to a student who is a migratory child as defined by 20 U.S.C. Section 6399. The alternate dates may be chosen following a consideration of migrant work patterns, and the dates selected may afford maximum opportunity for the students to be present when the assessment instruments are administered.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 39.030. CONFIDENTIALITY; PERFORMANCE REPORTS. (a) In adopting academic skills assessment instruments under this subchapter, the State Board of Education or a school district shall ensure the security of the instruments and tests in their preparation, administration, and grading. Meetings or portions of meetings held by the State Board of Education or a school district at which individual assessment instruments or assessment instrument items are discussed or adopted are not open to the public under Chapter 551, Government Code, and the assessment instruments or assessment instrument items are confidential.

(b) The results of individual student performance on academic skills assessment instruments administered under this subchapter are confidential and may be released only in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). However, overall student performance data shall be aggregated by ethnicity, sex, grade level, subject area, campus, and district and made available to the public, with appropriate interpretations, at regularly scheduled meetings of the board of trustees of each school district. The information may not contain the names of individual students or teachers.

(c) Repealed by Acts 2001, 77th Leg., ch. 767, Sec. 11, eff. June 13, 2001.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 767, Sec. 11, eff. June 13, 2001.

Sec. 39.0301. SECURITY IN ADMINISTRATION OF ASSESSMENT INSTRUMENTS. (a) The commissioner:

(1) shall establish procedures for the administration of assessment instruments adopted or developed under Section 39.023, including procedures designed to ensure the security of the assessment instruments; and

(2) may establish record retention requirements for school district records related to the security of assessment instruments.

(a-1) In establishing procedures under Subsection (a)(1) for the administration of assessment instruments, the commissioner shall ensure that the procedures are designed to minimize disruptions to school operations and the classroom environment. In implementing the procedures established under Subsection (a)(1) for the administration of assessment instruments, a school district shall minimize disruptions to school operations and the classroom environment.

(b) The commissioner may develop and implement statistical methods and standards for identifying potential violations of procedures established under Subsection (a) to ensure the security of assessment instruments adopted or developed under Section 39.023. In developing the statistical methods and standards, the commissioner may include indicators of:

(1) potential violations that are monitored annually; and

(2) patterns of inappropriate assessment practices that occur over time.

(c) The commissioner may establish one or more advisory committees to advise the commissioner and agency regarding the monitoring of assessment practices and the use of statistical methods and standards for identifying potential violations of assessment instrument security, including standards to be established by the commissioner for selecting school districts for investigation for a potential assessment security violation under Subsection (e). The commissioner may not appoint an agency employee to an advisory committee established under this subsection.

(d) Any document created for the deliberation of an advisory committee established under Subsection (c) or any recommendation of

such a committee is confidential and not subject to disclosure under Chapter 552, Government Code. Except as provided by Subsection (e), the statistical methods and standards adopted under this section and the results of applying those methods and standards are confidential and not subject to disclosure under Chapter 552, Government Code.

(e) The agency may conduct an investigation of a school district for a potential violation of assessment instrument security in accordance with the standards described by Subsection (c). Each school year, after completing all investigations of school districts selected for investigation, the agency shall disclose the identity of each district selected for investigation and the statistical methods and standards used to select the district.

(f) At any time, the commissioner may authorize the audit of a random sample of school districts to determine the compliance of the districts with procedures established under Subsection (a). The identity of each school district selected for audit under this subsection is confidential and not subject to disclosure under Chapter 552, Government Code, except that the agency shall disclose the identity of each district after completion of the audit.

(g) The state auditor may conduct a risk-based audit of a school district at any time to ensure the security of assessment instruments administered under Section 39.023 in the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 12, eff. September 1, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 39, eff. June 10, 2013.

Sec. 39.0302. ISSUANCE OF SUBPOENAS. (a) During an agency investigation or audit of a school district under Section 39.0301(e) or (f), an accreditation investigation under Section 39.057(a)(8) or (14), or an investigation by the State Board for Educator Certification of an educator for an alleged violation of an assessment instrument security procedure established under Section 39.0301(a), the commissioner may issue a subpoena to compel the attendance of a relevant witness or the production, for inspection or copying, of relevant evidence that is located in this state.

(b) A subpoena may be served personally or by certified mail.

(c) If a person fails to comply with a subpoena, the commissioner, acting through the attorney general, may file suit to enforce the subpoena in a district court in this state. On finding that good cause exists for issuing the subpoena, the court shall order the person to comply with the subpoena. The court may punish a person who fails to obey the court order.

(d) All information and materials subpoenaed or compiled in connection with an investigation or audit described by Subsection (a):

(1) are confidential and not subject to disclosure under Chapter 552, Government Code; and

(2) are not subject to disclosure, discovery, subpoena, or other means of legal compulsion for release to any person other than:

(A) the commissioner or the State Board for Educator Certification, as applicable;

(B) agency employees or agents involved in the investigation, as applicable; and

(C) the office of the attorney general, the state auditor's office, and law enforcement agencies.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 12, eff. September 1, 2007.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 509 (S.B. 123), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.003, eff. September 1, 2015.

Sec. 39.0303. SECURE ASSESSMENT INSTRUMENTS; CRIMINAL PENALTY. (a) A person commits an offense if:

(1) the person intentionally discloses the contents of any portion of a secure assessment instrument developed or administered under this subchapter, including the answer to any item in the assessment instrument; and

(2) the disclosure affects or is likely to affect the individual performance of one or more students on the assessment instrument.

(b) An offense under this section is a Class C misdemeanor.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 12,

eff. September 1, 2007.

Sec. 39.0304. TRAINING IN ASSESSMENT INSTRUMENT ADMINISTRATION. (a) To ensure that each administration of assessment instruments under Section 39.023 is valid, reliable, and in compliance with the requirements of this subchapter, the commissioner may require training for school district employees involved in the administration of the assessment instruments.

(b) The training under Subsection (a) may include a qualifying component to ensure that school district employees involved in the administration of assessment instruments under Section 39.023 possess the necessary skills and knowledge required to administer the assessment instruments.

(c) The commissioner may adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 12, eff. September 1, 2007.

Sec. 39.031. COST. The cost of preparing, administering, or grading the assessment instruments and releasing the question and answer keys under Section 39.023(e) shall be paid from amounts appropriated to the agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 5, eff. Sept. 1, 1997. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 41, eff. September 1, 2009.

Sec. 39.032. ASSESSMENT INSTRUMENT STANDARDS; CIVIL PENALTY. (a) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.

(b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.

(c) State and national norms of averages shall be computed using data that are not more than eight years old at the time the assessment instrument is administered and that are representative of

the group of students to whom the assessment instrument is administered.

(c-1) The standardization norms computed under Subsection (c) shall be:

(1) based on a national probability sample that meets accepted standards for educational and psychological testing; and

(2) updated at least every eight years using proven psychometric procedures approved by the State Board of Education.

(c-2) The eight-year limitation on data to compute norms under this section does not apply if only data older than eight years is available for an assessment instrument. The commissioner by rule may limit the exception created by this subsection based on the type of assessment instrument.

(d) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.

(e) The State Board of Education shall adopt rules for the implementation of this section and for the maintenance of the security of the contents of all assessment instruments.

(f) In this section, "assessment instrument" means a group-administered achievement test.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1210 (S.B. 759), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1210 (S.B. 759), Sec. 2, eff. June 19, 2009.

Sec. 39.033. VOLUNTARY ASSESSMENT OF PRIVATE SCHOOL STUDENTS. (a) Under an agreement with the agency, a private school may administer an assessment instrument adopted under this subchapter to students at the school.

(b) An agreement under this section must require the private school to:

(1) as determined appropriate by the commissioner, provide to the commissioner the information described by Sections 39.053(c) and 39.301(c); and

(2) maintain confidentiality in compliance with Section 39.030.

(c) A private school must reimburse the agency for the cost of administering an assessment instrument under this section. The State Board of Education shall determine the cost under this section. The per-student cost may not exceed the cost of administering the same assessment to a student enrolled in a public school district.

(d) In this section, "private school" means a school that:

(1) offers a general education to elementary or secondary students; and

(2) is not operated by a governmental entity.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 57, eff. June 19, 2009.

Sec. 39.034. MEASURE OF ANNUAL IMPROVEMENT IN STUDENT ACHIEVEMENT. (a) The commissioner shall determine a method by which the agency may measure annual improvement in student achievement from one school year to the next on an assessment instrument required under this subchapter.

(b) For students of limited English proficiency, as defined by Section 29.052, the agency shall use a student's performance data on reading proficiency assessment instruments in English and one other language to calculate the student's progress toward dual language proficiency.

(c) The agency shall use a student's previous years' performance data on an assessment instrument required under this subchapter to determine the student's expected annual improvement. The agency shall report that expected level of annual improvement and the actual level of annual improvement achieved to the district. The report must state whether the student fell below, met, or exceeded the agency's expectation for improvement.

(d) The agency shall determine the necessary annual improvement required each year for a student to be prepared to perform satisfactorily on, as applicable:

(1) the grade five assessment instruments;

(2) the grade eight assessment instruments; and

(3) the end-of-course assessment instruments required under this subchapter for graduation.

(d-1) The agency shall report the necessary annual improvement required under Subsection (d) to the district. Each year, the report must state whether the student fell below, met, or exceeded the necessary target for improvement.

(e) Repealed by Acts 2009, 81st Leg., R.S., Ch. 895, Sec. 66(1), eff. June 19, 2009.

(f) Repealed by Acts 2009, 81st Leg., R.S., Ch. 895, Sec. 66(1), eff. June 19, 2009.

(g) Repealed by Acts 2009, 81st Leg., R.S., Ch. 895, Sec. 66(1), eff. June 19, 2009.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.09, eff. May 31, 2006.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 13, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 58, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 66(1), eff. June 19, 2009.

Sec. 39.035. LIMITATION ON FIELD TESTING OF ASSESSMENT INSTRUMENTS. (a) Subject to Subsection (b), the agency may conduct field testing of questions for any assessment instrument administered under Section 39.023(a), (b), (c), (d), or (l) that is separate from the administration of the assessment instrument not more frequently than every other school year.

(b) Subsection (a) does not limit field testing necessary to develop new assessment instruments required under state or federal law.

(c) Before the beginning of each school year, the agency shall notify each school district regarding the required participation of the district in field testing activities during that school year.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 14, eff. September 1, 2007.

Sec. 39.036. VERTICAL SCALE FOR CERTAIN ASSESSMENT INSTRUMENTS. (a) The agency shall develop a vertical scale for assessing student

performance on assessment instruments administered under Sections 39.023(a)(1) and (2) in a manner that allows the agency to compare the performance of a student on the assessment instruments from one grade level to the next.

(b) The commissioner shall adopt rules necessary to implement this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 14, eff. September 1, 2007.

Sec. 39.037. INTERNATIONAL ASSESSMENT INSTRUMENT PROGRAM. (a) In this section, "program" means the international assessment instrument program.

(b) The commissioner shall establish a program under which a participating school district administers international assessment instruments to students in the district.

(c) A school district may apply to the commissioner to participate in the program. The commissioner shall select for participation school districts from both rural and urban areas of the state. If necessary, the commissioner may require a school district to participate in the program.

(d) A participating school district shall administer international assessment instruments as required by the commissioner.

(e) In administering the program, the commissioner shall:

(1) compare the performance on the international assessment instruments of students in this state with students of the same grade level in other countries;

(2) compare the international assessment instruments with state assessment instruments and state educational goals; and

(3) provide professional development for educators in the interpretation and use of results of the international assessment instruments.

(f) Each biennium the commissioner may use funds appropriated for the Foundation School Program to provide funding for the program in an amount not to exceed $2 million.

(g) Not later than January 1 of each odd-numbered year, the commissioner shall prepare and deliver a report describing the results of student performance on the international assessment instruments to the governor, the lieutenant governor, the speaker of

the house of representatives, each member of the legislature, and each school district.

(h) The commissioner may adopt rules necessary to administer this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 754 (H.B. 3259), Sec. 1, eff. June 15, 2007.

Sec. 39.038. RESTRICTION ON APPOINTMENTS TO ADVISORY COMMITTEES. The commissioner may not appoint a person to a committee or panel that advises the commissioner or agency regarding state accountability systems under this title or the content or administration of an assessment instrument if the person is retained or employed by an assessment instrument vendor.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 40, eff. June 10, 2013.

Sec. 39.0381. AUDITING AND MONITORING PERFORMANCE UNDER CONTRACTS FOR ASSESSMENT INSTRUMENTS. (a) The agency by rule shall develop a comprehensive methodology for auditing and monitoring performance under contracts for services to develop or administer assessment instruments required by Section 39.023 to verify compliance with contractual obligations.

(b) The agency shall ensure that all new and renewed contracts described by Subsection (a) include a provision that the agency or a designee of the agency may conduct periodic contract compliance reviews, without advance notice, to monitor vendor performance.

(c) The agency shall adopt rules to administer this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 1006 (H.B. 743), Sec. 4, eff. June 19, 2015.

Sec. 39.039. PROHIBITION ON POLITICAL CONTRIBUTION OR ACTIVITY BY CERTAIN CONTRACTORS. (a) A person who is an agent of an entity that has been contracted to develop or implement assessment instruments required under Section 39.023 commits an offense if the person makes or authorizes a political contribution to or takes part

in, directly or indirectly, the campaign of any person seeking election to or serving on the State Board of Education.

(b) A person who is an agent of an entity that has been contracted to develop or implement assessment instruments required under Section 39.023 commits an offense if the person serves as a member of a formal or informal advisory committee established by the commissioner, agency staff, or the State Board of Education to advise the commissioner, agency staff, or the State Board of Education regarding policies or implementation of the requirements of this subchapter.

(c) An offense under this section is a Class B misdemeanor.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 41(a), eff. June 10, 2013.

SUBCHAPTER C. ACCREDITATION

Sec. 39.051. ACCREDITATION STATUS. Accreditation of a school district is determined in accordance with this subchapter. The commissioner by rule shall determine in accordance with this subchapter the criteria for the following accreditation statuses:

(1) accredited;

(2) accredited-warned; and

(3) accredited-probation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 767, Sec. 6, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 2.20, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 397, Sec. 7, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1422, Sec. 3, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 8, Sec. 3, eff. April 11, 2001; Acts 2001, 77th Leg., ch. 725, Sec. 4, 5, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 834, Sec. 10, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1420, Sec. 4.007, 4.008, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 26, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 433, Sec. 2, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 805, Sec. 1, eff. Sept. 1, 2003.

Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.10, eff. May 31, 2006.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.11, eff.

May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 15, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 5, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS OR PERFORMANCE RATING. (a) Each year, the commissioner shall determine the accreditation status of each school district.

(b) In determining the accreditation status of a school district, the commissioner:

(1) shall evaluate and consider:

(A) performance on achievement indicators described by Section 39.053(c); and

(B) performance under the financial accountability rating system developed under Subchapter D; and

(2) may evaluate and consider:

(A) the district's compliance with statutory requirements and requirements imposed by rule of the commissioner or State Board of Education under specific statutory authority that relate to:

(i) reporting data through the Public Education Information Management System (PEIMS) or other reports required by state or federal law or court order;

(ii) the high school graduation requirements under Section 28.025; or

(iii) an item listed under Sections 7.056(e)(3)(C)-(I) that applies to the district;

(B) the effectiveness of the district's programs for special populations; and

(C) the effectiveness of the district's career and technology program.

(c) Based on a school district's performance under Subsection (b), the commissioner shall:

(1) assign each district an accreditation status; or

(2) revoke the accreditation of the district and order closure of the district.

(d) A school district's accreditation status may be raised or lowered based on the district's performance or may be lowered based on the performance of one or more campuses in the district that is below a standard required under this subchapter.

(e) The commissioner shall notify a school district that receives an accreditation status of accredited-warned or accredited-probation or a campus that performs below a standard required under this subchapter that the performance of the district or campus is below a standard required under this subchapter. The commissioner shall require the district to notify the parents of students enrolled in the district and property owners in the district of the district's accreditation status and the implications of that accreditation status.

(f) A school district that is not accredited may not receive funds from the agency or hold itself out as operating a public school of this state.

(g) This chapter may not be construed to invalidate a diploma awarded, course credit earned, or grade promotion granted by a school district before the commissioner revoked the district's accreditation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 2.21, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1514, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 4.009, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1269, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.12, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 14, eff. June 19, 2015.

Sec. 39.053. PERFORMANCE INDICATORS: ACHIEVEMENT. (a) The commissioner shall adopt a set of indicators of the quality of learning and achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(a-1) The indicators adopted by the commissioner under

Subsection (a), including the indicators identified under Subsection (c), must measure and evaluate school districts and campuses with respect to:

(1) improving student preparedness for success in:

(A) subsequent grade levels; and

(B) entering the workforce, the military, or postsecondary education;

(2) reducing, with the goal of eliminating, student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds; and

(3) informing parents and the community regarding campus and district performance in the domains described by Subsection (c) and, for the domain described by Subsection (c)(5), in accordance with local priorities and preferences.

(b) Performance on the achievement indicators adopted under Subsections (c)(1)-(4) shall be compared to state-established standards. The indicators must be based on information that is disaggregated by race, ethnicity, and socioeconomic status.

(c) School districts and campuses must be evaluated based on five domains of indicators of achievement adopted under this section that include:

(1) in the first domain, the results of:

(A) assessment instruments required under Sections 39.023(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across grade levels by subject area, including:

(i) for the performance standard determined by the commissioner under Section 39.0241(a), the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under Section 39.0241, the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(B) assessment instruments required under Section 39.023(b), aggregated across grade levels by subject area, including the percentage of students who performed satisfactorily on the assessment instruments, as determined by the performance standard adopted by the agency, aggregated across grade levels by subject area;

(2) in the second domain:

(A) for assessment instruments under Subdivision (1)(A):

(i) for the performance standard determined by the commissioner under Section 39.0241(a), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under Section 39.0241, the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area; and

(B) for assessment instruments under Subdivision (1)(B), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area;

(3) in the third domain, the student academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds;

(4) in the fourth domain:

(A) for evaluating the performance of high school campuses and districts that include high school campuses:

(i) dropout rates, including dropout rates and district completion rates for grade levels 9 through 12, computed in accordance with standards and definitions adopted by the National Center for Education Statistics of the United States Department of Education;

(ii) high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.);

(iii) the percentage of students who successfully completed the curriculum requirements for the distinguished level of achievement under the foundation high school program;

(iv) the percentage of students who successfully

completed the curriculum requirements for an endorsement under Section 28.025(c-1);

(v) the percentage of students who completed a coherent sequence of career and technical courses;

(vi) the percentage of students who satisfy the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section 51.3062(f) on an assessment instrument in reading, writing, or mathematics designated by the Texas Higher Education Coordinating Board under Section 51.3062(c);

(vii) the percentage of students who earn at least 12 hours of postsecondary credit required for the foundation high school program under Section 28.025 or to earn an endorsement under Section 28.025(c-1);

(viii) the percentage of students who have completed an advanced placement course;

(ix) the percentage of students who enlist in the armed forces of the United States; and

(x) the percentage of students who earn an industry certification;

(B) for evaluating the performance of middle and junior high school and elementary school campuses and districts that include those campuses:

(i) student attendance; and

(ii) for middle and junior high school campuses:

(a) dropout rates, computed in the manner described by Paragraph (A)(i); and

(b) the percentage of students in grades seven and eight who receive instruction in preparing for high school, college, and a career that includes information regarding the creation of a high school personal graduation plan under Section 28.02121, the distinguished level of achievement described by Section 28.025(b-15), each endorsement described by Section 28.025(c-1), college readiness standards, and potential career choices and the education needed to enter those careers; and

(C) any additional indicators of student achievement not associated with performance on standardized assessment instruments determined appropriate for consideration by the commissioner in consultation with educators, parents, business and industry representatives, and employers; and

(5) in the fifth domain, three programs or specific categories of performance related to community and student engagement locally selected and evaluated as provided by Section 39.0546.

(c-1) An indicator adopted under Subsection (c) that would measure improvements in student achievement cannot negatively affect the commissioner's review of a school district or campus if that district or campus is already achieving at the highest level for that indicator.

(c-2) The commissioner by rule shall determine a method by which a student's performance may be included in determining the performance rating of a school district or campus under Section 39.054 if, before the student graduates, the student:

(1) satisfies the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section 51.3062(f) on an assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.3062(c); or

(2) performs satisfactorily on an assessment instrument under Section 39.023(c), notwithstanding Subsection (d).

(d) For purposes of Subsection (c), the commissioner by rule shall determine the period within which a student must retake an assessment instrument for that assessment instrument to be considered in determining the performance rating of the district under Section 39.054.

(d-1) In aggregating results of assessment instruments across grade levels by subject in accordance with Subsection (c)(1), the performance of a student enrolled below the high school level on an assessment instrument required under Section 39.023(c) is included with results relating to other students enrolled at the same grade level.

(e) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1094 , Sec. 22, eff. June 19, 2015.

(f) Annually, the commissioner shall define the state standard for the current school year for each achievement indicator described by Subsections (c)(1)-(4) and shall project the state standards for each indicator for the following two school years. The commissioner shall periodically raise the state standards for the college readiness achievement indicator described by Subsection (c)(1)(A)(ii) for accreditation as necessary to reach the goals of achieving, by not later than the 2019-2020 school year:

(1) student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness; and

(2) student performance with no significant achievement gaps by race, ethnicity, and socioeconomic status.

(g) In defining the required state standard for the dropout rate indicator described by Subsections (c)(4)(A)(i) and (B)(ii)(a), the commissioner may not consider as a dropout a student whose failure to attend school results from:

(1) the student's expulsion under Section 37.007; and

(2) as applicable:

(A) adjudication as having engaged in delinquent conduct or conduct indicating a need for supervision, as defined by Section 51.03, Family Code; or

(B) conviction of and sentencing for an offense under the Penal Code.

(g-1) In computing dropout and completion rates under Subsections (c)(4)(A)(i) and (B)(ii)(a), the commissioner shall exclude:

(1) students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

(2) students who were previously reported to the state as dropouts, including a student who is reported as a dropout, reenrolls, and drops out again, regardless of the number of times of reenrollment and dropping out;

(3) students in attendance who are not in membership for purposes of average daily attendance;

(4) students whose initial enrollment in a school in the United States in grades 7 through 12 was as unschooled refugees or asylees as defined by Section 39.027(a-1);

(5) students who are in the district exclusively as a function of having been detained at a county detention facility but are otherwise not students of the district in which the facility is located; and

(6) students who are incarcerated in state jails and federal penitentiaries as adults and as persons certified to stand trial as adults.

(g-2) In computing completion rates under Subsection (c)(2), the commissioner shall exclude students who:

(1) are at least 18 years of age as of September 1 of the school year as reported for the fall semester Public Education Information Management System (PEIMS) submission and have satisfied the credit requirements for high school graduation;

(2) have not completed their individualized education program under 19 T.A.C. Section 89.1070(b)(2) and the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.); and

(3) are enrolled and receiving individualized education program services.

(h) Each school district shall cooperate with the agency in determining whether a student is a dropout for purposes of accreditation and evaluating performance by school districts and campuses under this chapter.

(i) The commissioner by rule shall adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily as determined by the commissioner under Section 39.0241(a) or under the college readiness standard as determined under Section 39.0241 in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 510, Sec. 2, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1417, Sec. 2, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 725, Sec. 6, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 834, Sec. 11, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1420, Sec. 4.010, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1055, Sec. 24, eff. June 20, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 5, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 42(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 43(a), eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 1, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 2, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 22, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1222 (S.B. 1867), Sec. 1, eff. June 19, 2015.

For expiration of this section, see Subsection (b).

Sec. 39.0535. TEMPORARY PROVISION: ASSIGNMENT OF PERFORMANCE RATINGS. (a) Notwithstanding any other law, the commissioner shall assign each district and campus a performance rating not later than August 15 of each year.

(b) This section expires September 1, 2016.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 3, eff. September 1, 2015.

Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING PERFORMANCE.

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus a performance rating. In adopting rules under this subsection, the commissioner shall determine the criteria for each performance rating. Not later than August 15 of each year, the performance rating of each district and campus shall be made publicly available as provided by rules adopted under this subsection. If a district or campus received a performance rating that reflected unacceptable performance for the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.

Text of subsection effective on September 1, 2017

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus an overall performance rating of A, B, C, D, or F. In addition to the overall performance rating, the commissioner shall assign each district and campus a separate domain performance rating of A, B, C, D, or F for each domain under Sections 39.053(c)(1)-(4). An overall or domain performance rating of A reflects exemplary performance. An overall or domain performance rating of B reflects recognized performance. An overall or domain performance rating of C reflects

acceptable performance. An overall or domain performance rating of D or F reflects unacceptable performance. A district may not receive an overall or domain performance rating of A if the district includes any campus with a corresponding overall or domain performance rating of D or F. A reference in law to an acceptable rating or acceptable performance includes an overall or domain performance rating of A, B, or C or exemplary, recognized, or acceptable performance.

Text of subsection effective on September 1, 2017

(a-1) For purposes of assigning an overall performance rating under Subsection (a), the commissioner shall attribute:

(1) 55 percent of the performance evaluation to the achievement indicators for the first, second, and third domains under Sections 39.053(c)(1)-(3);

(2) for middle and junior high school and elementary campuses and districts that include only those campuses, 35 percent of the performance evaluation to the applicable achievement indicators for the fourth domain under Section 39.053(c)(4);

(3) for high school campuses and districts that include those campuses:

(A) 10 percent of the performance evaluation to the high school graduation rate achievement indicator described by Section 39.053(c)(4)(A)(ii); and

(B) 25 percent to the remaining applicable achievement indicators for the fourth domain under Section 39.053(c)(4); and

(4) 10 percent of the performance evaluation to the locally selected and evaluated achievement indicators provided for under the fifth domain under Section 39.053(c)(5).

Text of subsection effective on September 1, 2017

(a-2) The commissioner by rule shall adopt procedures to ensure that a repeated performance rating of D or F or unacceptable in one domain, particularly performance that is not significantly improving, is reflected in the overall performance rating of a district or campus and is not compensated for by a performance rating of A, B, or C in another domain.

Text of subsection effective on September 1, 2017

(a-3) Not later than August 15 of each year, the performance ratings of each district and campus shall be made publicly available as provided by rules adopted under this section. If a district or campus received an overall or domain performance rating of D or F for

the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.

(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1094 , Sec. 22, eff. June 19, 2015.

(b-1) Consideration of the effectiveness of district programs under Section 39.052(b)(2)(B) or (C):

(1) must:

(A) be based on data collected through the Public Education Information Management System (PEIMS) for purposes of accountability under this chapter; and

(B) include the results of assessments required under Section 39.023; and

(2) may be based on the results of a special accreditation investigation conducted under Section 39.057.

Text of subsection effective until September 1, 2017

(c) In evaluating school district and campus performance on the student achievement indicators adopted under Sections 39.053(c)(1) and (2), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(e) for the current school year based on:

(1) student performance in the current school year; or

(2) student performance as averaged over the current school year and the preceding two school years.

Text of subsection effective on September 1, 2017

(c) In evaluating school district and campus performance on the achievement indicators for student performance on assessment instruments adopted under Sections 39.053(c)(1) and (2) and the dropout rate indicator adopted under Sections 39.053(c)(4)(A)(i) and (B)(ii)(a), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(f) for the current school year based on:

(1) student performance in the current school year; or

(2) student performance as averaged over the current school year and the preceding two school years.

(d) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1094 , Sec. 22, eff. June 19, 2015.

(d-1) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1094 , Sec. 22, eff. June 19, 2015.

Text of subsection effective until September 1, 2017

(e) Each annual performance review under this section shall include an analysis of the student achievement indicators adopted under Section 39.053(c) to determine school district and campus performance in relation to:

(1) standards established for each indicator; and

(2) required improvement as defined under Section 39.053(e).

Text of subsection effective on September 1, 2017

(e) Each annual performance review under this section shall include an analysis of the achievement indicators adopted under Sections 39.053(c)(1)-(4) to determine school district and campus performance in relation to standards established for each indicator.

Text of subsection effective until September 1, 2017

(f) In the computation of dropout rates under Section 39.053(c)(2), a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the school district or campus serving the facility or center unless that district or campus is the one to which the student is regularly assigned. The agency may not limit an appeal relating to dropout computations under this subsection.

Text of subsection effective on September 1, 2017

(f) In the computation of dropout rates under Sections 39.053(c)(4)(A)(i) and (B)(ii)(a), a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the school district or campus serving the facility or center unless that district or campus is the one to which the student is regularly assigned. The agency may not limit an appeal relating to dropout computations under this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 44(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 45(a), eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 4, eff. September 1, 2016.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 5, eff. September 1, 2017.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 22, eff. June 19, 2015.

Sec. 39.0545. SCHOOL DISTRICT EVALUATION OF PERFORMANCE IN COMMUNITY AND STUDENT ENGAGEMENT; COMPLIANCE. (a) Each school district shall evaluate the district's performance and the performance of each campus in the district in community and student engagement and in compliance as provided by this section and assign the district and each campus a performance rating of exemplary, recognized, acceptable, or unacceptable for both overall performance and each individual evaluation factor listed under Subsection (b). Not later than August 8 of each year, the district shall report each performance rating to the agency and make the performance ratings publicly available as provided by commissioner rule.

(b) For purposes of assigning the performance ratings under Subsection (a), a school district must evaluate:

(1) the following programs or specific categories of performance at each campus:

(A) fine arts;

(B) wellness and physical education;

(C) community and parental involvement, such as:

(i) opportunities for parents to assist students in preparing for assessments under Section 39.023;

(ii) tutoring programs that support students taking assessments under Section 39.023; and

(iii) opportunities for students to participate in community service projects;

(D) the 21st Century Workforce Development program;

(E) the second language acquisition program;

(F) the digital learning environment;

(G) dropout prevention strategies; and

(H) educational programs for gifted and talented students; and

(2) the record of the district and each campus regarding compliance with statutory reporting and policy requirements.

(c) A school district shall use criteria developed by a local committee to evaluate:

(1) the performance of the district's campus programs and categories of performance under Subsection (b)(1); and

(2) the record of the district and each campus regarding compliance under Subsection (b)(2).

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 46(a), eff. June 10, 2013.

Sec. 39.0546. PERFORMANCE IN COMMUNITY AND STUDENT ENGAGEMENT AS COMPONENT OF OVERALL DISTRICT AND CAMPUS RATING. (a) For purposes of including the local evaluation of districts and campuses under Section 39.053(c)(5) and assigning an overall rating under Section 39.054, before the beginning of each school year:

(1) each school district shall:

(A) select and report to the agency three programs or categories under Section 39.0545(b)(1), as added by Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular Session, 2013, under which the district will evaluate district performance;

(B) submit to the agency the criteria the district will use to evaluate district performance and assign the district a performance rating; and

(C) make the information described by Paragraphs (A) and (B) available on the district's Internet website; and

(2) each campus shall:

(A) select and report to the agency three programs or categories under Section 39.0545(b)(1), as added by Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular Session, 2013, under which the campus will evaluate campus performance;

(B) submit to the agency the criteria the campus will use to evaluate campus performance and assign the campus a performance rating; and

(C) make the information described by Paragraphs (A) and (B) available on the Internet website of the campus.

(b) Based on the evaluation under this section, each school district shall assign the district and each campus shall assign the campus a performance rating of A, B, C, D, or F, for both overall performance and for each program or category evaluated. An overall or a program or category performance rating of A reflects exemplary performance. An overall or a program or category performance rating of B reflects recognized performance. An overall or a program or category performance rating of C reflects acceptable performance. An overall or a program or category performance rating of D or F reflects unacceptable performance.

(c) On or before the date determined by the commissioner by rule, each school district and campus shall report each performance rating to the agency for the purpose of including the rating in evaluating school district and campus performance and assigning an overall rating under Section 39.054.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 7, eff. June 19, 2015.

Sec. 39.0548. EVALUATING DROPOUT RECOVERY SCHOOLS. (a) For purposes of evaluating performance under Section 39.053(c), the commissioner shall designate as a dropout recovery school a school district or an open-enrollment charter school or a campus of a district or of an open-enrollment charter school:

(1) that serves students in grades 9 through 12 and has an enrollment of which at least 50 percent of the students are 17 years of age or older as of September 1 of the school year as reported for the fall semester Public Education Information Management System (PEIMS) submission; and

(2) that meets the eligibility requirements for and is registered under alternative education accountability procedures adopted by the commissioner.

(b) Notwithstanding Section 39.053(c)(4)(A)(i), the commissioner shall use the alternative completion rate under this subsection to determine the dropout rate indicator under Section 39.053(c)(4)(A)(i) for a dropout recovery school. The alternative completion rate shall be the ratio of the total number of students

who graduate, continue attending school into the next academic year, or receive a high school equivalency certificate to the total number of students in the longitudinal cohort of students.

(c) Notwithstanding Section 39.053(c)(4)(A)(i), in determining the performance rating under Section 39.054 of a dropout recovery school, the commissioner shall include any student described by Section 39.053(g-1) who graduates or receives a high school equivalency certificate.

(d) Notwithstanding Section 39.053(c), for purposes of evaluating a dropout recovery school under the accountability procedures adopted by the commissioner to determine the performance rating of the school under Section 39.054:

(1) only the best result from the primary administration or any retake of an assessment instrument administered to a student in the school year evaluated may be considered; and

(2) only a student enrolled continuously for at least 90 days during the school year evaluated may be considered.

Added by Acts 2013, 83rd Leg., R.S., Ch. 167 (S.B. 1538), Sec. 1, eff. May 24, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 6, eff. June 19, 2015.
Redesignated from Education Code, Section 39.0545 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(11), eff. September 1, 2015.

Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT OR STUDENT IN RESIDENTIAL FACILITY NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code except to the extent otherwise provided under Section 39.054(f), for purposes of determining the performance of a school district, campus, or open-enrollment charter school under this chapter, a student ordered by a juvenile court into a residential program or facility operated by or under contract with the Texas Juvenile Justice Department, a juvenile board, or any other governmental entity or any student who is receiving treatment in a residential facility is not considered to be a student of the school district in which the program or facility is physically located or of an open-enrollment charter school, as

applicable. The performance of such a student on an assessment instrument or other achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 shall be determined, reported, and considered separately from the performance of students attending a school of the district in which the program or facility is physically located or an open-enrollment charter school, as applicable.

Added by Acts 2001, 77th Leg., ch. 834, Sec. 12, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 27, 61(1), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 903, Sec. 1, 4, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 517 (S.B. 306), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 15, eff. June 19, 2015.

Sec. 39.056. MONITORING REVIEWS. (a) The commissioner may direct the agency to conduct monitoring reviews and random on-site visits of a school district at any time as authorized by Section 7.028.

(b) The commissioner shall determine the frequency of monitoring reviews by the agency according to:

(1) annual comprehensive analyses of student performance and equity in relation to the achievement indicators adopted under Section 39.053;

(2) reviews of fiscal reports and other fiscal data as set forth in Section 44.010; or

(3) comprehensive analyses of financial accountability standards under Subchapter D.

(c) In conducting a monitoring review, the agency may obtain information from administrators, other district employees, parents of students enrolled in the school district, and other persons as necessary. The commissioner shall adopt rules for:

(1) obtaining information from parents and using that information in the monitoring review report; and

(2) obtaining information from other district employees in a manner that prevents a district or campus from screening the information.

(d) The agency shall give written notice to the superintendent and the board of trustees of a school district of any impending monitoring review.

(e) The agency shall report in writing to the superintendent and president of the board of trustees of the school district and shall make recommendations concerning any necessary improvements or sources of aid such as regional education service centers.

(f) A district which takes action with regard to the recommendations provided by the agency as prescribed by Subsection (e) shall make a reasonable effort to seek assistance from a third party in developing an action plan to improve district performance using improvement techniques that are goal oriented and research based.

(g) A monitoring review may include desk reviews and on-site visits, including random on-site visits.

(h) The commissioner may at any time convert a monitoring review to a special accreditation investigation under Section 39.057, provided the commissioner promptly notifies the school district of the conversion.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 47, eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 7, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 16, eff. June 19, 2015.

Sec. 39.057. SPECIAL ACCREDITATION INVESTIGATIONS. (a) The commissioner may authorize special accreditation investigations to be conducted:

(1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;

(2) when excessive numbers of allowable exemptions from the

required state assessment instruments are determined;

(3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;

(4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;

(5) when extraordinary numbers of student placements in disciplinary alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;

(6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code;

(7) when excessive numbers of students in special education programs under Subchapter A, Chapter 29, are assessed through assessment instruments developed or adopted under Section 39.023(b);

(8) in response to an allegation regarding or an analysis using a statistical method result indicating a possible violation of an assessment instrument security procedure established under Section 39.0301, including for the purpose of investigating or auditing a school district under that section;

(9) when a significant pattern of decreased academic performance has developed as a result of the promotion in the preceding two school years of students who did not perform satisfactorily as determined by the commissioner under Section 39.0241(a) on assessment instruments administered under Section 39.023(a), (c), or (l);

(10) when excessive numbers of students eligible to enroll fail to complete an Algebra II course or any other advanced course as determined by the commissioner;

(11) when resource allocation practices as evaluated under Section 39.0821 indicate a potential for significant improvement in resource allocation;

(12) when a disproportionate number of students of a particular demographic group is graduating with a particular endorsement under Section 28.025(c-1);

(13) when an excessive number of students is graduating with a particular endorsement under Section 28.025(c-1);

(14) in response to a complaint submitted to the agency with respect to alleged inaccurate data that is reported through the Public Education Information Management System (PEIMS) or through other reports required by state or federal law or rule or court order and that is used by the agency to make a determination relating to public school accountability, including accreditation, under this chapter; or

(15) as the commissioner otherwise determines necessary.

(b) If the agency's findings in an investigation under Subsection (a)(6) indicate that the board of trustees has observed a lawfully adopted policy, the agency may not substitute its judgment for that of the board.

(c) The commissioner may authorize special accreditation investigations to be conducted in response to repeated complaints submitted to the agency concerning imposition of excessive paperwork requirements on classroom teachers.

(d) Based on the results of a special accreditation investigation, the commissioner may:

(1) take appropriate action under Subchapter E;

(2) lower the school district's accreditation status or a district's or campus's accountability rating; or

(3) take action under both Subdivisions (1) and (2).

(e) Regardless of whether the commissioner lowers the school district's accreditation status or a district's or campus's performance rating under Subsection (d), the commissioner may take action under Sections 39.102(a)(1) through (8) or Section 39.103 if the commissioner determines that the action is necessary to improve any area of a district's or campus's performance, including the district's financial accounting practices.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 48(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 509 (S.B. 123), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.004, eff. September 1, 2015.

Sec. 39.058. CONDUCT OF SPECIAL ACCREDITATION INVESTIGATIONS. (a) The agency shall adopt written procedures for conducting special accreditation investigations under this subchapter, including procedures that allow the agency to obtain information from district employees in a manner that prevents a district or campus from screening the information. The agency shall make the procedures available on the agency Internet website. Agency staff must be trained in the procedures and must follow the procedures in conducting the special accreditation investigation.

(b) After completing a special accreditation investigation, the agency shall present preliminary findings to any person or entity the agency finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person or entity the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 8, eff. June 19, 2015.

SUBCHAPTER D. FINANCIAL ACCOUNTABILITY

Sec. 39.081. DEFINITIONS. In this subchapter:

(1) "Parent" includes a guardian or other person having lawful control of a student.

(2) "System" means a financial accountability rating system developed under this subchapter.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.082. DEVELOPMENT AND IMPLEMENTATION. (a) The commissioner shall, in consultation with the comptroller, develop and implement separate financial accountability rating systems for school districts and open-enrollment charter schools in this state that:

(1) distinguish among school districts and distinguish

among open-enrollment charter schools, as applicable, based on levels of financial performance;

(2) include procedures to:

(A) provide additional transparency to public education finance; and

(B) enable the commissioner and school district and open-enrollment charter school administrators to provide meaningful financial oversight and improvement; and

(3) include processes for anticipating the future financial solvency of each school district and open-enrollment charter school, including analysis of district and school revenues and expenditures for preceding school years.

(b) The system must include uniform indicators adopted by commissioner rule by which to measure the financial management performance and future financial solvency of a district or open-enrollment charter school. In adopting indicators under this subsection, the commissioner shall assign a point value to each indicator to be used in a scoring matrix developed by the commissioner. Any reference to a teacher in an indicator adopted by the commissioner under this subsection means a classroom teacher.

(c) The system may not include an indicator under Subsection (b) or any other performance measure that:

(1) requires a school district to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes; or

(2) lowers the financial management performance rating of a school district for failure to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes.

(d) The commissioner shall evaluate indicators adopted under Subsection (b) at least once every three years.

(e) Under the financial accountability rating system developed under this section, each school district or open-enrollment charter school, as applicable, shall be assigned a financial accountability rating. In adopting rules under this section, the commissioner, in consultation with the comptroller, shall determine the criteria for each designated performance rating.

(f) A district or open-enrollment charter school shall receive the lowest rating under the system if the district or school fails to achieve a satisfactory rating on:

(1) an indicator adopted under Subsection (b) relating to financial management or solvency that the commissioner determines to be critical; or

(2) a category of indicators that suggest trends leading to financial distress as determined by the commissioner.

(g) Before assigning a final rating under the system, the commissioner shall assign each district or open-enrollment charter school a preliminary rating. A district or school may submit additional information to the commissioner relating to any indicator on which performance was considered unsatisfactory. The commissioner shall consider any additional information submitted by a district or school before assigning a final rating. If the commissioner determines that the additional information negates the concern raised by the indicator on which performance was considered unsatisfactory, the commissioner may not penalize the district or school on the basis of the indicator.

(h) The commissioner shall adopt rules for the implementation of this section.

(i) Not later than August 8 of each year, the financial accountability rating of each school district and open-enrollment charter school under the financial accountability rating system developed under this section shall be made publicly available as provided by rules adopted under this section.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 49(a), eff. June 10, 2013.

Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION PRACTICES. (a) The comptroller shall identify school districts and campuses that use resource allocation practices that contribute to high academic achievement and cost-effective operations. In identifying districts and campuses under this section, the comptroller shall:

(1) evaluate existing academic accountability and financial data by integrating the data;

(2) rank the results of the evaluation under Subdivision

(1) to identify the relative performance of districts and campuses; and

(3) identify potential areas for district and campus improvement.

(b) In reviewing resources allocation practices of districts and campuses under this section, the comptroller shall ensure resources are being used for the instruction of students by evaluating:

(1) the operating cost for each student;

(2) the operating cost for each program; and

(3) the staffing cost for each student.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.0823. PROJECTED DEFICIT. (a) If the commissioner, based on the indicators adopted under Section 39.082 or other relevant information, projects a deficit for a school district or open-enrollment charter school general fund within the following three school years, the agency shall provide the district or school interim financial reports, including projected revenues and expenditures, to evaluate the current budget status of the district or school.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(5), eff. September 1, 2014.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(5), eff. September 1, 2014.

(d) The agency may require a district or open-enrollment charter school to submit additional information needed to produce a financial report under Subsection (a). If a district or school fails to provide information requested under this subsection or if the commissioner determines that the information submitted by a district or school is unreliable, the commissioner may order the district or school to acquire professional services as provided by Section 39.109.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 50(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(b)(5), eff. September 1, 2014.

Sec. 39.0824. CORRECTIVE ACTION PLAN. (a) A school district or open-enrollment charter school assigned the lowest rating under Section 39.082 shall submit to the commissioner a corrective action plan to address the financial weaknesses of the district or school. A corrective action plan must identify the specific areas of financial weaknesses, such as financial weaknesses in transportation, curriculum, or teacher development, and include strategies for improvement.

(b) The commissioner may impose appropriate sanctions under Subchapter E against a district or school failing to submit or implement a corrective action plan required under Subsection (a).

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 51(a), eff. June 10, 2013.

Sec. 39.083. REPORTING. (a) The commissioner shall develop, as part of the system, a reporting procedure under which:

(1) each school district is required to prepare and distribute an annual financial management report; and

(2) the public is provided an opportunity to comment on the report at a hearing.

(b) The annual financial management report must include:

(1) a description of the district's financial management performance based on a comparison, provided by the agency, of the district's performance on the indicators adopted under Section 39.082(b) to:

(A) state-established standards; and

(B) the district's previous performance on the indicators; and

(2) any descriptive information required by the commissioner.

(c) The report may include:

(1) information concerning the district's:

(A) financial allocations;
(B) tax collections;
(C) financial strength;
(D) operating cost management;
(E) personnel management;
(F) debt management;
(G) facility acquisition and construction management;
(H) cash management;
(I) budgetary planning;
(J) overall business management;
(K) compliance with rules; and
(L) data quality; and

(2) any other information the board of trustees determines to be necessary or useful.

(d) The board of trustees of each school district shall hold a public hearing on the report. The board shall give notice of the hearing to owners of real property in the district and to parents of district students. In addition to other notice required by law, notice of the hearing must be provided:

(1) to a newspaper of general circulation in the district; and

(2) through electronic mail to media serving the district.

(e) After the hearing, the report shall be disseminated in the district in the manner prescribed by the commissioner.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 52(a), eff. June 10, 2013.

Sec. 39.085. RULES. The commissioner shall adopt rules as necessary for the implementation and administration of this subchapter.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.086. SOFTWARE STANDARDS. (a) The Department of Information Resources, in cooperation with the commissioner, shall adopt performance and interoperability standards for software used by school districts for financial accounting or attendance reporting.

(b) Standards adopted under this section must ensure that the software will enable a school district to share and report information in a timely manner for purposes of financial management, operational decision-making, and transparency of district operations to the public.

(c) The Department of Information Resources:

(1) shall include compliance with standards adopted under this section as a requirement in any solicitation for software anticipated to be used for a purpose described by Subsection (a);

(2) shall require a vendor awarded a contract in response to a solicitation described by Subdivision (1) to certify that the software complies with the standards adopted under this section; and

(3) may negotiate state contract pricing for software that complies with the standards adopted under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 393 (H.B. 1705), Sec. 2.06, eff. September 1, 2009.
Transferred and redesignated from Education Code, Section 39.205 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(6), eff. September 1, 2011.

SUBCHAPTER E. ACCREDITATION INTERVENTIONS AND SANCTIONS

Sec. 39.102. INTERVENTIONS AND SANCTIONS FOR DISTRICTS. (a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, or if considered appropriate by the commissioner on the basis of a special accreditation investigation under Section 39.057, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:

(1) issue public notice of the deficiency to the board of trustees;

(2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the

insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;

(3) order the preparation of a student achievement improvement plan that addresses each academic achievement indicator under Section 39.053(c) for which the district's performance is insufficient, the submission of the plan to the commissioner for approval, and implementation of the plan;

(4) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of the district and the superintendent shall appear and explain the district's low performance, lack of improvement, and plans for improvement;

(5) arrange a monitoring review of the district;

(6) appoint an agency monitor to participate in and report to the agency on the activities of the board of trustees or the superintendent;

(7) appoint a conservator to oversee the operations of the district;

(8) appoint a management team to direct the operations of the district in areas of insufficient performance or require the district to obtain certain services under a contract with another person;

(9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to satisfy any standard under Section 39.054(e), or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;

(10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:

(A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or

(B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

(11) if a district has failed to satisfy any standard under Section 39.054(e) due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:

(A) ordering the development of a dropout prevention plan for approval by the commissioner;

(B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;

(C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and

(D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.

(b) This subsection applies regardless of whether a district has satisfied the accreditation criteria. If for two consecutive school years, including the current school year, a district has had a conservator or management team assigned, the commissioner may appoint a board of managers, a majority of whom must be residents of the district, to exercise the powers and duties of the board of trustees.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 9, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 17, eff. June 19, 2015.

Sec. 39.103. INTERVENTIONS AND SANCTIONS FOR CAMPUSES. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall take actions, to the extent the commissioner determines necessary, as provided by this subchapter.

(b) For a campus described by Subsection (a), the commissioner, to the extent the commissioner determines necessary, may:

(1) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and

plans for improvement; or

(2) establish a school community partnership team composed of members of the campus-level planning and decision-making committee established under Section 11.251 and additional community representatives as determined appropriate by the commissioner.

(c) Notwithstanding the provisions of this subchapter, if the commissioner determines that a campus subject to interventions or sanctions under this subchapter has implemented substantially similar intervention measures under federal accountability requirements, the commissioner may accept the substantially similar intervention measures as measures in compliance with this subchapter.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.104. INTERVENTIONS AND SANCTIONS FOR CHARTER SCHOOLS. (a) Interventions and sanctions authorized under this chapter for a school district or campus apply in the same manner to an open-enrollment charter school.

(b) The commissioner shall adopt rules to implement procedures to impose any intervention or sanction provision under this chapter as those provisions relate to open-enrollment charter schools.

(c) In adopting rules under this section, the commissioner shall require that the charter of an open-enrollment charter school:

(1) be automatically revoked if the charter school is ordered closed under this chapter; and

(2) be automatically modified to remove authorization for an individual campus if the campus is ordered closed under this chapter.

(d) If interventions or sanctions are imposed on an open-enrollment charter school under the procedures provided by this chapter, a charter school is not entitled to an additional hearing relating to the modification, placement on probation, revocation, or denial of renewal of a charter as provided by Subchapter D, Chapter 12.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.105. CAMPUS IMPROVEMENT PLAN. (a) This section applies if a campus performance satisfies performance standards under Section 39.054(e) for the current school year but would not satisfy performance standards under Section 39.054(e) if the standards to be used for the following school year were applied to the current school year. On request of the commissioner, the campus-level committee established under Section 11.251 shall revise and submit to the commissioner in an electronic format the portions of the campus improvement plan developed under Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards.

(b) If the campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which the campus would not satisfy performance standards.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.106. CAMPUS INTERVENTION TEAM DUTIES. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall assign a campus intervention team. A campus intervention team shall:

(1) conduct, with the involvement and advice of the school community partnership team, if applicable:

(A) a targeted on-site needs assessment relevant to an area of insufficient performance of the campus as provided by Subsection (b); or

(B) if the commissioner determines necessary, a comprehensive on-site needs assessment, using the procedures provided by Subsection (b);

(2) recommend appropriate actions as provided by Subsection (c);

(3) assist in the development of a targeted improvement plan;

(4) conduct a public meeting at the campus with the campus principal, the members of the campus-level planning and decision-making committee established under Section 11.251, parents of students attending the campus, and community members residing in the district to review the campus performance rating and solicit input for the development of the targeted improvement plan;

(5) assist the campus in submitting the targeted improvement plan to the board of trustees for approval and presenting the plan in a public hearing as provided by Subsection (e-1); and

(6) assist the commissioner in monitoring the progress of the campus in implementing the targeted improvement plan.

(a-1) The campus intervention team must provide written notice of the public meeting required by Subsection (a)(4) to the parents of students attending the campus and post notice of the meeting on the Internet website of the campus. The notice must include the date, time, and place of the meeting.

(b) An on-site needs assessment of the campus under Subsection (a) must determine the contributing education-related and other factors resulting in the campus's low performance and lack of progress. The team shall use all of the following guidelines and procedures relevant to each area of insufficient performance in conducting a targeted on-site needs assessment and shall use each of the following guidelines and procedures in conducting a comprehensive on-site needs assessment:

(1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field, the percentage of teachers who are fully certified, the number of teachers with more than three years of experience, and teacher retention rates;

(2) compliance with the appropriate class-size rules and number of class-size waivers received;

(3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;

(4) a report on the parental involvement strategies and the effectiveness of the strategies;

(5) an assessment of the extent and quality of the

mentoring program provided for new teachers on the campus and provided for experienced teachers on the campus who have less than two years of teaching experience in the subject or grade level to which the teacher is assigned;

(6) an assessment of the type and quality of the professional development provided to the staff;

(7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;

(8) a report of disciplinary incidents and school safety information;

(9) financial and accounting practices;

(10) an assessment of the appropriateness of the curriculum and teaching strategies;

(11) a comparison of the findings from Subdivisions (1) through (10) to other campuses serving the same grade levels within the district or to other campuses within the campus's comparison group if there are no other campuses within the district serving the same grade levels as the campus; and

(12) any other research-based data or information obtained from a data collection process that would assist the campus intervention team in:

(A) recommending an action under Subsection (c); and

(B) executing a targeted improvement plan under Subsection (d-3).

(c) On completing the on-site needs assessment under this section, the campus intervention team shall, with the involvement and advice of the school community partnership team, if applicable, recommend actions relating to any area of insufficient performance, including:

(1) reallocation of resources;

(2) technical assistance;

(3) changes in school procedures or operations;

(4) staff development for instructional and administrative staff;

(5) intervention for individual administrators or teachers;

(6) waivers from state statutes or rules;

(7) teacher recruitment or retention strategies and incentives provided by the district to attract and retain teachers with the characteristics included in Subsection (b)(1); or

(8) other actions the campus intervention team considers appropriate.

(d) The campus intervention team shall assist the campus in submitting the targeted improvement plan to the commissioner for approval.

(d-1) The commissioner may authorize a school community partnership team established under this subchapter to supersede the authority of and satisfy the requirements of establishing and maintaining a campus-level planning and decision-making committee under Subchapter F, Chapter 11.

(d-2) The commissioner may authorize a targeted improvement plan or updated plan developed under this subchapter to supersede the provisions of and satisfy the requirements of developing, reviewing, and revising a campus improvement plan under Subchapter F, Chapter 11.

(d-3) In executing the targeted improvement plan, the campus intervention team shall, if appropriate:

(1) assist the campus in implementing research-based practices for curriculum development and classroom instruction, including bilingual education and special education programs and financial management;

(2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional programs at the campus; and

(3) require the district to develop a teacher recruitment and retention plan to address the qualifications and retention of the teachers at the campus.

(e) For each year a campus is assigned an unacceptable performance rating, a campus intervention team shall:

(1) continue to work with a campus until:

(A) the campus satisfies all performance standards under Section 39.054(e) for a two-year period; or

(B) the campus satisfies all performance standards under Section 39.054(e) for a one-year period and the commissioner determines that the campus is operating and will continue to operate in a manner that improves student achievement;

(2) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement; and

(3) submit each updated plan described by Subdivision (2) to the board of trustees of the school district.

(e-1) After a targeted improvement plan or updated plan is submitted to the board of trustees of the school district, the board:

(1) shall conduct a hearing for the purpose of:

(A) notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the intervention measures or sanctions that may be imposed under this subchapter if the performance does not improve within a designated period; and

(B) soliciting public comment on the targeted improvement plan or any updated plan;

(2) must post the targeted improvement plan on the district's Internet website before the hearing;

(3) may conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan; and

(4) shall submit the targeted improvement plan or any updated plan to the commissioner for approval.

(f) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1046 , Sec. 17, eff. June 19, 2015.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.010, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 10, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 17, eff. June 19, 2015.

Sec. 39.107. CAMPUS TURNAROUND PLAN, BOARD OF MANAGERS, ALTERNATIVE MANAGEMENT, AND CLOSURE. (a) After a campus has been identified as unacceptable for two consecutive school years, the commissioner shall order the campus to prepare and submit a campus turnaround plan. The commissioner shall by rule establish procedures governing the time and manner in which the campus must submit the campus turnaround plan.

(a-1) A campus intervention team shall assist the campus in:

(1) developing an updated targeted improvement plan, including a campus turnaround plan to be implemented by the campus;

(2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.106(e-1);

(3) obtaining approval of the updated plan from the commissioner; and

(4) executing the plan on approval by the commissioner.

(a-2) Before a campus turnaround plan is prepared and submitted for approval to the board of trustees of the school district, the district, in consultation with the campus intervention team, shall:

(1) provide notice to parents, the community, and stakeholders that the campus has received an academically unacceptable performance rating for two consecutive years and will be required to submit a campus turnaround plan; and

(2) request assistance from parents, the community, and stakeholders in developing the campus turnaround plan.

(b) The school district, in consultation with the campus intervention team, shall prepare the campus turnaround plan and allow parents, the community, and stakeholders an opportunity to review the plan before it is submitted for approval to the board of trustees of the school district. The plan must include details on the method for restructuring, reforming, or reconstituting the campus. If the district determines that granting a district charter under Section 12.0522 is appropriate for the campus, the campus turnaround plan must provide information on the implementation of the district charter. The plan must assist the campus in implementing procedures to satisfy all performance standards required under Section 39.054(e).

(b-1) A campus turnaround plan must include:

(1) a detailed description of the academic programs to be offered at the campus, including instructional methods, length of school day and school year, academic credit and promotion criteria, and programs to serve special student populations;

(2) the term of the charter, if a district charter is to be granted for the campus under Section 12.0522;

(3) written comments from the campus-level committee established under Section 11.251, if applicable, parents, and teachers at the campus; and

(4) a detailed description of the budget, staffing, and financial resources required to implement the plan, including any supplemental resources to be provided by the district or other identified sources.

(b-2) A school district may:

(1) request that a regional education service center provide assistance in the development and implementation of a campus turnaround plan; or

(2) partner with an institution of higher education to develop and implement a campus turnaround plan.

(b-3) The updated targeted improvement plan submitted to the board of trustees of a school district under Subsection (a-1) must include all plans and details that are required to execute the campus turnaround plan without any additional action or approval by the board of trustees.

(b-4) A campus turnaround plan developed under this section must take effect not later than the school year following the third consecutive school year that the campus has received an academically unacceptable performance rating.

(b-5) Following approval of a campus turnaround plan by the commissioner, the school district, in consultation with the campus intervention team, may take any actions needed to prepare for the implementation of the plan.

(b-6) If a campus for which a campus turnaround plan has been ordered under Subsection (a) receives an academically acceptable performance rating for the school year following the order, the board of trustees may:

(1) implement the campus turnaround plan;

(2) implement a modified version of the campus turnaround plan; or

(3) withdraw the campus turnaround plan.

(b-7) A school district required to implement a campus turnaround plan may modify the plan if the campus receives an academically acceptable performance rating for two consecutive school years following the implementation of the plan.

(b-8) Section 12.0522(b) does not apply to a district charter approved by the commissioner under this section. A district charter approved under this section may be renewed or continue in effect after the campus is no longer subject to an order under Subsection (a).

(b-9) The commissioner shall adopt rules governing the procedures for an open-enrollment charter school campus that is subject to an order issued under Subsection (a). An open-enrollment charter school must revise the school's charter in accordance with Section 12.114 in the campus turnaround plan. Nothing in this section may be construed to modify any provision of Subchapter D, Chapter 12, relating to the expiration, nonrenewal, revocation, or modification of the governance of an open-enrollment charter school. The governing board of the open-enrollment charter school shall perform the duties of a board of trustees of a school district under this section.

(c) A campus subject to Subsection (a) shall implement the updated targeted improvement plan as approved by the commissioner. The commissioner may appoint a monitor, conservator, management team, or board of managers to the district to ensure and oversee district-level support to low-performing campuses and the implementation of the updated targeted improvement plan. In making appointments under this subsection, the commissioner shall consider individuals who have demonstrated success in managing campuses with student populations similar to the campus at which the individual appointed will serve.

(d) The commissioner may approve a campus turnaround plan only if the commissioner determines that the campus will satisfy all student performance standards required under Section 39.054(e) not later than the second year the campus receives a performance rating following the implementation of the campus turnaround plan. If the commissioner does not make this determination, the commissioner shall order:

(1) appointment of a board of managers to govern the district as provided by Section 39.112(b);

(2) alternative management of the campus under this section; or

(3) closure of the campus.

(e) If a campus is considered to have an unacceptable performance rating for three consecutive school years after the campus is ordered to submit a campus turnaround plan under Subsection (a), the commissioner, subject to Subsection (e-2), shall order:

(1) appointment of a board of managers to govern the district as provided by Section 39.112(b); or

(2) closure of the campus.

(e-1) If the commissioner orders the closure of a campus under

this section, that campus may be repurposed to serve students at that campus location only if the commissioner finds that the repurposed campus offers a distinctly different academic program and serves a majority of grade levels at the repurposed campus not served at the original campus and approves a new campus identification number for the campus. The majority of students assigned to a campus that has been closed and repurposed may not have attended that campus in the previous school year. Any student assigned to a campus that has been closed must be allowed to transfer to any other campus in the district that serves that student's grade level and on request must be provided transportation to the other campus. The commissioner may grant an exemption allowing students assigned to a closed campus to attend the repurposed campus if there is no other campus in the district at which the students may enroll.

(e-2) For purposes of this subsection, "parent" has the meaning assigned by Section 12.051. If the commissioner is presented, in the time and manner specified by commissioner rule, a written petition signed by the parents of a majority of the students enrolled at a campus to which Subsection (e) applies, specifying the action described by Subsection (e)(1) or (2) that the parents request the commissioner to order, the commissioner shall, except as otherwise authorized by this subsection, order the specific action requested. If the board of trustees of the school district in which the campus is located presents to the commissioner, in the time and manner specified by commissioner rule, a written request that the commissioner order specific action authorized under Subsection (e) other than the specific action requested in the parents' petition and a written explanation of the basis for the board's request, the commissioner may order the action requested by the board of trustees.

(e-3) For purposes of Subsection (e-2), the signature of only one parent of a student is required.

(e-4) A board of managers appointed by the commissioner under this section is required to take appropriate actions to resolve the conditions that caused a campus to be subject to an order under Subsection (a), including amending the district's budget, reassigning staff, or relocating academic programs.

(e-5) The commissioner may authorize payment of a board of managers appointed under this section from agency funds.

(e-6) The commissioner may at any time replace a member of a board of managers appointed under this section.

(f) Notwithstanding Section 39.112(e), the commissioner may remove a board of managers appointed to govern a district under this section only if the campus that was the basis for the appointment of the board of managers receives an academically acceptable performance rating for two consecutive school years. If a campus that was the basis for the appointment of a board of managers receives an academically unacceptable performance rating for two additional consecutive years following the appointment of the board of managers, the commissioner may remove the board of managers and, in consultation with the local community, may appoint a new board of managers to govern the district.

(g) Following the removal of a board of managers under Subsection (f), or at the request of a managing entity appointed under Subsection (d) to oversee the implementation of alternative management, the commissioner may appoint a conservator or monitor for the district to ensure district-level support for low-performing campuses and to oversee the implementation of the updated targeted improvement plan.

(g-1) If the commissioner orders alternative management of a campus under Subsection (d)(2), the school district shall execute a contract with a managing entity for a term not to exceed five years. The commissioner may require a district to extend the term of the contract if the commissioner determines that extending the contract on expiration of the initial term is in the best interest of the students attending the campus. The terms of the contract must be approved by the commissioner. If a campus receives an academically unacceptable performance rating for two consecutive school years after the managing entity assumes management of the campus, the commissioner shall cancel the contract with the managing entity.

(g-2) Subject to Subsection (e), at the end of the contract term with a managing entity or the cancellation of a contract with a managing entity under Subsection (g-1), the board of trustees of the school district shall resume management of the campus.

(h) If the commissioner orders alternative management under this section, the commissioner shall solicit proposals from qualified nonprofit entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is located. The

commissioner may solicit proposals from qualified for-profit entities to assume management of a campus subject to this section if a nonprofit entity has not responded to the commissioner's request for proposals. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified entity or in accordance with commissioner rule.

(i) If the commissioner determines that the basis for the unsatisfactory performance of a campus for more than two consecutive school years is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may require the district to contract for the appropriate technical assistance.

(j) The commissioner may annually solicit proposals under this section for the management of a campus subject to this section. The commissioner shall notify a qualified entity that has been approved as a provider under this section. The district must execute a contract with an approved provider and relinquish control of the campus before January 1 of the school year.

(k) To qualify for consideration as a managing entity under this section, the entity must submit a proposal that provides information relating to the entity's management and leadership team that will participate in management of the campus under consideration, including information relating to individuals that have:

(1) documented success in whole school interventions that increased the educational and performance levels of students in campuses considered to have an unacceptable performance rating;

(2) a proven record of effectiveness with programs assisting low-performing students;

(3) a proven ability to apply research-based school intervention strategies;

(4) a proven record of financial ability to perform under the management contract; and

(5) any other experience or qualifications the commissioner determines necessary.

(l) In selecting a managing entity under this section, the commissioner shall give preference to a qualified entity that:

(1) meets any qualifications under this section; and

(2) has documented success in educating students from similar demographic groups and with similar educational needs as the

students who attend the campus that is to be operated by a managing entity under this section.

(m) The school district may negotiate the term of a management contract for not more than five years with an option to renew the contract. The management contract must include a provision describing the district's responsibilities in supporting the operation of the campus. The commissioner shall approve the contract before the contract is executed and, as appropriate, may require the district, as a term of the contract, to support the campus in the same manner as the district was required to support the campus before the execution of the management contract.

(n) A management contract under this section shall include provisions approved by the commissioner that require the managing entity to demonstrate improvement in campus performance, including negotiated performance measures. The performance measures must be consistent with the priorities of this chapter. The commissioner shall evaluate a managing entity's performance on the first and second anniversaries of the date of the management contract. If the evaluation fails to demonstrate improvement as negotiated under the contract by the first anniversary of the date of the management contract, the district may terminate the management contract, with the commissioner's consent, for nonperformance or breach of contract and select another provider from an approved list provided by the commissioner. If the evaluation fails to demonstrate significant improvement, as determined by the commissioner, by the second anniversary of the date of the management contract, the district shall terminate the management contract and select another provider from an approved list provided by the commissioner or resume operation of the campus if approved by the commissioner. If the commissioner approves the district's operation of the campus, the commissioner shall assign a technical assistance team to assist the campus.

(o) Notwithstanding any other provision of this code, the funding for a campus operated by a managing entity must be not less than the funding of the other campuses in the district on a per student basis so that the managing entity receives at least the same funding the campus would otherwise have received.

(p) Each campus operated by a managing entity under this section is subject to this chapter in the same manner as any other campus in the district.

(q) The commissioner may adopt rules necessary to implement this section.

(r) With respect to the management of a campus under this section:

(1) a managing entity is considered to be a governmental body for purposes of Chapters 551 and 552, Government Code; and

(2) any requirement in Chapter 551 or 552, Government Code, that applies to a school district or the board of trustees of a school district applies to a managing entity.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 900 (S.B. 738), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 11, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 12, eff. June 19, 2015.

For expiration of this section, see Subsection (f).

Sec. 39.1071. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a) For a campus that received an academically unacceptable performance rating for the 2013-2014, 2014-2015, and 2015-2016 school years, the commissioner may apply the interventions and sanctions authorized by this chapter as this chapter existed on January 1, 2015, to the campus.

(b) If a campus described under Subsection (a) receives an academically unacceptable performance rating for the 2016-2017 and 2017-2018 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(e) to the campus.

(c) For a campus that received an academically acceptable performance rating for the 2013-2014 school year and an academically unacceptable performance rating for the 2014-2015 and 2015-2016 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(a) to the campus.

(d) If a campus described under Subsection (c) receives an academically unacceptable performance rating for the 2016-2017, 2017-

2018, and 2018-2019 school years, the commissioner shall apply the interventions and sanctions authorized by Section 39.107(e) to the campus.

(e) The commissioner may adopt rules as necessary to implement this section.

(f) This section expires September 1, 2020.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 13, eff. June 19, 2015.

Sec. 39.108. ANNUAL REVIEW. The commissioner shall review annually the performance of a district or campus subject to this subchapter to determine the appropriate actions to be implemented under this subchapter. The commissioner must review at least annually the performance of a district for which the accreditation status or rating has been lowered due to insufficient student performance and may not raise the accreditation status or rating until the district has demonstrated improved student performance. If the review reveals a lack of improvement, the commissioner shall increase the level of state intervention and sanction unless the commissioner finds good cause for maintaining the current status.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.109. ACQUISITION OF PROFESSIONAL SERVICES. In addition to other interventions and sanctions authorized under this subchapter, the commissioner may order a school district or campus to acquire professional services at the expense of the district or campus to address the applicable financial, assessment, data quality, program, performance, or governance deficiency. The commissioner's order may require the district or campus to:

(1) select or be assigned an external auditor, data quality expert, professional authorized to monitor district assessment instrument administration, or curriculum or program expert; or

(2) provide for or participate in the appropriate training of district staff or board of trustees members in the case of a district, or campus staff, in the case of a campus.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.110. COSTS PAID BY DISTRICT. The costs of providing a monitor, conservator, management team, campus intervention team, technical assistance team, managing entity, or service provider under this subchapter shall be paid by the district. If the district fails or refuses to pay the costs in a timely manner, the commissioner may:

(1) pay the costs using amounts withheld from any funds to which the district is otherwise entitled; or

(2) recover the amount of the costs in the manner provided for recovery of an overallocation of state funds under Section 42.258.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.111. CONSERVATOR OR MANAGEMENT TEAM. (a) The commissioner shall clearly define the powers and duties of a conservator or management team appointed to oversee the operations of the district.

(b) At least every 90 days, the commissioner shall review the need for the conservator or management team and shall remove the conservator or management team unless the commissioner determines that continued appointment is necessary for effective governance of the district or delivery of instructional services.

(c) A conservator or management team, if directed by the commissioner, shall prepare a plan for the implementation of action under Section 39.102(a)(9) or (10). The conservator or management team:

(1) may direct an action to be taken by the principal of a campus, the superintendent of the district, or the board of trustees of the district;

(2) may approve or disapprove any action of the principal of a campus, the superintendent of the district, or the board of trustees of the district;

(3) may not take any action concerning a district election, including ordering or canceling an election or altering the date of or the polling places for an election;

(4) may not change the number of or method of selecting the board of trustees;

(5) may not set a tax rate for the district; and

(6) may not adopt a budget for the district that provides for spending a different amount, exclusive of required debt service, from that previously adopted by the board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.112. BOARD OF MANAGERS. (a) A board of managers may exercise all of the powers and duties assigned to a board of trustees of a school district by law, rule, or regulation. This subchapter applies to a district governed by a board of managers in the same manner that this subchapter applies to any other district.

(b) If the commissioner appoints a board of managers to govern a district, the powers of the board of trustees of the district are suspended for the period of the appointment and the commissioner shall appoint a district superintendent. Notwithstanding any other provision of this code, the board of managers may amend the budget of the district.

(c) If the commissioner appoints a board of managers to govern a campus, the powers of the board of trustees of the district in relation to the campus are suspended for the period of the appointment and the commissioner shall appoint a campus principal. Notwithstanding any other provision of this code, the board of managers may submit to the commissioner for approval amendments to the budget of the district for the benefit of the campus. If the commissioner approves the amendments, the board of trustees of the district shall adopt the amendments.

(d) A conservator or a member of a management team appointed to serve on a board of managers may continue to be compensated as determined by the commissioner.

(d-1) The board of managers appointed by the commissioner must,

if possible, include community leaders, business representatives who have expertise in leadership, and individuals who have knowledge or expertise in the field of education.

(d-2) The commissioner must provide each individual appointed to a board of managers with training in effective leadership strategies.

Text of subsection as amended by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 14

(e) A board of managers shall, during the period of the appointment, order the election of members of the board of trustees of the district in accordance with applicable provisions of law. Except as provided by this subsection, the members of the board of trustees do not assume any powers or duties after the election until the appointment of the board of managers expires. Not later than the second anniversary of the date the board of managers of a district was appointed, the commissioner shall notify the board of managers and the board of trustees of the date on which the appointment of the board of managers will expire. Following each of the last three years of the period of the appointment, one-third of the members of the board of managers shall be replaced by the number of members of the school district board of trustees who were elected at an election ordered under this subsection that constitutes, as closely as possible, one-third of the membership of the board of trustees. On the expiration of the appointment of the board of managers, the board of trustees assumes all of the powers and duties assigned to a board of trustees by law, rule, or regulation.

Text of subsection as amended by Acts 2015, 84th Leg., R.S., Ch. 1104 (H.B. 3106), Sec. 1

(e) Except as otherwise provided by Subsection (f), at the direction of the commissioner but not later than the second anniversary of the date the board of managers of a district was appointed, the board of managers shall order an election of members of the district board of trustees. The election must be held on a uniform election date on which an election of district trustees may be held under Section 41.001, Election Code, that is at least 180 days after the date the election was ordered. On qualification of members for office, the board of trustees assumes all of the powers and duties assigned to a board of trustees by law, rule, or regulation.

(f) If, before the second anniversary of the date the board of managers of a district was appointed, the commissioner determines, after receiving local feedback, that insufficient progress has been made toward improving the academic or financial performance of the district, the commissioner may extend the authority of the board of managers for a period of up to two additional years.

(g) Following the expiration of the period of appointment of a board of managers for a district, the commissioner shall provide training in effective leadership strategies to the board of trustees of the school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 14, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1104 (H.B. 3106), Sec. 1, eff. June 19, 2015.

Sec. 39.1121. APPOINTMENT OF BOARD OF MANAGERS FOR OPEN-ENROLLMENT CHARTER SCHOOL; SUPERINTENDENT. (a) A board of managers appointed for an open-enrollment charter school or a campus of an open-enrollment charter school under this chapter or Chapter 12 has the powers and duties prescribed by Section 39.107(e-4), if applicable, and Sections 39.112(a), (b), (c), and (d).

(b) If the commissioner appoints a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school, the commissioner may also appoint a superintendent.

(c) Except as otherwise provided by this subsection, a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school may not serve for a period that exceeds the period authorized by law for a board of managers appointed for a school district. A board of managers appointed to wind up the affairs of a former open-enrollment charter school or campus serves until dissolved by the commissioner.

(d) Any person appointed by the commissioner to serve on the board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or as superintendent acts on

behalf of the commissioner and is entitled to:

(1) sovereign immunity; and

(2) representation by the attorney general for any act or omission taken while acting in the person's official capacity.

(e) Any person appointed to serve on the board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or as superintendent serves at the discretion of the commissioner and may be replaced by the commissioner at any time.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 15, eff. June 19, 2015.

Sec. 39.1122. COMPENSATION OF BOARD OF MANAGERS FOR OPEN-ENROLLMENT CHARTER SCHOOL AND SUPERINTENDENT. (a) The commissioner may authorize compensation for a member of a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or a superintendent appointed by the commissioner.

(b) The commissioner shall establish the terms of compensation provided under Subsection (a).

(c) The commissioner shall use funds received by or due to the former charter holder under Section 12.106 or funds returned to the state from liquidation of state property held by a former charter holder for compensation of a member of a board of managers for an open-enrollment charter school or a campus of an open-enrollment charter school or a superintendent.

(d) If funds described by Subsection (c) are not available or the commissioner determines that the circumstances require, the commissioner may use available agency funds, provided that the use of the available funds for that purpose is not prohibited by other law.

(e) To the extent this section conflicts with Section 39.107(e-5), this section prevails.

Added by Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 15, eff. June 19, 2015.

Sec. 39.113. CAMPUS INTERVENTION TEAM MEMBERS. A campus intervention team appointed under this subchapter may consist of teachers, principals, other educational professionals, and superintendents recognized for excellence in their roles and

appointed by the commissioner to serve as members of a team.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.06, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.011, eff. September 1, 2011.

For expiration of Subsec. (b), see that subsection.

Sec. 39.114. IMMUNITY FROM CIVIL LIABILITY. An employee, volunteer, or contractor acting on behalf of the commissioner under this subchapter, or a member of a board of managers appointed by the commissioner under this subchapter, is immune from civil liability to the same extent as a professional employee of a school district under Section 22.051.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.06, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 42, eff. September 1, 2009.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 43, eff. September 1, 2009.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(5), eff. September 1, 2009.
Acts 2015, 84th Leg., R.S., Ch. 1046 (H.B. 1842), Sec. 16, eff. June 19, 2015.

Sec. 39.115. CAMPUS NAME CHANGE PROHIBITED. In reconstituting, repurposing, or imposing any other intervention or sanction on a campus under this subchapter, the commissioner may not require that the name of the campus be changed.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 13, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 443 (H.B. 2263), Sec. 1, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 443 (H.B. 2263), Sec. 2, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

For expiration of this section, see Subsection (j).

Sec. 39.117. SPECIAL STUDENT RECOVERY PROGRAM. (a) This section applies only to a school district with a student enrollment of at least 60,000 that is located in a county on the international border with a population of 800,000 or more.

(b) The commissioner may require a school district to which this section applies to operate a special student recovery program if the commissioner has imposed a sanction under Section 39.102 based on a determination that the district has, for the purpose of affecting the performance rating under Section 39.054 or former Section 39.072 or a distinction designation under Section 39.202 or 39.203 of the district or a campus in the district:

(1) assigned a student to a grade level to which the student would not otherwise be assigned, in violation of local policy;

(2) retained a student at a grade level at which the student would not otherwise be retained, in violation of local policy;

(3) declined to admit to the schools of the district a student with limited English proficiency who was eligible for admission; or

(4) encouraged a student who was eligible for admission to the district to enroll in another district or drop out of school.

(c) The commissioner shall require a school district to which this section applies to operate a special student recovery program if the superintendent or assistant superintendent of the district or a principal or assistant principal of a campus in the district is convicted of or receives a grant of deferred adjudication community supervision for an offense associated with conduct described by Subsection (b).

(d) A special student recovery program must include:

(1) identification of students affected by conduct described by Subsection (b), with an emphasis on identifying and obtaining current addresses for students who dropped out of school after the conduct;

(2) notification of students identified under Subdivision (1) of the availability of educational services provided through the program;

(3) provision of appropriate compensatory, intensive, and accelerated instructional services for students identified under Subdivision (1), including services designed to enable students to obtain high school equivalency certificates under Section 7.111; and

(4) for students identified under Subdivision (1) who are at least 21 years of age and under 26 years of age, the offer of admission to the schools of the district for the purpose of completing the requirements for a high school diploma, as authorized by Section 25.001.

(e) A student who is at least 21 years of age and is admitted to the schools of the district under Subsection (d)(4) is subject to the placement restrictions described by Section 25.001(b-2) if the student has not attended school in the three preceding school years.

(f) In addition to any other available funds, a school district may use funds provided to the district under Section 42.152 to pay the costs of the program. Instructional services may be provided to students identified under Subsection (d)(1) who are under 26 years of age using funds provided under Section 42.152 or other Foundation School Program funds, notwithstanding Section 42.003.

(g) This section requires a school district to provide instructional services only to a student who is a resident of this state and is eligible for admission to the schools of the district under Section 25.001, including eligibility described by that section for students who are under 26 years of age.

(h) The commissioner shall determine the duration of a special student recovery program, provided that the program must have a duration of at least two years. Before a program may be concluded, the district must conduct a public hearing in the community served by the school district to solicit comments from students, parents, and other members of the community regarding whether there is a continuing need for the program.

(i) The commissioner shall adopt rules necessary to implement this section.

(j) This section expires September 1, 2018.

Added by Acts 2013, 83rd Leg., R.S., Ch. 664 (S.B. 119), Sec. 1, eff. June 14, 2013.

SUBCHAPTER F. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY DETERMINATION, INTERVENTION, OR SANCTION

Sec. 39.151. REVIEW BY COMMISSIONER: ACCOUNTABILITY DETERMINATION. (a) The commissioner by rule shall provide a process for a school district or open-enrollment charter school to challenge an agency decision made under this chapter relating to an academic or financial accountability rating that affects the district or school.

(b) The rules under Subsection (a) must provide for the commissioner to appoint a committee to make recommendations to the commissioner on a challenge made to an agency decision relating to an academic performance rating or determination or financial accountability rating. The commissioner may not appoint an agency employee as a member of the committee.

(c) The commissioner may limit a challenge under this section to a written submission of any issue identified by the school district or open-enrollment charter school challenging the agency decision.

(d) The commissioner shall make a final decision under this section after considering the recommendation of the committee described by Subsection (b). The commissioner's decision may not be appealed under Section 7.057 or other law.

(e) A school district or open-enrollment charter school may not challenge an agency decision relating to an academic or financial accountability rating under this chapter in another proceeding if the district or school has had an opportunity to challenge the decision under this section.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.152. REVIEW BY STATE OFFICE OF ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or open-enrollment charter school that intends to challenge a decision by the commissioner under this

chapter to close the district or a district campus or the charter school or to pursue alternative management of a district campus or the charter school must appeal the decision under this section.

(b) A challenge to a decision under this section is under the substantial evidence rule as provided by Subchapter G, Chapter 2001, Government Code. The commissioner shall adopt procedural rules for a challenge under this section.

(c) Notwithstanding other law:

(1) the State Office of Administrative Hearings shall conduct an expedited review of a challenge under this section;

(2) the administrative law judge shall issue a final order not later than the 30th day after the date on which the hearing is finally closed;

(3) the decision of the administrative law judge is final and may not be appealed; and

(4) the decision of the administrative law judge may set an effective date for an action under this section.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1140 (S.B. 2), Sec. 43, eff. September 1, 2013.

SUBCHAPTER G. DISTINCTION DESIGNATIONS

Sec. 39.201. DISTINCTION DESIGNATIONS. (a) Not later than August 8 of each year, the commissioner shall award distinction designations for outstanding performance as provided by this subchapter. A distinction designation awarded to a district or campus under this subchapter shall be referenced directly in connection with the performance rating assigned to the district or campus and made publicly available together with the performance ratings as provided by rules adopted under Section 39.054(a).

(b) A district or campus may not be awarded a distinction designation under this subchapter unless the district or campus has acceptable performance under Section 39.054.

(c) In addition to the condition prescribed by Subsection (b), an open-enrollment charter school may not be awarded a distinction designation under this subchapter if the charter school is evaluated

under alternative education accountability procedures adopted by the commissioner.

Added by Acts 2001, 77th Leg., ch. 914, Sec. 1, eff. Sept. 1, 2001.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 662 (S.B. 1484), Sec. 1, eff. June 17, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 53(a), eff. June 10, 2013.

Sec. 39.2011. APPLICABILITY TO CHARTER SCHOOLS. In this subchapter:

(1) a district includes an open-enrollment charter school that operates on more than one campus; and

(2) a campus includes an open-enrollment charter school campus.

Added by Acts 2011, 82nd Leg., R.S., Ch. 662 (S.B. 1484), Sec. 2, eff. June 17, 2011.

Sec. 39.202. ACADEMIC DISTINCTION DESIGNATION FOR DISTRICTS AND CAMPUSES. The commissioner by rule shall establish an academic distinction designation for districts and campuses for outstanding performance in attainment of postsecondary readiness. The commissioner shall adopt criteria for the designation under this section, including:

(1) percentages of students who:

(A) performed satisfactorily, as determined under the college readiness performance standard under Section 39.0241, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area; or

(B) met the standard for annual improvement, as determined by the agency under Section 39.034, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area, for students who did not perform satisfactorily as described by Paragraph (A);

(2) percentages of:

(A) students who earned a nationally or internationally recognized business or industry certification or license;

(B) students who completed a coherent sequence of career and technical courses;

(C) students who completed a dual credit course or an articulated postsecondary course provided for local credit;

(D) students who achieved applicable College Readiness Benchmarks or the equivalent on the Preliminary Scholastic Assessment Test (PSAT), the Scholastic Assessment Test (SAT), the American College Test (ACT), or the ACT-Plan assessment program; and

(E) students who received a score on either an advanced placement test or an international baccalaureate examination to be awarded college credit; and

(3) other factors for determining sufficient student attainment of postsecondary readiness.

Added by Acts 2001, 77th Leg., ch. 914, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.05, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 54(a), eff. June 10, 2013.

Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS. (a) The commissioner shall award a campus a distinction designation for outstanding performance in improvement in student achievement if the campus is ranked in the top 25 percent of campuses in the state in annual improvement in student achievement as determined under Section 39.034.

(b) In addition to the distinction designation described by Subsection (a), the commissioner shall award a campus a distinction designation for outstanding performance in closing student achievement differentials if the campus demonstrates an ability to significantly diminish or eliminate performance differentials between student subpopulations and is ranked in the top 25 percent of campuses in this state under the performance criteria described by this subsection. The commissioner shall adopt rules related to the

distinction designation under this subsection to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation.

(c) In addition to the distinction designations described by Subsections (a) and (b), a campus that satisfies the criteria developed under Section 39.204 shall be awarded a distinction designation by the commissioner for outstanding performance in academic achievement in English language arts, mathematics, science, or social studies.

(d) In addition to the distinction designations otherwise described by this section, the commissioner may award a distinction designation for outstanding performance in advanced middle or junior high school student achievement to a campus with a significant number of students below grade nine who perform satisfactorily on an end-of-course assessment instrument administered under Section 39.023(c).

Added by Acts 2001, 77th Leg., ch. 914, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 307 (H.B. 2135), Sec. 6, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 55(a), eff. June 10, 2013.

Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA; COMMITTEES. (a) The commissioner by rule shall establish:

(1) standards for considering campuses for distinction designations under Section 39.203(c); and

(2) methods for awarding distinction designations to campuses.

(b) In adopting rules under this section, the commissioner shall establish a separate committee to develop criteria for each distinction designation under Section 39.203(c).

(c) Each committee established under this section must include:

(1) individuals who practice as professionals in the content area relevant to the distinction designation, as applicable;

(2) individuals with subject matter expertise in the

content area relevant to the distinction designation;

(3) educators with subject matter expertise in the content area relevant to the distinction designation; and

(4) community leaders, including leaders from the business community.

(d) For each committee, the governor, lieutenant governor, and speaker of the house of representatives may each appoint a person described by each subdivision of Subsection (c).

(e) In developing criteria for distinction designations under this section, each committee shall:

(1) identify a variety of indicators for measuring excellence; and

(2) consider categories for distinction designations, with criteria relevant to each category, based on:

(A) the level of a program, whether elementary school, middle or junior high school, or high school; and

(B) the student enrollment of a campus.

Added by Acts 2001, 77th Leg., ch. 914, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

SUBCHAPTER H. ADDITIONAL REWARDS

Sec. 39.232. EXCELLENCE EXEMPTIONS. (a) Except as provided by Subsection (b), a school campus or district that is rated exemplary under Subchapter G is exempt from requirements and prohibitions imposed under this code including rules adopted under this code.

(b) A school campus or district is not exempt under this section from:

(1) a prohibition on conduct that constitutes a criminal offense;

(2) requirements imposed by federal law or rule, including requirements for special education or bilingual education programs; or

(3) a requirement, restriction, or prohibition relating to:

(A) curriculum essential knowledge and skills under Section 28.002 or high school graduation requirements under Section 28.025;

(B) public school accountability as provided by Subchapters B, C, D, E, and J;

(C) extracurricular activities under Section 33.081;

(D) health and safety under Chapter 38;

(E) purchasing under Subchapter B, Chapter 44;

(F) elementary school class size limits, except as provided by Subsection (d) or Section 25.112;

(G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;

(H) at risk programs under Subchapter C, Chapter 29;

(I) prekindergarten programs under Subchapter E, Chapter 29;

(J) rights and benefits of school employees;

(K) special education programs under Subchapter A, Chapter 29; or

(L) bilingual education programs under Subchapter B, Chapter 29.

(c) The agency shall monitor and evaluate deregulation of a school campus or district under this section and Section 7.056.

(d) The commissioner may exempt an exemplary school campus under Subchapter G from elementary class size limits under this section if the school campus submits to the commissioner a written plan showing steps that will be taken to ensure that the exemption from the class size limits will not be harmful to the academic achievement of the students on the school campus. The commissioner shall review achievement levels annually. The exemption remains in effect until the commissioner determines that achievement levels of the campus have declined.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.233. RECOGNITION OF HIGH SCHOOL COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The agency shall:

(1) develop standards for evaluating the success and cost-effectiveness of high school completion and success and college readiness programs implemented under Section 39.234;

(2) provide guidance for school districts and campuses in

establishing and improving high school completion and success and college readiness programs implemented under Section 39.234; and

(3) develop standards for selecting and methods for recognizing school districts and campuses that offer exceptional high school completion and success and college readiness programs under Section 39.234.

(b) The commissioner may adopt rules for the administration of this section.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.234. USE OF HIGH SCHOOL ALLOTMENT. (a) Except as provided by Subsection (b), a school district or campus must use funds allocated under Section 42.160 to:

(1) implement or administer a college readiness program that provides academic support and instruction to prepare underachieving students for entrance into an institution of higher education;

(2) implement or administer a program that encourages students to pursue advanced academic opportunities, including early college high school programs and dual credit, advanced placement, and international baccalaureate courses;

(3) implement or administer a program that provides opportunities for students to take academically rigorous course work, including four years of mathematics and four years of science at the high school level;

(4) implement or administer a program, including online course support and professional development, that aligns the curriculum for grades six through 12 with postsecondary curriculum and expectations; or

(5) implement or administer other high school completion and success initiatives in grades six through 12 approved by the commissioner.

(b) A school district may use funds allocated under Section 42.160 on any instructional program in grades six through 12 other than an athletic program if:

(1) the district's measure of progress toward college

readiness is determined exceptional by a standard set by the commissioner; and

(2) the district's completion rates for grades nine through 12 exceed completion rate standards required by the commissioner to achieve a status of accredited under Section 39.051.

(c) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec.105(a)(5), eff. September 1, 2009.

(d) The commissioner shall adopt rules to administer this section, including rules related to the permissible use of funds allocated under this section to an open-enrollment charter school.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(5), eff. September 1, 2009.

Sec. 39.235. INNOVATION GRANT INITIATIVE FOR MIDDLE, JUNIOR HIGH, AND HIGH SCHOOL CAMPUSES. (a) From funds appropriated for that purpose, the commissioner may establish a grant program under which grants are awarded to middle, junior high, and high school campuses and school districts to support:

(1) the implementation of innovative improvement programs that are based on the best available research regarding middle, junior high, or high school reform, dropout prevention, and preparing students for postsecondary coursework or employment;

(2) enhancing education practices that have been demonstrated by significant evidence of effectiveness; and

(3) the alignment of grants and programs to the strategic plan adopted under Section 39.407.

(b) Before awarding a grant under this section, the commissioner may require a campus or school district to:

(1) obtain local matching funds; or

(2) meet other conditions, including developing a personal graduation plan under Section 28.0212 or 28.02121, as applicable, for each student enrolled at the campus or in a district middle, junior high, or high school.

(c) The commissioner may:

(1) accept gifts, grants, or donations from a private

foundation to implement a grant program under this section; and

(2) coordinate gifts, grants, or donations with other available funding to implement a grant program under this section.

(d) The commissioner may use funds appropriated under this section to support technical assistance services for school districts and open-enrollment charter schools to implement an improvement program under this section.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 56(a), eff. June 10, 2013.

Sec. 39.236. GIFTED AND TALENTED STANDARDS. The commissioner shall adopt standards to evaluate school district programs for gifted and talented students to determine whether a district operates a program for gifted and talented students in accordance with:

(1) the Texas Performance Standards Project; or

(2) another program approved by the commissioner that meets the requirements of the state plan for the education of gifted and talented students under Section 29.123.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

SUBCHAPTER I. SUCCESSFUL SCHOOL AWARDS

Sec. 39.261. CREATION OF SYSTEM. The Texas Successful Schools Awards System is created to recognize and reward those schools and school districts that demonstrate progress or success in achieving the education goals of the state.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.262. TYPES OF AWARDS. (a) The governor may present a

financial award to the schools or districts that the commissioner determines have demonstrated the highest levels of sustained success or the greatest improvement in achieving the education goals. For each student in average daily attendance, each of those schools or districts is entitled to an amount set for the award for which the school or district is selected by the commissioner, subject to any limitation set by the commissioner on the total amount that may be awarded to a school or district.

(b) The governor may present proclamations or certificates to additional schools and districts determined to have met or exceeded the education goals.

(c) The commissioner may establish additional categories of awards and award amounts for a school or district determined to be successful under Subsection (a) or (b) that are contingent on the school's or district's involvement with paired, lower-performing schools.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.263. AWARDS. (a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include consideration of performance on the achievement indicators adopted under Section 39.053(c) and consideration of the distinction designation criteria prescribed by or developed under Subchapter G.

(b) For purposes of selecting schools and districts under Section 39.262(a), each school's performance shall be compared to state standards and to its previous performance.

(c) The commissioner shall select annually schools and districts qualified to receive successful school awards for their performance.

(d) The agency shall notify each school district of the manner in which the district or a school in the district may qualify for a successful school award.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 14, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 18, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 2, eff. September 1, 2015.

Sec. 39.264. USE OF AWARDS. (a) In determining the use of a monetary award received under this subchapter, a school or district shall give priority to academic enhancement purposes. The award may not be used for any purpose related to athletics, and it may not be used to substitute for or replace funds already in the regular budget for a school or district.

(b) The campus-level committee established under Section 11.253 shall determine the use of the funds awarded to a school under this subchapter. The professional staff of the district shall determine the use of the funds awarded to the school district under this subchapter.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.265. FUNDING. The award system may be funded by donations, grants, or legislative appropriations. The commissioner may solicit and receive grants and donations for the purpose of making awards under this subchapter. A small portion of the award funds may be used by the commissioner to pay for the costs associated with sponsoring a ceremony to recognize or present awards to schools or districts under this subchapter. The donations, grants, or legislative appropriations shall be accounted for and distributed by the agency. The awards are subject to audit requirements established by the State Board of Education.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.266. CONFIDENTIALITY. All information and reports received by the commissioner under this subchapter from schools or school districts deemed confidential under Chapter 552, Government Code, are confidential and may not be disclosed in any public or private proceeding.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING. (a) In addition to the indicators adopted under Section 39.053, the commissioner shall adopt indicators of the quality of learning for the purpose of preparing reports under this chapter. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(b) Performance on the indicators adopted under this section shall be evaluated in the same manner provided for evaluation of the achievement indicators under Sections 39.053(c)(1)-(4).

(c) Indicators for reporting purposes must include:

(1) the percentage of graduating students who meet the course requirements established by State Board of Education rule for:

(A) the foundation high school program;

(B) the distinguished level of achievement under the foundation high school program; and

(C) each endorsement described by Section 28.025(c-1);

(2) the results of the SAT, ACT, articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;

(3) for students who have failed to perform satisfactorily, under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the performance of those students on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;

(4) for each campus, the number of students, disaggregated by major student subpopulations, that take courses under the foundation high school program and take additional courses to earn an

endorsement under Section 28.025(c-1), disaggregated by type of endorsement;

(5) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily under each performance standard under Section 39.0241, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;

(6) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(1) and (2);

(7) the percentage of students in a special education program under Subchapter A, Chapter 29, assessed through assessment instruments developed or adopted under Section 39.023(b);

(8) the percentage of students who satisfy the college readiness measure;

(9) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(10) the percentage of students who are not educationally disadvantaged;

(11) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following high school graduation; and

(12) the percentage of students who successfully complete the first year of instruction at an institution of higher education without needing a developmental education course.

(d) Performance on the indicators described by Section 39.053(c) and Subsections (c)(3), (4), and (9) must be based on longitudinal student data that is disaggregated by the bilingual education or special language program, if any, in which students of limited English proficiency, as defined by Section 29.052, are or former students of limited English proficiency were enrolled. If a student described by this subsection is not or was not enrolled in specialized language instruction, the number and percentage of those students shall be provided.

(e) Section 39.055 applies in evaluating indicators described by Subsection (c).

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.22, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 57(a), eff. June 10, 2013.
Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 19, eff. June 19, 2015.

Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL PERFORMANCE ASSESSMENT. (a) The agency shall report to each school district the comparisons of student performance made under Section 39.034.

(b) To the extent practicable, the agency shall combine the report of comparisons with the report of the student's performance on assessment instruments under Section 39.023.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 3.22, eff. May 31, 2006.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.303. REPORT TO PARENTS. (a) The school district a student attends shall provide a record of the comparisons made under Section 39.034 and provided to the district under Section 39.302 in a written notice to the student's parent or other person standing in parental relationship.

(b) For a student who failed to perform satisfactorily as determined under either performance standard under Section 39.0241 on an assessment instrument administered under Section 39.023(a), (c), or (l), the school district shall include in the notice specific information relating to access to educational resources at the appropriate assessment instrument content level, including assessment instrument questions and answers released under Section 39.023(e).

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 63, eff. July 19, 2011.

Sec. 39.304. TEACHER REPORT CARD. (a) Each school district shall prepare a report of the comparisons made under Section 39.034 and provided to the district under Section 39.302 and provide the report at the beginning of the school year to:

(1) each teacher for all students, including incoming students, who were assessed on an assessment instrument under Section 39.023; and

(2) all students under Subdivision (1) who were provided instruction by that teacher in the subject for which the assessment instrument was administered under Section 39.023.

(b) The report shall indicate whether the student performed satisfactorily or, if the student did not perform satisfactorily, whether the student met the standard for annual improvement under Section 39.034.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.305. CAMPUS REPORT CARD. (a) Each school year, the agency shall prepare and distribute to each school district a report card for each campus. The campus report cards must be based on the most current data available disaggregated by student groups. Campus performance must be compared to previous campus and district performance, current district performance, and state established standards.

(b) The report card shall include the following information:

(1) where applicable, the achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(c)(1) through (5);

(2) average class size by grade level and subject;

(3) the administrative and instructional costs per student,

computed in a manner consistent with Section 44.0071; and

(4) the district's instructional expenditures ratio and instructional employees ratio computed under Section 44.0071, and the statewide average of those ratios, as determined by the commissioner.

(c) The commissioner shall adopt rules requiring dissemination of the information required under Subsection (b)(4) and appropriate class size and student performance portions of campus report cards annually to the parent, guardian, conservator, or other person having lawful control of each student at the campus. On written request, the school district shall provide a copy of a campus report card to any other party.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 20, eff. June 19, 2015.

Sec. 39.306. PERFORMANCE REPORT. (a) Each board of trustees shall publish an annual report describing the educational performance of the district and of each campus in the district that includes uniform student performance and descriptive information as determined under rules adopted by the commissioner. The annual report must also include:

(1) campus performance objectives established under Section 11.253 and the progress of each campus toward those objectives, which shall be available to the public;

(2) information indicating the district's accreditation status and identifying each district campus awarded a distinction designation under Subchapter G or considered an unacceptable campus under Subchapter E;

(3) the district's current special education compliance status with the agency;

(4) a statement of the number, rate, and type of violent or criminal incidents that occurred on each district campus, to the extent permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g);

(5) information concerning school violence prevention and violence intervention policies and procedures that the district is

using to protect students;

(6) the findings that result from evaluations conducted under the Safe and Drug-Free Schools and Communities Act of 1994 (20 U.S.C. Section 7101 et seq.); and

(7) information received under Section 51.403(e) for each high school campus in the district, presented in a form determined by the commissioner.

(b) Supplemental information to be included in the reports shall be determined by the board of trustees. Performance information in the annual reports on the indicators described by Sections 39.053 and 39.301 and descriptive information required by this section shall be provided by the agency.

(c) The board of trustees shall hold a hearing for public discussion of the report. The board of trustees shall give notice of the hearing to property owners in the district and parents of and other persons standing in parental relation to a district student. The notification must include notice to a newspaper of general circulation in the district and notice to electronic media serving the district. After the hearing the report shall be widely disseminated within the district in a manner to be determined under rules adopted by the commissioner.

(d) The report must also include a comparison provided by the agency of:

(1) the performance of each campus to its previous performance and to state-established standards; and

(2) the performance of each district to its previous performance and to state-established standards.

(e) The report may include the following information:

(1) student information, including total enrollment, enrollment by ethnicity, socioeconomic status, and grade groupings and retention rates;

(2) financial information, including revenues and expenditures;

(3) staff information, including number and type of staff by sex, ethnicity, years of experience, and highest degree held, teacher and administrator salaries, and teacher turnover;

(4) program information, including student enrollment by program, teachers by program, and instructional operating expenditures by program; and

(5) the number of students placed in a disciplinary

alternative education program under Chapter 37.

(f) The commissioner by rule shall authorize the combination of this report with other reports and financial statements and shall restrict the number and length of reports that school districts, school district employees, and school campuses are required to prepare.

(g) The report must include a statement of the amount, if any, of the school district's unencumbered surplus fund balance as of the last day of the preceding fiscal year and the percentage of the preceding year's budget that the surplus represents.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.307. USES OF PERFORMANCE REPORT. The information required to be reported under Section 39.306 shall be:

(1) the subject of public hearings or meetings required under Sections 11.252, 11.253, and 39.306;

(2) a primary consideration in school district and campus planning; and

(3) a primary consideration of:

(A) the State Board of Education in the evaluation of the performance of the commissioner;

(B) the commissioner in the evaluation of the performance of the directors of the regional education service centers;

(C) the board of trustees of a school district in the evaluation of the performance of the superintendent of the district; and

(D) the superintendent in the evaluation of the performance of the district's campus principals.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.308. ANNUAL AUDIT OF DROPOUT RECORDS; REPORT. (a) The commissioner shall develop a process for auditing school district

dropout records electronically. The commissioner shall also develop a system and standards for review of the audit or use systems already available at the agency. The system must be designed to identify districts that are at high risk of having inaccurate dropout records and that, as a result, require on-site monitoring of dropout records.

(b) If the electronic audit of a school district's dropout records indicates that a district is not at high risk of having inaccurate dropout records, the district may not be subject to on-site monitoring under this subsection.

(c) If the risk-based system indicates that a school district is at high risk of having inaccurate dropout records, the district is entitled to an opportunity to respond to the commissioner's determination before on-site monitoring may be conducted. The district must respond not later than the 30th day after the date the commissioner notifies the district of the commissioner's determination. If the district's response does not change the commissioner's determination that the district is at high risk of having inaccurate dropout records or if the district does not respond in a timely manner, the commissioner shall order agency staff to conduct on-site monitoring of the district's dropout records.

(d) The commissioner shall notify the board of trustees of a school district of any objection the commissioner has to the district's dropout data, any violation of sound accounting practices or of a law or rule revealed by the data, or any recommendation by the commissioner concerning the data. If the data reflect that a penal law has been violated, the commissioner shall notify the county attorney, district attorney, or criminal district attorney, as appropriate, and the attorney general.

(e) The commissioner is entitled to access to all district records the commissioner considers necessary or appropriate for the review, analysis, or approval of district dropout data.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.309. TEXAS SCHOOL ACCOUNTABILITY DASHBOARD. (a) The agency shall develop and maintain an Internet website, separate from the agency's Internet website, to be known as the Texas School

Accountability Dashboard for the public to access school district and campus accountability information.

(b) The commissioner shall adopt, for use on the Texas School Accountability Dashboard, a performance index in each of the following areas:

(1) student achievement;

(2) student progress;

(3) closing performance gaps; and

(4) postsecondary readiness.

(c) The Texas School Accountability Dashboard developed under Subsection (a) must include:

(1) performance information for each school district and campus in areas specified by Subsection (b) and must allow for comparison between districts and campuses in each of the areas;

(2) a comparison of the number of students enrolled in each school district, including:

(A) the percentage of students of limited English proficiency, as defined by Section 29.052;

(B) the percentage of students who are unschooled asylees or refugees, as defined by Section 39.027(a-1);

(C) the percentage of students who are educationally disadvantaged; and

(D) the percentage of students with disabilities;

(3) a comparison of performance information for each district and campus disaggregated by race, ethnicity, and populations served by special programs, including special education, bilingual education, and special language programs; and

(4) a comparison of performance information by subject area.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 58, eff. June 10, 2013.

SUBCHAPTER K. REPORTS BY TEXAS EDUCATION AGENCY

Sec. 39.331. GENERAL REQUIREMENTS. (a) Each report required by this subchapter must:

(1) unless otherwise specified, contain summary information and analysis only, with an indication that the agency will provide the data underlying the report on request;

(2) specify a person at the agency who may be contacted for additional information regarding the report and provide the person's telephone number; and

(3) identify other sources of related information, indicating the level of detail and format of information that may be obtained, including the availability of any information on the Texas Education Network.

(b) Each component of a report required by this subchapter must:

(1) identify the substantive goal underlying the information required to be reported;

(2) analyze the progress made and longitudinal trends in achieving the underlying substantive goal;

(3) offer recommendations for improved progress in achieving the underlying substantive goal; and

(4) identify the relationship of the information required to be reported to state education goals.

(c) Unless otherwise provided, each report required by this subchapter is due not later than December 1 of each even-numbered year.

(d) Subsections (a) and (b) apply to any report required by statute that the agency or the State Board of Education must prepare and deliver to the governor, lieutenant governor, speaker of the house of representatives, or legislature.

(e) Unless otherwise provided by law, any report required by statute that the agency or the State Board of Education must prepare and deliver to the governor, lieutenant governor, speaker of the house of representatives, or legislature may be combined, at the discretion of the commissioner, with a report required by this subchapter.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.332. COMPREHENSIVE BIENNIAL REPORT. (a) Not later than December 1 of each even-numbered year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the

Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a comprehensive report covering the two preceding school years and containing the information described by Subsection (b).

(b)(1) The report must contain an evaluation of the achievements of the state educational program in relation to the statutory goals for the public education system under Section 4.002.

(2) The report must contain an evaluation of the status of education in the state as reflected by:

(A) the achievement indicators described by Section 39.053; and

(B) the reporting indicators described by Section 39.301.

(3) The report must contain a summary compilation of overall student performance on academic skills assessment instruments required by Section 39.023 with the number and percentage of students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status.

(4) The report must contain a summary compilation of overall performance of students placed in a disciplinary alternative education program established under Section 37.008 on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status.

(5) The report must contain a summary compilation of overall performance of students at risk of dropping out of school, as defined by Section 29.081(d), on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status.

(6) The report must contain an evaluation of the correlation between student grades and student performance on academic skills assessment instruments required by Section 39.023.

(7) The report must contain a statement of the dropout rate of students in grade levels 7 through 12, expressed in the aggregate and by grade level, and a statement of the completion rates of students for grade levels 9 through 12.

(8) The report must contain a statement of:

(A) the completion rate of students who enter grade level 9 and graduate not more than four years later;

(B) the completion rate of students who enter grade level 9 and graduate, including students who require more than four years to graduate;

(C) the completion rate of students who enter grade level 9 and not more than four years later receive a high school equivalency certificate;

(D) the completion rate of students who enter grade level 9 and receive a high school equivalency certificate, including students who require more than four years to receive a certificate; and

(E) the number and percentage of all students who have not been accounted for under Paragraph (A), (B), (C), or (D).

(9) The report must contain a statement of the projected cross-sectional and longitudinal dropout rates for grade levels 9 through 12 for the next five years, assuming no state action is taken to reduce the dropout rate.

(10) The report must contain a description of a systematic, measurable plan for reducing the projected cross-sectional and longitudinal dropout rates to five percent or less.

(11) The report must contain a summary of the information required by Section 29.083 regarding grade level retention of students and information concerning:

(A) the number and percentage of students retained; and

(B) the performance of retained students on assessment instruments required under Section 39.023(a).

(12) The report must contain information, aggregated by district type and disaggregated by race, ethnicity, gender, and socioeconomic status, on:

(A) the number of students placed in a disciplinary alternative education program established under Section 37.008;

(B) the average length of a student's placement in a disciplinary alternative education program established under Section 37.008;

(C) the academic performance of students on assessment instruments required under Section 39.023(a) during the year preceding and during the year following placement in a disciplinary alternative education program; and

(D) the dropout rates of students who have been placed in a disciplinary alternative education program established under Section 37.008.

(13) The report must contain a list of each school district or campus that does not satisfy performance standards, with an explanation of the actions taken by the commissioner to improve student performance in the district or campus and an evaluation of the results of those actions.

(14) The report must contain an evaluation of the status of the curriculum taught in public schools, with recommendations for legislative changes necessary to improve or modify the curriculum required by Section 28.002.

(15) The report must contain a description of all funds received by and each activity and expenditure of the agency.

(16) The report must contain a summary and analysis of the instructional expenditures ratios and instructional employees ratios of school districts computed under Section 44.0071.

(17) The report must contain a summary of the effect of deregulation, including exemptions and waivers granted under Section 7.056 or 39.232.

(18) The report must contain a statement of the total number and length of reports that school districts and school district employees must submit to the agency, identifying which reports are required by federal statute or rule, state statute, or agency rule, and a summary of the agency's efforts to reduce overall reporting requirements.

(19) The report must contain a list of each school district that is not in compliance with state special education requirements, including:

(A) the period for which the district has not been in compliance;

(B) the manner in which the agency considered the district's failure to comply in determining the district's accreditation status; and

(C) an explanation of the actions taken by the commissioner to ensure compliance and an evaluation of the results of

those actions.

(20) The report must contain a comparison of the performance of open-enrollment charter schools and school districts on the achievement indicators described by Section 39.053(c), the reporting indicators described by Section 39.301(c), and the accountability measures adopted under Section 39.053(i), with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as described by Section 29.081(d), with the performance of school districts.

(21) The report must contain a summary of the information required by Section 38.0141 regarding student health and physical activity from each school district.

(22) The report must contain a summary compilation of overall student performance under the assessment system developed to evaluate the longitudinal academic progress as required by Section 39.027(e), disaggregated by bilingual education or special language program instructional model, if any.

(23) The report must contain an evaluation of the availability of endorsements under Section 28.025(c-1), including the following information for each school district:

(A) the endorsements under Section 28.025(c-1) for which the district offers all courses for curriculum requirements as determined by board rule; and

(B) the district's economic, geographic, and demographic information, as determined by the commissioner.

(24) The report must contain any additional information considered important by the commissioner or the State Board of Education.

(c) In reporting the information required by Subsection (b)(3) or (4), the agency may separately aggregate the performance data of students enrolled in a special education program under Subchapter A, Chapter 29.

(d) In reporting the information required by Subsections (b)(3), (5), and (7), the agency shall separately aggregate the longitudinal performance data of all students identified as students of limited English proficiency, as defined by Section 29.052, or former students of limited English proficiency, disaggregated by bilingual education or special language program instructional model, if any, in which the students are or were enrolled.

(e) Each report must contain the most recent data available.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 59(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 8, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 9, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 21, eff. June 19, 2015.

Sec. 39.333. REGIONAL AND DISTRICT LEVEL REPORT. As part of the comprehensive biennial report under Section 39.332, the agency shall submit a regional and district level report covering the preceding two school years and containing:

(1) a summary of school district compliance with the student/teacher ratios and class-size limitations prescribed by Sections 25.111 and 25.112, including:

(A) the number of campuses and classes at each campus granted an exception from Section 25.112; and

(B) for each campus granted an exception from Section 25.112, a statement of whether the campus has been awarded a distinction designation under Subchapter G or has been identified as an unacceptable campus under Subchapter E;

(2) a summary of the exemptions and waivers granted to campuses and school districts under Section 7.056 or 39.232 and a review of the effectiveness of each campus or district following deregulation;

(3) an evaluation of the performance of the system of regional education service centers based on the indicators adopted under Section 8.101 and client satisfaction with services provided under Subchapter B, Chapter 8;

(4) an evaluation of accelerated instruction programs offered under Section 28.006, including an assessment of the quality of such programs and the performance of students enrolled in such programs; and

(5) the number of classes at each campus that are currently being taught by individuals who are not certified in the content areas of their respective classes.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 10, eff. September 1, 2013.

Sec. 39.334. TECHNOLOGY REPORT. The agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a technology report covering the preceding two school years and containing information on the status of the implementation of and revisions to the long-range technology plan required by Section 32.001, including the equity of the distribution and use of technology in public schools.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

SUBCHAPTER L. NOTICE OF PERFORMANCE

Sec. 39.361. NOTICE IN STUDENT GRADE REPORT. The first written notice of a student's performance that a school district gives during a school year as required by Section 28.022(a)(2) must include:

(1) a statement of whether the campus at which the student is enrolled has been awarded a distinction designation under Subchapter G or has been identified as an unacceptable campus under Subchapter E; and

(2) an explanation of the significance of the information provided under Subdivision (1).

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 14, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.362. NOTICE ON DISTRICT WEBSITE. Not later than the 10th day after the first day of instruction of each school year, a school district that maintains an Internet website shall make the following information available to the public on the website:

(1) the information contained in the most recent campus report card for each campus in the district under Section 39.305;

(2) the information contained in the most recent performance report for the district under Section 39.306;

(3) the most recent accreditation status and performance rating of the district under Sections 39.052 and 39.054; and

(4) a definition and explanation of each accreditation status under Section 39.051, based on commissioner rule adopted under that section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 14, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.363. NOTICE ON AGENCY WEBSITE. Not later than October 1 of each year, the agency shall make the following information available to the public on the agency's Internet website:

(1) the letter performance rating assigned to each school district and campus under Section 39.054 and each distinction designation awarded to a school district or campus under Subchapter G;

(2) the performance rating assigned to a school district and each campus in the district by the district under Section 39.0545; and

(3) the financial accountability rating assigned to each school district and open-enrollment charter school under Section 39.082.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 60(a), eff. June 10, 2013.

SUBCHAPTER M. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

Sec. 39.401. DEFINITION. In this subchapter, "council" means the High School Completion and Success Initiative Council.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.402. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE COUNCIL. (a) The High School Completion and Success Initiative Council is established to identify strategic priorities for and make recommendations to improve the effectiveness, coordination, and alignment of high school completion and college and workforce readiness efforts.

(b) The council is composed of:

(1) the commissioner of education;

(2) the commissioner of higher education; and

(3) seven members appointed by the commissioner of education.

(c) In making appointments required by Subsection (b)(3), the commissioner of education shall appoint:

(1) three members from a list of nominations provided by the governor;

(2) two members from a list of nominations provided by the lieutenant governor; and

(3) two members from a list of nominations provided by the speaker of the house of representatives.

(d) In making nominations under Subsection (c), the governor, lieutenant governor, and speaker of the house of representatives shall nominate persons who have distinguished experience in:

(1) developing and implementing high school reform strategies; and

(2) promoting college and workforce readiness.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.403. TERMS. Members of the council appointed under

Section 39.402(b)(3) serve terms of two years and may be reappointed for additional terms.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.404. PRESIDING OFFICER. The commissioner of education serves as the presiding officer of the council.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.405. COMPENSATION AND REIMBURSEMENT. A member of the council is not entitled to compensation for service on the council but is entitled to reimbursement for actual and necessary expenses incurred in performing council duties.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.406. COUNCIL STAFF AND FUNDING. (a) Except as otherwise provided, staff members of the agency, with the assistance of the Texas Higher Education Coordinating Board, shall provide administrative support for the council.

(b) Funding for the administrative and operational expenses of the council shall be provided by appropriation to the agency for that purpose and by gifts, grants, and donations solicited and accepted by the agency for that purpose.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.407. STRATEGIC PLAN. (a) The council shall adopt a strategic plan under this subchapter to:

(1) specify strategies to identify, support, and expand programs to improve high school completion rates and college and workforce readiness;

(2) establish specific goals with which to measure the success of the strategies identified under Subdivision (1) in improving high school completion rates and college and workforce readiness;

(3) identify strategies for alignment and coordination of federal and other funding sources that may be pursued for high school reform, dropout prevention, and preparation of students for postsecondary coursework or employment; and

(4) identify key objectives for appropriate research and program evaluation conducted as provided by this subchapter.

(b) The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer the strategic plan adopted by the council under this section.

(c) The commissioner of education or the commissioner of higher education may not, in a manner inconsistent with the strategic plan, spend money, award a grant, or enter into a contract in connection with a program relating to high school success and completion.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.408. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS. A school district or campus is eligible to participate in programs under Sections 21.4541, 29.095, 29.096, 29.097, and 29.098 if the district or campus exhibited during each of the three preceding school years characteristics that strongly correlate with high dropout rates.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.409. PRIVATE FOUNDATION PARTNERSHIPS. (a) The commissioner of education or the commissioner of higher education, as appropriate, and the council may coordinate with private foundations that have made a substantial investment in the improvement of high schools in this state to maximize the impact of public and private investments.

(b) A private foundation is not required to obtain the approval of the appropriate commissioner or the council under Subsection (a)

before allocating resources to a school in this state.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.410. GRANT PROGRAM EVALUATION. (a) The commissioner of education shall annually set aside not more than five percent of the funds appropriated for high school completion and success to contract for the evaluation of programs supported by grants approved under this subchapter. In awarding a contract under this subsection, the commissioner shall consider centers for education research established under Section 1.005.

(b) A person who receives a grant approved under this subchapter must consent to an evaluation under this section as a condition of receiving the grant.

(c) The commissioner shall ensure that an evaluation conducted under this section includes an assessment of whether student achievement has improved. Results of the evaluation shall be provided through the online clearinghouse of information relating to the best practices of campuses and school districts established under Section 7.009.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.411. COUNCIL RECOMMENDATIONS. (a) Based on the strategic plan adopted under this subchapter, the council shall make recommendations to the commissioner of education or the commissioner of higher education, as applicable, for the use of federal and state funds appropriated or received for high school reform, college readiness, and dropout prevention, including grants awarded under Sections 21.4511, 21.4541, 29.095-29.098, 29.917, 29.919, and 39.235.

(b) The council shall include recommendations under this section for:

(1) key elements of program design;

(2) criteria for awarding grants and evaluating programs;

(3) program funding priorities; and

(4) program evaluation as provided by this subchapter.

(c) The commissioner of education or the commissioner of higher

education, as applicable, shall consider the council's recommendations and based on those recommendations may award grants to school districts, open-enrollment charter schools, institutions of higher education, regional education service centers, and nonprofit organizations to meet the goals of the council's strategic plan.

(d) The commissioner of education or the commissioner of higher education, as applicable:

(1) is not required under this section to allocate funds to a program or initiative recommended by the council; and

(2) may not initiate a program funded under this section that does not conform to the recommended use of funds as provided under Subsections (a) and (b).

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.412. FUNDING PROVIDED TO SCHOOL DISTRICTS. From funds appropriated, the commissioner of education may provide funding to school districts to permit a school district to obtain technical assistance in preparing a grant proposal for a grant program administered under this subchapter.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.413. FUNDING FOR CERTAIN PROGRAMS. (a) From funds appropriated, the Texas Higher Education Coordinating Board shall allocate $8.75 million each year to establish mathematics, science, and technology teacher preparation academies under Section 61.0766, provide funding to the commissioner of education to implement and administer the program under Section 29.098, and award grants under Section 61.0762(a)(3).

(b) The Texas Higher Education Coordinating Board shall establish mathematics, science, and technology teacher preparation academies under Section 61.0766, provide funding to the commissioner of education to implement and administer the program under Section 29.098, and award grants under Section 61.0762(a)(3) in a manner consistent with the goals of this subchapter and the goals in "Closing the Gaps," the state's master plan for higher education.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 14, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 851 (S.B. 2258), Sec. 3, eff. June 19, 2009.
Acts 2009, 81st Leg., R.S., Ch. 852 (S.B. 2262), Sec. 2, eff. June 19, 2009.
Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.414. PRIVATE FUNDING. The commissioner of education or the commissioner of higher education, as appropriate, may accept gifts, grants, or donations to fund a grant administered under this subchapter.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.415. REPORTS. (a) Not later than December 1 of each even-numbered year, the agency shall prepare and deliver a report to the legislature that recommends any statutory changes the council considers appropriate to promote high school completion and college and workforce readiness.

(b) Not later than March 1 and September 1 of each year, the commissioner of education shall prepare and deliver a progress report to the presiding officers of the standing committees of each house of the legislature with primary jurisdiction over public education, the Legislative Budget Board, and the Governor's Office of Policy and Planning on:

(1) the implementation of Sections 7.031, 21.4511, 21.4541, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911, 29.917-29.919, and 39.235 and this subchapter;

(2) the programs supported by grants approved under this subchapter; and

(3) the alignment of grants and programs to the strategic plan adopted under Section 39.407.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 852 (S.B. 2262), Sec. 3, eff.

June 19, 2009.
Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

Sec. 39.416. RULES. The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer this subchapter and any programs under the authority of the commissioner of education or the commissioner of higher education and the council under this subchapter.

Redesignated by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.

For expiration of this subchapter, see Section 39.509.

SUBCHAPTER N. TEXAS COMMISSION ON NEXT GENERATION ASSESSMENTS AND ACCOUNTABILITY

Sec. 39.501. DEFINITION. In this subchapter, "commission" means the Texas Commission on Next Generation Assessments and Accountability.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.502. TEXAS COMMISSION ON NEXT GENERATION ASSESSMENTS AND ACCOUNTABILITY. (a) The Texas Commission on Next Generation Assessments and Accountability is established to develop and make recommendations for new systems of student assessment and public school accountability.

(b) The commission is composed of 15 members, consisting of the following:

(1) four members appointed by the governor;

(2) three members appointed by the lieutenant governor;

(3) three members appointed by the speaker of the house of representatives;

(4) the chair of the senate committee on education, or a representative designated by the chair;

(5) the chair of the senate committee on higher education,

or a representative designated by the chair;

(6) the chair of the house of representatives committee on public education, or a representative designated by the chair;

(7) the chair of the house of representatives committee on higher education, or a representative designated by the chair; and

(8) a member of the State Board of Education, as designated by the chair of that board.

(c) In making appointments under Subsections (b)(1), (2), and (3), the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that the commission includes at least one of each of the following representatives:

(1) a parent or person standing in parental relation to a student enrolled in the public school system;

(2) an educator in the public school system;

(3) an educator in a school district that is a participant in the Texas High Performance Schools Consortium under Section 7.0561;

(4) a member of the business community;

(5) a member of the civic community;

(6) a leader in student assessment development and use; and

(7) a leader in research concerning student assessment and education outcomes.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.503. PRESIDING OFFICER. The governor shall designate the presiding officer of the commission.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.504. COMPENSATION AND REIMBURSEMENT. A member of the commission is not entitled to compensation for service on the commission but is entitled to reimbursement for actual and necessary expenses incurred in performing commission duties.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.505. ADMINISTRATIVE SUPPORT AND FUNDING. (a) Staff members of the agency shall provide administrative support for the commission.

(b) Funding for the administrative and operational expenses of the commission shall be provided by appropriation to the agency for that purpose.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.506. RECOMMENDATIONS. The commission shall develop recommendations under this subchapter to address:

(1) the purpose of a state accountability system and the role of student assessment in that system;

(2) opportunities to assess students that:

(A) provide actionable information for a parent or person standing in parental relation to a student, an educator, and the public;

(B) support learning activities;

(C) recognize application of skills and knowledge;

(D) measure student educational growth toward mastery; and

(E) value critical thinking;

(3) alignment of state performance standards with college and career readiness requirements in collaboration with the Texas Workforce Commission and Texas Higher Education Coordinating Board;

(4) policy changes necessary to enable a student to progress through subject matter and grade levels on demonstration of mastery; and

(5) policy changes necessary to establish a student assessment and public school accountability system that meets state goals, is community based, promotes parent and community involvement, and reflects the unique needs of each community.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.507. REPORT. (a) The commission shall prepare and deliver a report to the governor and the legislature that recommends statutory changes to improve systems of student assessment and public school accountability not later than September 1, 2016.

(b) In preparing the report, the commission shall consider the recommendations of the Texas High Performance Schools Consortium established under Section 7.0561, including recommendations related to innovative, next-generation learning standards and assessment and accountability systems.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.508. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a) The commission may hold public meetings as needed to fulfill its duties under this subchapter.

(b) The commission is subject to Chapters 551 and 552, Government Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

Sec. 39.509. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER. (a) The commission is abolished January 1, 2017.

(b) This subchapter expires January 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 1094 (H.B. 2804), Sec. 8, eff. June 19, 2015.

SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT

CHAPTER 41. EQUALIZED WEALTH LEVEL

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 41.001. DEFINITIONS. In this chapter:

(1) "Equalized wealth level" means the wealth per student provided by Section 41.002.

(2) "Wealth per student" means the taxable value of property, as determined under Subchapter M, Chapter 403, Government Code, divided by the number of students in weighted average daily

attendance.

(3) "Weighted average daily attendance" has the meaning assigned by Section 42.302.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.01, eff. Sept. 1, 1999.

Sec. 41.0011. COMPUTATION OF WEALTH PER STUDENT FOR 2015-2016 SCHOOL YEAR. Notwithstanding any other provision of this chapter, in computing a school district's wealth per student for the 2015-2016 school year, a school district's taxable value of property under Subchapter M, Chapter 403, Government Code, is determined as if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article in effect for the 2015 tax year as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had been in effect for the 2014 tax year. This section expires September 1, 2016.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 10, eff. November 3, 2015.

Sec. 41.002. EQUALIZED WEALTH LEVEL. (a) A school district may not have a wealth per student that exceeds:

(1) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b), for the district's maintenance and operations tax effort equal to or less than the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1);

(2) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the

commissioner in cooperation with the Legislative Budget Board, for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1), subject to Section 41.093(b-1); or

(3) $319,500, for the district's maintenance and operations tax effort that exceeds the amount of tax effort described by Subdivision (2).

(b) For purposes of this chapter, the commissioner shall adjust, in accordance with Section 42.2521, the taxable values of a school district that, due to factors beyond the control of the board of trustees, experiences a rapid decline in the tax base used in calculating taxable values.

(c) Repealed by Acts 1999, 76th Leg., ch. 396, Sec. 3.01(a), eff. Sept. 1, 1999.

(d) Expired.

(e) Notwithstanding Subsection (a), and except as provided by Subsection (g), in accordance with a determination of the commissioner, the wealth per student that a school district may have after exercising an option under Section 41.003(2) or (3) may not be less than the amount needed to maintain state and local revenue in an amount equal to state and local revenue per weighted student for maintenance and operation of the district for the 1992-1993 school year less the district's current year distribution per weighted student from the available school fund, other than amounts distributed under Chapter 31, if the district imposes an effective tax rate for maintenance and operation of the district equal to the greater of the district's current tax rate or $1.50 on the $100 valuation of taxable property.

(f) For purposes of Subsection (e), a school district's effective tax rate is determined by dividing the total amount of taxes collected by the district for the applicable school year less any amounts paid into a tax increment fund under Chapter 311, Tax Code, by the quotient of the district's taxable value of property, as determined under Subchapter M, Chapter 403, Government Code, divided by 100.

(g) The wealth per student that a district may have under

Subsection (e) is adjusted as follows:

AWPS = WPS X (((EWL/280,000 - 1) X DTR/1.5) + 1)

where:

"AWPS" is the district's wealth per student;

"WPS" is the district's wealth per student determined under Subsection (e);

"EWL" is the equalized wealth level; and

"DTR" is the district's adopted maintenance and operations tax rate for the current school year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.02, 3.01(a), eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1187, Sec. 2.02, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1187, Sec. 2.03, eff. Sept. 1, 2002. Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.01, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 44, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.06, eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 3, eff. September 1, 2015.

Sec. 41.003. OPTIONS TO ACHIEVE EQUALIZED WEALTH LEVEL. A district with a wealth per student that exceeds the equalized wealth level may take any combination of the following actions to achieve the equalized wealth level:

(1) consolidation with another district as provided by Subchapter B;

(2) detachment of territory as provided by Subchapter C;

(3) purchase of average daily attendance credit as provided by Subchapter D;

(4) education of nonresident students as provided by Subchapter E; or

(5) tax base consolidation with another district as provided by Subchapter F.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.03, eff. Sept. 1, 1999.

Sec. 41.0031. INCLUSION OF ATTENDANCE CREDITS AND NONRESIDENTS IN WEIGHTED AVERAGE DAILY ATTENDANCE. In determining whether a school district has a wealth per student less than or equal to the equalized wealth level, the commissioner shall use:

(1) the district's final weighted average daily attendance; and

(2) the number of attendance credits a district purchases under Subchapter D or the number of nonresident students a district educates under Subchapter E for a school year.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.04, eff. Sept. 1, 1999.

Sec. 41.004. ANNUAL REVIEW OF PROPERTY WEALTH. (a) Not later than July 15 of each year, using the estimate of enrollment under Section 42.254, the commissioner shall review the wealth per student of school districts in the state and shall notify:

(1) each district with wealth per student exceeding the equalized wealth level;

(2) each district to which the commissioner proposes to annex property detached from a district notified under Subdivision (1), if necessary, under Subchapter G; and

(3) each district to which the commissioner proposes to consolidate a district notified under Subdivision (1), if necessary, under Subchapter H.

(a-1) This subsection applies only if the constitutional amendment proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, is approved by the voters in an election held for that purpose. As soon as practicable after receiving revised property values that reflect adoption of the constitutional amendment, the commissioner shall review the wealth per student of districts in the state and revise as necessary the notifications provided under Subsection (a) for the 2015-2016 school year. This subsection expires September 1, 2016.

(b) If, before the dates provided by this subsection, a

district notified under Subsection (a)(1) has not successfully exercised one or more options under Section 41.003 that reduce the district's wealth per student to a level equal to or less than the equalized wealth level, the commissioner shall order the detachment of property from that district as provided by Subchapter G. If that detachment will not reduce the district's wealth per student to a level equal to or less than the equalized wealth level, the commissioner may not detach property under Subchapter G but shall order the consolidation of the district with one or more other districts as provided by Subchapter H. An agreement under Section 41.003(1) or (2) must be executed not later than September 1 immediately following the notice under Subsection (a). An election for an option under Section 41.003(3), (4), or (5) must be ordered before September 1 immediately following the notice under Subsection (a).

(b-1) This subsection applies only to a district that has not previously held an election under this chapter and is not eligible to reduce the district's wealth per student in the manner authorized by Section 41.0041. Notwithstanding Subsection (b), a district that enters into an agreement to exercise an option to reduce the district's wealth per student under Section 41.003(3), (4), or (5) for the 2015-2016 school year may request and, as provided by Section 41.0042(a), receive approval from the commissioner to delay the date of the election otherwise required to be ordered before September 1. This subsection expires September 1, 2016.

(c) A district notified under Subsection (a) may not adopt a tax rate for the tax year in which the district receives the notice until the commissioner certifies that the district has achieved the equalized wealth level.

(c-1) Notwithstanding Subsection (c), a district that receives approval from the commissioner to delay an election as provided by Subsection (b-1) may adopt a tax rate for the 2015 tax year before the commissioner certifies that the district has achieved the equalized wealth level. This subsection expires September 1, 2016.

(d) A detachment and annexation or consolidation under this chapter:

(1) is effective for Foundation School Program funding purposes for the school year that begins in the calendar year in which the detachment and annexation or consolidation is agreed to or ordered; and

(2) applies to the ad valorem taxation of property beginning with the tax year in which the agreement or order is effective.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.05, eff. Sept. 1, 1999.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 11, eff. June 15, 2015.

Sec. 41.0041. EFFECT OF STATE AID. (a) Notwithstanding any other provision of this chapter, if a school district's wealth per student exceeds the equalized wealth level for the first time in the 2006-2007 or a later school year, the commissioner may consider the district to have reduced its wealth per student to the equalized wealth level for any school year as provided by this section.

(b) When the commissioner initially identifies a school district under Section 41.004 as having a wealth per student for a school year that exceeds the equalized wealth level, the commissioner shall estimate:

(1) the amount of state revenue to which the district is entitled under Chapter 42 for that school year; and

(2) the cost to the district to purchase attendance credits under Subchapter D in an amount sufficient to reduce the district's wealth per student to the equalized wealth level for that school year.

(c) If the commissioner determines that the amount described by Subsection (b)(1) exceeds the amount described by Subsection (b)(2), the commissioner shall notify the district of the commissioner's determination. In lieu of exercising an option described by Section 41.003, the district's board of trustees may authorize the commissioner to withhold from the state revenue to which the district is entitled under Chapter 42 an amount equal to the amount described by Subsection (b)(2).

(d) In calculating the amount of state revenue to be withheld from a school district under this section, the commissioner shall calculate the cost for the district to reduce the district's wealth per student to the equalized wealth level using the final attendance

and tax rate data for the school year and shall award the district any available credit or discount under Subchapter D as if the district had exercised the option under Section 41.003(3) in a timely manner. If the final amount calculated for the cost for the district to reduce the district's wealth per student to the equalized wealth level for a school year exceeds the amount of state revenue to which the district is entitled under Chapter 42 for that year:

(1) the commissioner shall:

(A) withhold the entire amount of state revenue to which the district is entitled under Chapter 42 for that year; and

(B) withhold the additional amount of the cost for the district to reduce the district's wealth per student to the equalized wealth level for that year from the state revenue to which the district is entitled under Chapter 42 for a subsequent school year, or if the additional amount exceeds the amount of state revenue to which the district is entitled, add the difference to the cost of the attendance credits that the district must purchase in the subsequent year; and

(2) the district is not required to take any further action to reduce its wealth per student for that year.

(e) An action by the board of trustees of a school district authorizing the commissioner to withhold state revenue from the district under this section is valid without voter authorization.

Added by Acts 2007, 80th Leg., R.S., Ch. 335 (H.B. 3226), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(1), eff. September 1, 2017.

Acts 2013, 83rd Leg., R.S., Ch. 1370 (S.B. 1658), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1370 (S.B. 1658), Sec. 2, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1370 (S.B. 1658), Sec. 3, eff. September 1, 2013.

For expiration of this section, see Subsection (d).

Sec. 41.0042. TRANSITIONAL PROVISIONS: INCREASED HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) The commissioner

shall approve a district's request under Section 41.004(b-1) to delay the date of an election required under this chapter if the commissioner determines that the district would not have a wealth per student that exceeds the equalized wealth level if the constitutional amendment proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, were approved by the voters.

(b) The commissioner shall set a date by which each district that receives approval under this section must order the election.

(c) Not later than the 2016-2017 school year, the commissioner shall order detachment and annexation of property under Subchapter G or consolidation under Subchapter H as necessary to achieve the equalized wealth level for a district that receives approval under this section and subsequently:

(1) fails to hold the election; or

(2) does not receive voter approval at the election.

(d) This section expires September 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 12, eff. June 15, 2015.

Sec. 41.005. COMPTROLLER AND APPRAISAL DISTRICT COOPERATION. The chief appraiser of each appraisal district and the comptroller shall cooperate with the commissioner and school districts in implementing this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.006. RULES. (a) The commissioner may adopt rules necessary for the implementation of this chapter. The rules may provide for the commissioner to make necessary adjustments to the provisions of Chapter 42, including providing for the commissioner to make an adjustment in the funding element established by Section 42.302, at the earliest date practicable, to the amount the commissioner believes, taking into consideration options exercised by school districts under this chapter and estimates of student enrollments, will match appropriation levels.

(b) As necessary for the effective and efficient administration of this chapter, the commissioner may modify effective dates and time periods for actions described by this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 8, eff. Sept. 1, 1997.

Sec. 41.007. COMMISSIONER TO APPROVE SUBSEQUENT BOUNDARY CHANGES. A school district that is involved in an action under this chapter that results in boundary changes to the district or in the consolidation of tax bases is subject to consolidation, detachment, or annexation under Chapter 13 only if the commissioner certifies that the change under Chapter 13 will not result in a district with a wealth per student that exceeds the equalized wealth level.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.008. HOMESTEAD EXEMPTIONS. (a) The governing board of a school district that results from consolidation under this chapter, including a consolidated taxing district under Subchapter F, for the tax year in which the consolidation occurs may determine whether to adopt a homestead exemption provided by Section 11.13, Tax Code, and may set the amount of the exemption, if adopted, at any time before the school district adopts a tax rate for that tax year. This section applies only to an exemption that the governing board of a school district is authorized to adopt or change in amount under Section 11.13, Tax Code.

(b) This section prevails over any inconsistent provision of Section 11.13, Tax Code, or other law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.009. TAX ABATEMENTS. (a) A tax abatement agreement executed by a school district that is involved in consolidation or in detachment and annexation of territory under this chapter is not affected and applies to the taxation of the property covered by the agreement as if executed by the district within which the property is included.

(b) The commissioner shall determine the wealth per student of a school district under this chapter as if any tax abatement agreement executed by a school district on or after May 31, 1993, had

not been executed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.010. TAX INCREMENT OBLIGATIONS. The payment of tax increments under Chapter 311, Tax Code, is not affected by the consolidation of territory or tax bases or by annexation under this chapter. In each tax year a school district paying a tax increment from taxes on property over which the district has assumed taxing power is entitled to retain the same percentage of the tax increment from that property that the district in which the property was located before the consolidation or annexation could have retained for the respective tax year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.011. CONTINGENCY. (a) If any of the options described by Section 41.003 as applied to a school district are held invalid by a final decision of a court of competent jurisdiction, a school district is entitled to exercise any of the remaining valid options in accordance with a schedule approved by the commissioner.

(b) If a final order of a court of competent jurisdiction should hold each of the options provided by Section 41.003 invalid, the commissioner shall act under Subchapter G or H to achieve the equalized wealth level only after notice and hearing is afforded to each school district affected by the order. The commissioner shall adopt a plan that least disrupts the affected school districts. If because the exigency to adopt a plan prevents the commissioner from giving a reasonable time for notice and hearing, the commissioner shall timely give notice to and hold a hearing for the affected school districts, but in no event less than 30 days from time of notice to the date of hearing.

(c) If a final order of a court of competent jurisdiction should hold an option provided by Section 41.003 invalid and order a refund to a district of any amounts paid by a district choosing that option, the amount shall be refunded but held in reserve and not expended by the district until released by order of the commissioner. The commissioner shall order the release immediately on the commissioner's determination that, through one of the means provided

by law, the district has achieved the equalized wealth level. The amount released shall be deducted from any state aid payable to the district according to a schedule adopted by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.012. DATE OF ELECTIONS. An election under this chapter for voter approval of an agreement entered by the board of trustees shall be held on a Tuesday or Saturday not more than 45 days after the date of the agreement. Section 41.001, Election Code, does not apply to the election.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

For expiration of this section, see Subsection (c).

Sec. 41.0121. TRANSITIONAL ELECTION DATES. (a) This section applies only to an election under this chapter that occurs during the 2015-2016 school year.

(b) Section 41.012 does not apply to a district that receives approval of a request under Section 41.0042. The district shall hold the election on a Tuesday or Saturday on or before a date specified by the commissioner. Section 41.001, Election Code, does not apply to the election.

(c) This section expires September 1, 2016.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 13, eff. June 15, 2015.

Sec. 41.013. PROCEDURE. (a) Except as provided by Subchapter G, a decision of the commissioner under this chapter is appealable under Section 7.057.

(b) Any order of the commissioner issued under this chapter shall be given immediate effect and may not be stayed or enjoined pending any appeal.

(c) Chapter 2001, Government Code, does not apply to a decision of the commissioner under this chapter.

(d) On the request of the commissioner, the secretary of state shall publish any rules adopted under this chapter in the Texas

Register and the Texas Administrative Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER B. CONSOLIDATION BY AGREEMENT

Sec. 41.031. AGREEMENT. The governing boards of any two or more school districts may consolidate the districts by agreement in accordance with this subchapter to establish a consolidated district with a wealth per student equal to or less than the equalized wealth level. The agreement is not effective unless the commissioner certifies that the consolidated district, as a result of actions taken under this chapter, will have a wealth per student equal to or less than the equalized wealth level.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.032. GOVERNING LAW. Except to the extent modified by the terms of the agreement, the consolidated district is governed by the applicable provisions of Subchapter D, Chapter 13, other than a provision requiring consolidating districts to be contiguous. The agreement may not be inconsistent with the requirements of this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.033. GOVERNANCE PLAN. (a) The agreement among the consolidating districts may include a governance plan designed to preserve community-based and site-based decision making within the consolidated district, including the delegation of specific powers of the governing board of the district other than the power to levy taxes, including a provision authorized by Section 13.158(b).

(b) The governance plan may provide for a transitional board of trustees during the first year after consolidation, but beginning with the next year the board of trustees must be elected from within the boundaries of the consolidated district. If the consolidating districts elect trustees from single-member districts, the consolidated district must adopt a plan to elect its board of trustees from single-member districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2003, 78th Leg., ch. 201, Sec. 29, eff. Sept. 1, 2003.

Sec. 41.034. INCENTIVE AID. (a) For the first and second school years after creation of a consolidated district under this subchapter, the commissioner shall adjust allotments to the consolidated district to the extent necessary to preserve the effects of an adjustment under Section 42.102, 42.103, or 42.105 to which either of the consolidating districts would have been entitled but for the consolidation.

(b) Except as provided by Subsection (c), a district receiving incentive aid payments under this section is not entitled to incentive aid under Subchapter G, Chapter 13.

(c) Four or more districts that consolidate into one district under this subchapter within a period of one year may elect to receive incentive aid under this section or to receive incentive aid for not more than five years under Subchapter G, Chapter 13. Incentive aid under this subsection may not provide the consolidated district with more revenue in state and local funds than the district would receive at the equalized wealth level.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. DETACHMENT AND ANNEXATION BY AGREEMENT

Sec. 41.061. AGREEMENT. (a) By agreement of the governing boards of two school districts, territory may be detached from one of the districts and annexed to the other district if, after the action:

(1) the wealth per student of the district from which territory is detached is equal to or less than the equalized wealth level; and

(2) the wealth per student of the district to which territory is annexed is not greater than the greatest level for which funds are provided under Subchapter F, Chapter 42.

(b) The agreement is not effective unless the commissioner certifies that, after all actions taken under this chapter, the wealth per student of each district involved will be equal to or less than the applicable level permitted by Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.062. GOVERNING LAW. Except to the extent of any conflict with this chapter and except for any requirement that detached property must be annexed to a school district that is contiguous to the detached territory, the annexation and detachment is governed by Chapter 13.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.063. ALLOCATION OF APPRAISED VALUE OF DIVIDED UNIT. If portions of a parcel or other item of property are located in different school districts as a result of a detachment and annexation under this subchapter, the parcel or other item of property shall be appraised for taxation as a unit, and the agreement shall allocate the taxable value of the property between the districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.064. ALLOCATION OF INDEBTEDNESS. The annexation agreement may allocate to the receiving district any portion of the indebtedness of the district from which the territory is detached, and the receiving district assumes and is liable for the allocated indebtedness.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.065. NOTICE. As soon as practicable after the agreement is executed, the districts involved shall notify each affected property owner and the appraisal district in which the affected property is located.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER D. PURCHASE OF ATTENDANCE CREDIT

Sec. 41.091. AGREEMENT. A school district with a wealth per

student that exceeds the equalized wealth level may execute an agreement with the commissioner to purchase attendance credits in an amount sufficient, in combination with any other actions taken under this chapter, to reduce the district's wealth per student to a level that is equal to or less than the equalized wealth level.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.092. CREDIT. (a) For each credit purchased, the weighted average daily attendance of the purchasing school district is increased by one student in weighted average daily attendance for purposes of determining whether the district exceeds the equalized wealth level.

(b) A credit is not used in determining a school district's scholastic population, average daily attendance, or weighted average daily attendance for purposes of Chapter 42 or 43.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.093. COST. (a) Subject to Subsection (b-1), the cost of each credit is an amount equal to the greater of:

(1) the amount of the district's maintenance and operations tax revenue per student in weighted average daily attendance for the school year for which the contract is executed; or

(2) the amount of the statewide district average of maintenance and operations tax revenue per student in weighted average daily attendance for the school year preceding the school year for which the contract is executed.

(b) For purposes of this section, a school district's maintenance and operations tax revenue does not include any amounts paid into a tax increment fund under Chapter 311, Tax Code.

(b-1) If the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302(a-1)(1) for which state funds are appropriated for a school year is an amount at least equal to the amount of revenue per weighted student per cent of tax effort available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, the commissioner, in computing the amounts described by Subsections (a)(1) and (2) and determining the cost of an attendance

credit, shall exclude maintenance and operations tax revenue resulting from the tax rate described by Section 41.002(a)(2).

(c) The cost of an attendance credit for a school district is computed using the final tax collections of the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 592, Sec. 1.02, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1071, Sec. 9, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.06, eff. Sept. 1, 1999. Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.02, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 45, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 4, eff. September 1, 2015.

Sec. 41.0931. DISASTER REMEDIATION COSTS. (a) This section applies only to a district all or part of which is located in an area declared a disaster area by the governor under Chapter 418, Government Code, and that incurs disaster remediation costs as a result of the disaster.

(b) Subject to Subsection (c), for the two-year period following the date of the governor's initial proclamation or executive order declaring a state of disaster, the total amount required to be paid by a district for attendance credits under Section 41.093 is reduced by the amount of any disaster remediation costs that the district pays during that period and does not anticipate recovering through insurance proceeds, federal disaster relief payments, or another similar source of reimbursement.

(c) To receive a reduction under this section, a district must provide the commissioner with acceptable documentation of disaster remediation costs paid by the district.

(d) The commissioner shall adopt rules necessary to implement this section, including rules defining "disaster remediation costs" for purposes of this section and specifying the type of documentation required under Subsection (c).

(e) Notwithstanding any other provision of this section, the commissioner may permit a district to use funds available to the

district as a result of a reduction under this section to pay the costs of replacing a facility instead of repairing the facility. The commissioner shall ensure that a district that elects to replace a facility does not receive a reduction that exceeds the lesser of:

(1) the amount that would be available to the district if the facility were repaired; or

(2) the amount necessary to replace the facility.

Added by Acts 2009, 81st Leg., R.S., Ch. 1006 (H.B. 4102), Sec. 3, eff. June 19, 2009.

Sec. 41.094. PAYMENT. (a) A school district shall pay for credits purchased in equal monthly payments as determined by the commissioner beginning February 15 and ending August 15 of the school year for which the agreement is in effect.

(a-1) Notwithstanding Subsection (a), a district that receives approval of a request under Section 41.0042 shall pay for credits purchased in equal monthly payments as determined by the commissioner beginning March 15, 2016, and ending August 15, 2016. This subsection expires September 1, 2016.

(b) Receipts shall be deposited in the state treasury and may be used only for foundation school program purposes.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 14, eff. June 15, 2015.

Sec. 41.095. DURATION. An agreement under this section is valid for one school year and, subject to Section 41.096, may be renewed annually.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.096. VOTER APPROVAL. (a) After first executing an agreement under this section, the board of trustees shall order and conduct an election, in the manner provided by Sections 13.003(d)-(g), to obtain voter approval of the agreement.

(b) The ballot shall be printed to permit voting for or against the proposition: "Authorizing the board of trustees of _____ School District to purchase attendance credits from the state with local tax revenues."

(c) The proposition is approved if the proposition receives a favorable vote of a majority of the votes cast. If the proposition is approved, the agreement executed by the board is ratified, and the board has continuing authority to execute agreements under this subchapter on behalf of the district without further voter approval.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.097. CREDIT FOR APPRAISAL COSTS. (a) The total amount required under Section 41.093 for a district to purchase attendance credits under this subchapter for any school year is reduced by an amount equal to the product of the district's total costs under Section 6.06, Tax Code, for the appraisal district or districts in which it participates multiplied by a percentage that is computed by dividing the total amount required under Section 41.093 by the total amount of taxes imposed in the district for that year less any amounts paid into a tax increment fund under Chapter 311, Tax Code.

(b) A school district is entitled to a reduction under Subsection (a) beginning with the 1996-1997 school year. For that school year, the reduction to which a district is entitled is the sum of the amounts computed under Subsection (a) for the 1993-1994, 1994-1995, 1995-1996, and 1996-1997 school years. If that amount exceeds the total amount required under Section 41.093 for the 1996-1997 school year, the difference is carried forward and the total amount required under Section 41.093 is reduced each subsequent school year until the total amount of the credit has been applied to such reductions.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 10, eff. Sept. 1, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 648 (H.B. 1010), Sec. 3, eff. January 1, 2008.

Sec. 41.098. EARLY AGREEMENT CREDIT. A district that submits a signed agreement under this subchapter to the commissioner before September 1 of the school year for which the agreement is made may reduce the total amount required to be paid for attendance credits under Section 41.093 by the lesser of four percent or $80 per credit purchased.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.0981. TRANSITIONAL EARLY AGREEMENT CREDIT. Notwithstanding Section 41.098, a district that receives approval of a request under Section 41.0042 may receive the early agreement credit described by Section 41.098 for the 2015-2016 school year if the district orders the election and obtains voter approval not later than the date specified by the commissioner. This section expires September 1, 2016.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 15, eff. June 15, 2015.

Sec. 41.099. LIMITATION. (a) Sections 41.002(e), 41.094, 41.097, and 41.098 apply only to a district that:

(1) executes an agreement to purchase all attendance credits necessary to reduce the district's wealth per student to the equalized wealth level;

(2) executes an agreement to purchase attendance credits and an agreement under Subchapter E to contract for the education of nonresident students who transfer to and are educated in the district but who are not charged tuition; or

(3) executes an agreement under Subchapter E to contract for the education of nonresident students:

(A) to an extent that does not provide more than 10 percent of the reduction in wealth per student required for the district to achieve a wealth per student that is equal to or less than the equalized wealth level; and

(B) under which all revenue paid by the district to other districts, in excess of the reduction in state aid that results from counting the weighted average daily attendance of the students served in the contracting district, is required to be used for

funding a consortium of at least three districts in a county with a population of less than 40,000 that is formed to support a technology initiative.

(b) A district that executes an agreement under Subsection (a)(3) must pay full market value for any good or service the district obtains through the consortium.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 11, eff. Sept. 1, 1997.

SUBCHAPTER E. EDUCATION OF NONRESIDENT STUDENTS

Sec. 41.121. AGREEMENT. (a) The board of trustees of a district with a wealth per student that exceeds the equalized wealth level may execute an agreement to educate the students of another district in a number that, when the weighted average daily attendance of the students served is added to the weighted average daily attendance of the contracting district, is sufficient, in combination with any other actions taken under this chapter, to reduce the district's wealth per student to a level that is equal to or less than the equalized wealth level. The agreement is not effective unless the commissioner certifies that the transfer of weighted average daily attendance will not result in any of the contracting districts' wealth per student being greater than the equalized wealth level and that the agreement requires an expenditure per student in weighted average daily attendance that is at least equal to the amount per student in weighted average daily attendance required under Section 41.093.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 46, eff. September 1, 2009.

Sec. 41.122. VOTER APPROVAL. (a) After first executing an agreement under this subchapter other than an agreement under Section 41.125, the board of trustees of the district that will be educating nonresident students shall order and conduct an election, in the manner provided by Sections 13.003(d)-(g), to obtain voter approval

of the agreement.

(b) The ballot shall be printed to permit voting for or against the proposition: "Authorizing the board of trustees of _____ School District to educate students of other school districts with local tax revenues."

(c) The proposition is approved if the proposition receives a favorable vote of a majority of the votes cast. If the proposition is approved, the agreement executed by the board is ratified, and the board has continuing authority to execute agreements under this subchapter on behalf of the district without further voter approval.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 61, Sec. 5, eff. Sept. 1, 2003.

Sec. 41.123. WADA COUNT. For purposes of Chapter 42, students served under an agreement under this subchapter are counted only in the weighted average daily attendance of the district providing the services, except that students served under an agreement authorized by Section 41.125 are counted in a manner determined by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 61, Sec. 6, eff. Sept. 1, 2003.

Sec. 41.124. TRANSFERS. (a) The board of trustees of a school district with a wealth per student that exceeds the equalized wealth level may reduce the district's wealth per student by serving nonresident students who transfer to the district and are educated by the district but who are not charged tuition. A district that exercises the option under this subsection is not required to execute an agreement with the school district in which a transferring student resides and must certify to the commissioner that the district has not charged or received tuition for the transferring students.

(b) A school district with a wealth per student that exceeds the equalized wealth level that pays tuition to another school district for the education of students that reside in the district may apply the amount of tuition paid toward the cost of the option chosen by the district to reduce its wealth per student. The amount applied under this subsection may not exceed the amount determined

under Section 41.093 as the cost of an attendance credit for the district. The commissioner may require any reports necessary to document the tuition payments.

(c) A school district that receives tuition for a student from a school district with a wealth per student that exceeds the equalized wealth level may not claim attendance for that student for purposes of Chapters 42 and 46 and the instructional materials allotment under Section 31.0211.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.07, eff. Sept. 1, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.012, eff. September 1, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 64, eff. July 19, 2011.

Sec. 41.125. CAREER AND TECHNOLOGY EDUCATION PROGRAMS. (a) The board of trustees of a school district with a wealth per student that exceeds the equalized wealth level may reduce the district's wealth per student by executing an agreement to provide students of one or more other districts with career and technology education through a program designated as an area program for career and technology education.

(b) The agreement is not effective unless the commissioner certifies that:

(1) implementation of the agreement will not result in any of the affected districts' wealth per student being greater than the equalized wealth level; and

(2) the agreement requires the district with a wealth per student that exceeds the equalized wealth level to make expenditures benefiting students from other districts in an amount at least equal to the amount that would be required for the district to purchase the number of attendance credits under Subchapter D necessary, in combination with any other actions taken under this chapter other than an action under this section, to reduce the district's wealth per student to a level that is equal to or less than the equalized wealth level.

Added by Acts 2003, 78th Leg., ch. 61, Sec. 7, eff. Sept. 1, 2003.

SUBCHAPTER F. TAX BASE CONSOLIDATION

Sec. 41.151. AGREEMENT. The board of trustees of two or more school districts may execute an agreement to conduct an election on the creation of a consolidated taxing district for the maintenance and operation of the component school districts. The agreement is subject to approval by the commissioner. The agreement is not effective unless the commissioner certifies that the consolidated taxing district will have a wealth per student equal to or less than the equalized wealth level after all actions taken under this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.152. DATE OF ELECTION. Any agreement under this subchapter must provide for the ordering of an election to be held on the same date in each district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.153. PROPOSITION. (a) The ballot shall be printed to permit voting for or against the proposition: "Creation of a consolidated taxing district composed of the territory of _____ school districts, and authorizing the levy, assessment, and collection of annual ad valorem taxes for the maintenance of the public free schools within that taxing district at a rate not to exceed $_____ on the $100 valuation of taxable property."

(b) The rate to be included in the proposition shall be provided by the agreement among the districts but may not exceed the maximum rate provided by law for independent school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.154. APPROVAL. The proposition is approved only if the proposition receives a favorable vote of the majority of the votes cast within each participating school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.155. CONSOLIDATED TAXING DISTRICT. A consolidated taxing district is a school district established for the limited purpose of exercising the taxing power authorized by Section 3, Article VII, Texas Constitution, and distributing the revenue to its component school districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.156. GOVERNANCE. (a) The consolidated taxing district is governed by the boards of the component school districts acting jointly.

(b) Any action taken by the joint board must receive a favorable vote of a majority of each component district's board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.157. MAINTENANCE TAX. (a) The joint board shall levy a maintenance tax for the benefit of the component school districts not later than September 1 of each year or as soon thereafter as practicable.

(b) Each component district shall bear a share of the costs of assessing and collecting taxes in proportion to the component district's share of weighted average daily attendance in the consolidated taxing district.

(c) A component district may not levy an ad valorem tax for the maintenance and operation of the schools.

(d) Notwithstanding Section 45.003, the consolidated taxing district may levy, assess, and collect a maintenance tax for the benefit of the component districts at a rate that exceeds $1.50 per $100 valuation of taxable property to the extent necessary to pay contracted obligations on the lease purchase of permanent improvements to real property entered into on or before May 12, 1993. The proposition to impose taxes at the necessary rate must be submitted to the voters in the manner provided by Section 45.003.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.158. REVENUE DISTRIBUTION. The consolidated taxing district shall distribute maintenance tax revenue to the component districts on the basis of the number of students in weighted average daily attendance in the component districts.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.159. TAXES OF COMPONENT DISTRICTS. (a) The governing board of a component school district of a consolidated taxing district that has consolidated for maintenance and operation purposes only may issue bonds and levy, pledge, and collect ad valorem taxes within that component district sufficient to pay the principal of and interest on those bonds as provided by Chapter 45.

(b) A component district levying an ad valorem tax under this section or Section 41.160(b)(1) is entitled to the guaranteed yield provided by Subchapter F, Chapter 42, for that portion of its tax rate that, when added to the maintenance tax levied by the consolidated taxing unit, does not exceed the limitation provided by Section 42.303.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.160. OPTIONAL TOTAL TAX BASE CONSOLIDATION. (a) An agreement executed under Section 41.151 may provide for total tax base consolidation instead of consolidation for maintenance and operation purposes only.

(b) Under an agreement providing for total tax base consolidation:

(1) the component districts may not levy maintenance or bond taxes, except to the extent necessary to retire bonds and other obligations issued before the effective date of the consolidation;

(2) the joint board may issue bonds and levy, pledge, and collect ad valorem taxes sufficient to pay the principal of and interest on those bonds, and issue refunding bonds, as provided by Chapter 45 for independent school districts; and

(3) to the end of the ballot proposition required under

Section 41.153(a) shall be added ", and further to create a consolidated tax base for the repayment of all bonded indebtedness issued by the joint board of the taxing district after the effective date of the consolidation and to authorize the joint board to levy, pledge, and collect ad valorem taxes at a rate sufficient to pay the principal of and interest on those bonds."

(c) Under an agreement providing for total tax base consolidation:

(1) the component districts may provide for the consolidated taxing district to assume all of the indebtedness of all component districts; and

(2) to the end of the ballot proposition required by Section 41.153(a) shall be added ", and further to create a consolidated tax base for the repayment of all bonded indebtedness issued by the joint board of the taxing district or previously issued by the component school districts and to authorize the joint board to levy, pledge, and collect ad valorem taxes at a rate sufficient to pay the principal of and interest on those bonds."

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. DETACHMENT AND ANNEXATION BY COMMISSIONER

Sec. 41.201. DEFINITION. In this subchapter, "mineral property" means a real property mineral interest that has been severed from the surface estate by a mineral lease creating a determinable fee or by a conveyance that creates an interest taxable separately from the surface estate. A mineral property includes each royalty interest, working interest, or other undivided interest in the mineral property.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.202. DETERMINATION OF TAXABLE VALUE. (a) For purposes of this subchapter, the taxable value of an individual parcel or other item of property and the total taxable value of property in a school district resulting from the detachment of property from or annexation of property to that district is determined by applying the appraisal ratio for the appropriate category of property determined under Subchapter M, Chapter 403, Government Code, for the preceding

tax year to the taxable value of the detached or annexed property determined under Title 1, Tax Code, for the preceding tax year.

(b) For purposes of this subchapter, the taxable value of all or a portion of a parcel or item of real property includes the taxable value of personal property having taxable situs at the same location as the real property.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.203. PROPERTY SUBJECT TO DETACHMENT AND ANNEXATION. (a) Only the following property may be detached and annexed under this subchapter:

(1) a mineral property;

(2) real property used in the operation of a public utility, including a pipeline, pipeline gathering system, or railroad or other rail system; and

(3) real property used primarily for industrial or other commercial purposes, other than property used primarily for agriculture or for residential purposes.

(b) If a final judgment of a court determines that a mineral interest may not be annexed and detached as provided by this subchapter without an attendant annexation and detachment of the surface estate or any other interest in the same land, the detachment and annexation of a mineral interest under this subchapter includes the surface estate and each other interest in the land covered by the mineral interest.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.204. TAXATION OF PERSONAL PROPERTY. Personal property having a taxable situs at the same location as real property detached and annexed under this subchapter is taxable by the school district to which the real property is annexed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.205. DETACHMENT OF PROPERTY. (a) The commissioner shall detach property under this section from each school district

from which the commissioner is required under Section 41.004 to detach property under this subchapter.

(b) The commissioner shall detach from each school district covered by Subsection (a) one or more whole parcels or items of property in descending order of the taxable value of each parcel or item, beginning with the parcel or item having the greatest taxable value, until the school district's wealth per student is equal to or less than the equalized wealth level, except as otherwise provided by Subsection (c).

(c) If the detachment of whole parcels or items of property, as provided by Subsection (a) would result in a district's wealth per student that is less than the equalized wealth level by more than $10,000, the commissioner may not detach the last parcel or item of property and shall detach the next one or more parcels or items of property in descending order of taxable value that would result in the school district having a wealth per student that is equal to or less than the equalized wealth level by not more than $10,000.

(d) Notwithstanding Subsections (a), (b), and (c), the commissioner may detach only a portion of a parcel or item of property if:

(1) it is not possible to reduce the district's wealth per student to a level that is equal to or less than the equalized wealth level under this subchapter unless some or all of the parcel or item of property is detached and the detachment of the whole parcel or item would result in the district from which it is detached having a wealth per student that is less than the equalized wealth level by more than $10,000; or

(2) the commissioner determines that a partial detachment of that parcel or item of property is preferable to the detachment of one or more other parcels or items having a lower taxable value in order to minimize the number of parcels or items of property to be detached consistent with the purposes of this chapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.206. ANNEXATION OF PROPERTY. (a) The commissioner shall annex property detached under Section 41.205 to school districts eligible for annexation in accordance with this section. A school district is eligible for annexation of property to it under

this subchapter only if, before any detachments or annexations are made in a year, the district's wealth per student is less than the greatest level for which funds are provided under Subchapter F, Chapter 42.

(b) Property may be annexed to a school district without regard to whether the property is contiguous to other property in that district.

(c) The commissioner shall annex property detached from school districts beginning with the property detached from the school district with the greatest wealth per student before detachment, and continuing with the property detached from each other school district in descending order of the district's wealth per student before detachment.

(d) The commissioner shall annex the parcels or items of property detached from a school district to other school districts that are eligible for annexation of property in descending order of the taxable value of each parcel or item according to the following priorities:

(1) first, to the eligible school districts assigned to the same county as the school district from which the property is detached whose total adopted tax rate for the preceding tax year does not exceed by more than $0.15 the total tax rate adopted for that year by the school district from which the property is detached;

(2) second, to the eligible school districts served by the same regional education service center as the district from which the property is detached whose total adopted tax rate for the preceding tax year does not exceed by more than $0.10 the total tax rate adopted for that year by the school district from which the property is detached; and

(3) third, to other eligible school districts whose total adopted tax rate for the preceding tax year does not exceed by more than $0.05 the total tax rate adopted for that year by the school district from which the property is detached.

(e) If the districts identified by Subsection (d) for a school district are insufficient to annex all the property detached from the school district, the commissioner shall increase, for purposes of this section, all the maximum difference in tax rates allowed under Subsection (d) in increments of $0.01 until the districts are identified that are sufficient to annex all the property detached from the district.

(f) If only one school district is eligible to annex property detached from a school district within a priority group established by Subsections (d) and (e), the commissioner shall annex property to that district until it reaches a wealth per student equal as nearly as possible to the greatest level for which funds are provided under Subchapter F, Chapter 42, by annexing whole parcels or items of property. Any remaining detached property shall be annexed to eligible school districts in the next priority group as provided by this section.

(g) If more than one school district is eligible to annex property detached from a school district within a priority group established by Subsections (d) and (e), the commissioner shall first annex property to the district within the priority group to which could be annexed the most taxable value of property without increasing its wealth per student above the greatest level for which funds are provided under Subchapter F, Chapter 42, until that district reaches a wealth per student equal as nearly as possible to the greatest level for which funds are provided under Subchapter F, Chapter 42, by annexing whole parcels or items of property. Then any additional detached property shall be annexed in the same manner to other eligible school districts in the same priority group in descending order of capacity to receive taxable value of annexed property without increasing the district's wealth per student above the greatest level for which funds are provided under Subchapter F, Chapter 42. If every school district in a priority group reaches a wealth per student equal to the greatest level for which funds are provided under Subchapter F, Chapter 42, as nearly as possible, the remaining detached property shall be annexed to school districts in the next priority group in the manner provided by this section.

(h) For purposes of this section, a portion of a parcel or item of property detached in that subdivided form from a school district is treated as a whole parcel or item of property.

(i) The commissioner may order the annexation of a portion of a parcel or item of property, including a portion of property treated as a whole parcel or item under Subsection (h), if:

(1) the annexation of the whole parcel or item would result in the district eligible to receive it in the appropriate priority order provided by this section having a wealth per student greater than $10,000 more than the greatest level for which funds are provided under Subchapter F, Chapter 42; or

(2) the commissioner determines that annexation of portions of the parcel or item would reduce disparities in district wealth per student more efficiently than would be possible if the parcel or item were annexed as a whole.

(j) The commissioner may modify the priorities established by this section as the commissioner considers reasonable to minimize or reduce the number of school districts to which the property detached from a school district is annexed, to minimize or reduce the geographic dispersal of property in a school district, to minimize or reduce disparities in school district wealth per student that would otherwise result, or to minimize or reduce any administrative burden or expense.

(k) For purposes of this section, a school district is assigned to a county if the school district is assigned to that county in the 1992-1993 Texas School Directory published by the Central Education Agency.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.207. LIMITATIONS ON DETACHMENT AND ANNEXATION. The commissioner may detach and annex property under this subchapter only if:

(1) the property is not exempt from ad valorem taxation under Section 11.20 or 11.21, Tax Code; and

(2) the property does not contain a building or structure owned by the United States, this state, or a political subdivision of this state that is exempt from ad valorem taxation under law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.208. ORDERS AND NOTICE. (a) The commissioner shall order any detachments and annexations of property under this subchapter not later than November 8 of each year.

(a-1) Notwithstanding Subsection (a), for the 2015-2016 school year, the commissioner shall order any detachments and annexations of property under this subchapter as soon as practicable after the canvass of the votes on the constitutional amendment proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015. This subsection expires September 1, 2016.

(b) As soon as practicable after issuing the order under Subsection (a), the commissioner shall notify each affected school district and the appraisal district in which the affected property is located of the determination.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 16, eff. June 15, 2015.

Sec. 41.209. TREATMENT OF SUBDIVIDED PROPERTY. (a) If the commissioner orders the detachment or annexation of a portion of a parcel or item of property under this subchapter, the order shall specify the portion of the taxable value of the property to be detached or annexed and may, but need not, describe the specific area of the parcel or item to be detached or annexed.

(b) If an order for the detachment or annexation of a portion of a parcel or item of property does not describe the specific area of the parcel or item to be detached or annexed, the commissioner, as soon as practicable after issuing the order, shall determine the specific area to be detached or annexed and shall certify that determination to the appraisal district for the county in which the property is located.

(c) If portions of a parcel or item of property are located in two or more school districts as the result of a detachment or annexation, the parcel or item shall be appraised for taxation as a unit, and the commissioner shall determine the portion of the taxable value of the property that is located in each of those school districts based on the square footage of the property, or any other reasonable method adopted by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.210. DUTIES OF CHIEF APPRAISER. (a) The chief appraiser of each appraisal district shall cooperate with the commissioner in administering this subchapter. The commissioner may require the chief appraiser to submit any reports or provide any information available to the chief appraiser in the form and at the times required by the commissioner.

(b) As soon as practicable after the detachment and annexation of property, the chief appraiser of the appraisal district in which the property is located shall send a written notice of the detachment and annexation to the owner of any property taxable in a different school district as a result of the detachment and annexation. The notice must include the name of the school district by which the property is taxable after the detachment and annexation.

(c) The commissioner may reimburse an appraisal district for any costs incurred in administering this subchapter and may condition the reimbursement or the amount of the reimbursement on the timely submission of reports or information required by the commissioner or the satisfactory performance of any other action required or requested by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 648 (H.B. 1010), Sec. 4, eff. January 1, 2008.

Sec. 41.211. STUDENT ATTENDANCE. A student who is a resident of real property detached from a school district may choose to attend school in that district or in the district to which the property is annexed. For purposes of determining average daily attendance under Section 42.005, the student shall be counted in the district to which the property is annexed. If the student chooses to attend school in the district from which the property is detached, the state shall withhold any foundation school funds from the district to which the property is annexed and shall allocate to the district in which the student is attending school those funds and the amount of funds equal to the difference between the state funds the district is receiving for the student and the district's cost in educating the student.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.212. BOND TAXES. Property detached from a school district is released from the obligation for any tax to pay principal and interest on bonds authorized by the district before detachment. The property is subject to any tax to pay principal or interest on bonds authorized by the district to which the property is annexed

whether authorized before or after annexation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.213. DETERMINATION BY COMMISSIONER FINAL. A decision or determination of the commissioner under this subchapter is final and not appealable.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER H. CONSOLIDATION BY COMMISSIONER

Sec. 41.251. COMMISSIONER ORDER. If the commissioner is required under Section 41.004 to order the consolidation of districts, the consolidation is governed by this subchapter. The commissioner's order shall be effective on a date determined by the commissioner, but not later than the earliest practicable date after November 8.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.252. SELECTION CRITERIA. (a) In selecting the districts to be consolidated with a district that has a property wealth greater than the equalized wealth level, the commissioner shall select one or more districts with a wealth per student that, when consolidated, will result in a consolidated district with a wealth per student equal to or less than the equalized wealth level. In achieving that result, the commissioner shall give priority to school districts in the following order:

(1) first, to the contiguous district that has the lowest wealth per student and is located in the same county;

(2) second, to the district that has the lowest wealth per student and is located in the same county;

(3) third, to a contiguous district with a property wealth below the equalized wealth level that has requested the commissioner that it be considered in a consolidation plan;

(4) fourth, to include as few districts as possible that fall below the equalized wealth level within the consolidation order that have not requested the commissioner to be included;

(5) fifth, to the district that has the lowest wealth per student and is located in the same regional education service center area; and

(6) sixth, to a district that has a tax rate similar to that of the district that has a property wealth greater than the equalized wealth level.

(b) The commissioner may not select a district that has been created as a result of consolidation by agreement under Subchapter B to be consolidated under this subchapter with a district that has a property wealth greater than the equalized wealth level.

(c) In applying the selection criteria specified by Subsection (a), if more than two districts are to be consolidated, the commissioner shall select the third and each subsequent district to be consolidated by treating the district that has a property wealth greater than the equalized wealth level and the district or districts previously selected for consolidation as one district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.253. GOVERNANCE. (a) Until the initial trustees elected as provided by Subsection (b) have qualified and taken office, a district consolidated under this subchapter is governed by a transitional board of trustees consisting of the board of trustees of the district having the greatest student membership on the last day of the school year preceding the consolidation plus one member of the board of trustees of each other consolidating district selected by that board.

(b) The transitional board of trustees shall divide the consolidated district into nine single-member trustee districts in accordance with the procedures provided by Section 11.052. The transitional board shall order an election for the initial board of trustees to be held on the first May uniform election date after the effective date of a consolidation order.

(c) Members of the board of trustees of a consolidated district serve staggered terms of office for four years.

(d) Section 13.156 applies to districts consolidated under this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 340, Sec. 3, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 471 (H.B. 57), Sec. 4, eff. October 1, 2005.

Sec. 41.254. DISSOLUTION OF CONSOLIDATED DISTRICT. (a) If the legislature abolishes ad valorem taxes for public school maintenance and operations and adopts another method of funding public education, the board of trustees of a consolidated district created under this subchapter may dissolve the consolidated district, provided that the dissolution is approved by a majority of those voters residing within the district participating in an election called for the purpose of approving the dissolution of the consolidated school district.

(b) If a consolidated district is dissolved, each of the former districts is restored as a separate district and is classified as an independent district.

(c) Title to real property of the consolidated district is allocated to the restored district in which the property is located. Title to proportionate shares of the fund balances and personal property of the consolidated district, as determined by Subsection (e), are allocated to each restored district.

(d) Each of the restored districts assumes and is liable for:

(1) indebtedness of the consolidated district that relates to real property allocated to the district; and

(2) a proportionate share, as determined by Subsection (e), of indebtedness of the consolidated district that does not relate to real property.

(e) A restored district's proportionate share of fund balances, personal property, or indebtedness is equal to the proportion that the number of students in average daily attendance in the restored district bears to the number of students in average daily attendance in the consolidated district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.255. FUND BALANCES. Fund balances of a school district consolidated under this subchapter may be used only for the benefit of the schools within the district that generated the funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.256. EMPLOYMENT CONTRACTS. A consolidated district created under this subchapter shall honor an employment contract entered into by a consolidating district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 41.257. APPLICATION OF SMALL AND SPARSE ADJUSTMENTS AND TRANSPORTATION ALLOTMENT. The budget of the consolidated district must apply the benefit of the adjustment or allotment to the schools of the consolidating district to which Section 42.103, 42.105, or 42.155 would have applied in the event that the consolidated district still qualifies as a small or sparse district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

CHAPTER 42. FOUNDATION SCHOOL PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 42.001. STATE POLICY. (a) It is the policy of this state that the provision of public education is a state responsibility and that a thorough and efficient system be provided and substantially financed through state revenue sources so that each student enrolled in the public school system shall have access to programs and services that are appropriate to the student's educational needs and that are substantially equal to those available to any similar student, notwithstanding varying local economic factors.

(b) The public school finance system of this state shall adhere to a standard of neutrality that provides for substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.002. PURPOSES OF FOUNDATION SCHOOL PROGRAM. (a) The purposes of the Foundation School Program set forth in this chapter are to guarantee that each school district in the state has:

(1) adequate resources to provide each eligible student a basic instructional program and facilities suitable to the student's educational needs; and

(2) access to a substantially equalized program of financing in excess of basic costs for certain services, as provided by this chapter.

(b) The Foundation School Program consists of:

(1) two tiers that in combination provide for:

(A) sufficient financing for all school districts to provide a basic program of education that is rated acceptable or higher under Section 39.054 and meets other applicable legal standards; and

(B) substantially equal access to funds to provide an enriched program; and

(2) a facilities component as provided by Chapter 46.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.09, eff. Sept. 1, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 60, eff. June 19, 2009.

Sec. 42.003. STUDENT ELIGIBILITY. (a) A student is entitled to the benefits of the Foundation School Program if, on September 1 of the school year, the student:

(1) is 5 years of age or older and under 21 years of age and has not graduated from high school, or is at least 21 years of age and under 26 years of age and has been admitted by a school district to complete the requirements for a high school diploma; or

(2) is at least 19 years of age and under 26 years of age and is enrolled in an adult high school diploma and industry certification charter school pilot program under Section 29.259.

(b) A student to whom Subsection (a) does not apply is entitled to the benefits of the Foundation School Program if the student is enrolled in a prekindergarten class under Section 29.153 or Subchapter E-1, Chapter 29.

(c) A child may be enrolled in the first grade if the child is at least six years of age at the beginning of the school year of the

district or has been enrolled in the first grade or has completed kindergarten in the public schools in another state before transferring to a public school in this state.

(d) Notwithstanding Subsection (a), a student younger than five years of age is entitled to the benefits of the Foundation School Program if:

(1) the student performs satisfactorily on the assessment instrument administered under Section 39.023(a) to students in the third grade; and

(2) the district has adopted a policy for admitting students younger than five years of age.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 850 (H.B. 1137), Sec. 5, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 478 (S.B. 1142), Sec. 2, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 142 (H.B. 4), Sec. 9, eff. May 28, 2015.

Sec. 42.004. ADMINISTRATION OF THE PROGRAM. The commissioner, in accordance with the rules of the State Board of Education, shall take such action and require such reports consistent with this chapter as may be necessary to implement and administer the Foundation School Program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.005. AVERAGE DAILY ATTENDANCE. (a) In this chapter, average daily attendance is:

(1) the quotient of the sum of attendance for each day of the minimum number of days of instruction as described under Section 25.081(a) divided by the minimum number of days of instruction;

(2) for a district that operates under a flexible year program under Section 29.0821, the quotient of the sum of attendance for each actual day of instruction as permitted by Section 29.0821(b)(1) divided by the number of actual days of instruction as permitted by Section 29.0821(b)(1); or

(3) for a district that operates under a flexible school day program under Section 29.0822, the average daily attendance as calculated by the commissioner in accordance with Sections 29.0822(d) and (d-1).

(b) A school district that experiences a decline of two percent or more in average daily attendance shall be funded on the basis of:

(1) the actual average daily attendance of the preceding school year, if the decline is the result of the closing or reduction in personnel of a military base; or

(2) subject to Subsection (e), an average daily attendance not to exceed 98 percent of the actual average daily attendance of the preceding school year, if the decline is not the result of the closing or reduction in personnel of a military base.

(c) The commissioner shall adjust the average daily attendance of a school district that has a significant percentage of students who are migratory children as defined by 20 U.S.C. Section 6399.

(d) The commissioner may adjust the average daily attendance of a school district in which a disaster, flood, extreme weather condition, fuel curtailment, or other calamity has a significant effect on the district's attendance.

(e) For each school year, the commissioner shall adjust the average daily attendance of school districts that are entitled to funding on the basis of an adjusted average daily attendance under Subsection (b)(2) so that:

(1) all districts are funded on the basis of the same percentage of the preceding year's actual average daily attendance; and

(2) the total cost to the state does not exceed the amount specifically appropriated for that year for purposes of Subsection (b)(2).

(f) An open-enrollment charter school is not entitled to funding based on an adjustment under Subsection (b)(2).

(g) If a student may receive course credit toward the student's high school academic requirements and toward the student's higher education academic requirements for a single course, including a course provided under Section 28.009 by a public institution of higher education, the time during which the student attends the course shall be counted as part of the minimum number of instructional hours required for a student to be considered a full-time student in average daily attendance for purposes of this

section.

(h) Subject to rules adopted by the commissioner under Section 42.0052(b), time that a student participates in an off-campus instructional program approved under Section 42.0052(a) shall be counted as part of the minimum number of instructional hours required for a student to be considered a full-time student in average daily attendance for purposes of this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 12, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 924, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1156, Sec. 3, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 220, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 824, Sec. 3, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1339 (S.B. 151), Sec. 4, eff. June 18, 2005.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.07, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 47, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 48, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1104 (S.B. 1619), Sec. 2, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 791 (H.B. 2660), Sec. 2, eff. June 17, 2015.

Acts 2015, 84th Leg., R.S., Ch. 797 (H.B. 2812), Sec. 1, eff. June 17, 2015.

Sec. 42.0051. AVERAGE DAILY ATTENDANCE FOR DISTRICTS IN DISASTER AREA. (a) From funds specifically appropriated for the purpose or other funds available to the commissioner for that purpose, the commissioner shall adjust the average daily attendance of a school district all or part of which is located in an area declared a disaster area by the governor under Chapter 418, Government Code, if the district experiences a decline in average daily attendance that is reasonably attributable to the impact of the disaster.

(b) The adjustment must be sufficient to ensure that the district receives funding comparable to the funding that the district would have received if the decline in average daily attendance reasonably attributable to the impact of the disaster had not occurred.

(c) The commissioner shall make the adjustment required by this section for the two-year period following the date of the governor's initial proclamation or executive order declaring the state of disaster.

(d) Section 42.005(b)(2) does not apply to a district that receives an adjustment under this section.

(e) A district that receives an adjustment under this section may not receive any additional adjustment under Section 42.005(d) for the decline in average daily attendance on which the adjustment under this section is based.

(f) For purposes of this title, a district's adjusted average daily attendance under this section is considered to be the district's average daily attendance as determined under Section 42.005.

Added by Acts 2009, 81st Leg., R.S., Ch. 1006 (H.B. 4102), Sec. 4, eff. June 19, 2009.

Sec. 42.0052. OFF-CAMPUS PROGRAMS APPROVED FOR PURPOSES OF AVERAGE DAILY ATTENDANCE. (a) The commissioner may, based on criteria developed by the commissioner, approve instructional programs provided off campus by an entity other than a school district or open-enrollment charter school as a program in which participation by a student of a district or charter school may be counted for purposes of determining average daily attendance in accordance with Section 42.005(h).

(b) The commissioner shall adopt by rule verification and reporting procedures concerning time spent by students participating in instructional programs approved under Subsection (a).

Added by Acts 2015, 84th Leg., R.S., Ch. 797 (H.B. 2812), Sec. 2, eff. June 17, 2015.

Sec. 42.006. PUBLIC EDUCATION INFORMATION MANAGEMENT SYSTEM

(PEIMS). (a) Each school district shall participate in the Public Education Information Management System (PEIMS) and shall provide through that system information required for the administration of this chapter and of other appropriate provisions of this code.

(a-1) The commissioner by rule shall require each school district and open-enrollment charter school to report through the Public Education Information Management System information regarding the number of students enrolled in the district or school who are identified as having dyslexia. The agency shall maintain the information provided in accordance with this subsection.

(b) Each school district shall use a uniform accounting system adopted by the commissioner for the data required to be reported for the Public Education Information Management System.

(c) Annually, the commissioner shall review the Public Education Information Management System and shall repeal or amend rules that require school districts to provide information through the Public Education Information Management System that is not necessary. In reviewing and revising the Public Education Information Management System, the commissioner shall develop rules to ensure that the system:

(1) provides useful, accurate, and timely information on student demographics and academic performance, personnel, and school district finances;

(2) contains only the data necessary for the legislature and the agency to perform their legally authorized functions in overseeing the public education system; and

(3) does not contain any information related to instructional methods, except as provided by Section 29.066 or required by federal law.

(d) The commissioner's rules must ensure that the Public Education Information Management System links student performance data to other related information for purposes of efficient and effective allocation of scarce school resources, to the extent practicable using existing agency resources and appropriations.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 903, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1340 (S.B. 1871), Sec. 7, eff. June 15, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 295 (H.B. 1264), Sec. 1, eff. June 14, 2013.

Sec. 42.007. EQUALIZED FUNDING ELEMENTS. (a) The Legislative Budget Board shall adopt rules, subject to appropriate notice and opportunity for public comment, for the calculation for each year of a biennium of the qualified funding elements, in accordance with Subsection (c), necessary to achieve the state policy under Section 42.001.

(b) Before each regular session of the legislature, the board shall, as determined by the board, report the equalized funding elements to the commissioner and the legislature.

(c) The funding elements must include:

(1) a basic allotment for the purposes of Section 42.101 that, when combined with the guaranteed yield component provided by Subchapter F, represents the cost per student of a regular education program that meets all mandates of law and regulation;

(2) adjustments designed to reflect the variation in known resource costs and costs of education beyond the control of school districts;

(3) appropriate program cost differentials and other funding elements for the programs authorized under Subchapter C, with the program funding level expressed as dollar amounts and as weights applied to the adjusted basic allotment for the appropriate year;

(4) the maximum guaranteed level of qualified state and local funds per student for the purposes of Subchapter F;

(5) the enrichment and facilities tax rate under Subchapter F;

(6) the computation of students in weighted average daily attendance under Section 42.302; and

(7) the amount to be appropriated for the school facilities assistance program under Chapter 46.

(d) Repealed by Acts 2005, 79th Leg., Ch. 741, Sec. 10(b), eff. June 17, 2005.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 13, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.10, eff. Sept. 1, 1999. Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. 2753), Sec. 2, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 741 (H.B. 2753), Sec. 10(b), eff. June 17, 2005.

Sec. 42.009. DETERMINATION OF FUNDING LEVELS. (a) Not later than July 1 of each year, the commissioner shall determine for each school district whether the estimated amount of state and local funding per student in weighted average daily attendance to be provided to the district under the Foundation School Program for maintenance and operations for the following school year is less than the amount provided to the district for the 2010-2011 school year. If the amount estimated to be provided is less, the commissioner shall certify the percentage decrease in funding to be provided to the district.

(b) In making the determinations regarding funding levels required by Subsection (a), the commissioner shall:

(1) make adjustments as necessary to reflect changes in a school district's maintenance and operations tax rate;

(2) for a district required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level, base the determinations on the district's net funding levels after deducting any amounts required to be expended by the district to comply with Chapter 41; and

(3) determine a district's weighted average daily attendance in accordance with this chapter as it existed on January 1, 2011.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 18, eff. September 28, 2011.

SUBCHAPTER B. BASIC ENTITLEMENT

Sec. 42.101. BASIC ALLOTMENT. (a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of $4,765 or the amount

that results from the following formula:

$$A = \$4,765 \times (DCR/MCR)$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by $1.50.

(a-1) Notwithstanding Subsection (a), for a school district that adopted a maintenance and operations tax rate for the 2005 tax year below the maximum rate permitted by law for that year, the district's compressed tax rate ("DCR") includes the portion of the district's current maintenance and operations tax rate in excess of the first six cents above the district's compressed tax rate, as defined by Subsection (a), until the district's compressed tax rate computed in accordance with this subsection is equal to the state maximum compressed tax rate ("MCR").

(a-2) Subsection (a-1) applies beginning with the 2017-2018 school year. For the 2015-2016 and 2016-2017 school years, the board of trustees of a school district that adopted a maintenance and operations tax rate for the 2005 tax year below the maximum rate permitted by law for that year may choose to apply Subsection (a-1) to the calculation of the district's compressed tax rate ("DCR"). A board of trustees that chooses to apply Subsection (a-1) must notify the commissioner of the decision in writing not later than September 1 of the affected school year. This subsection expires September 1, 2018.

(b) A greater amount for any school year may be provided by appropriation.

(c) This subsection applies to a school district for which the compressed tax rate ("DCR") is determined in accordance with Subsection (a-1). Any reduction in the district's adopted maintenance and operations tax rate is applied to the following components of the district's tax rate in the order specified:

(1) tax effort described by Section 42.302(a-1)(2);

(2) tax effort described by Section 42.302(a-1)(1); and

(3) tax effort included in the determination of the

district's compressed tax rate ("DCR") under Subsection (a-1).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 14, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.11, eff. Sept. 1, 1999. Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.03, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 50, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.07, eff. September 1, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.08, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.09, eff. September 1, 2015.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.31(3), eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 5, eff. September 1, 2015.

Sec. 42.102. COST OF EDUCATION ADJUSTMENT. (a) The basic allotment for each district is adjusted to reflect the geographic variation in known resource costs and costs of education due to factors beyond the control of the school district.

(b) The cost of education adjustment is the cost of education index adjustment adopted by the foundation school fund budget committee and contained in Chapter 203, Title 19, Texas Administrative Code, as that chapter existed on March 26, 1997.

(c) Repealed by Acts 1997, 75th Leg., ch. 1071, Sec. 30, eff. Sept. 1, 1997.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 15, 30, eff. Sept. 1, 1997.

Sec. 42.103. SMALL AND MID-SIZED DISTRICT ADJUSTMENT. (a) The basic allotment for certain small and mid-sized districts is adjusted in accordance with this section. In this section:

(1) "AA" is the district's adjusted allotment per student;

(2) "ADA" is the number of students in average daily attendance for which the district is entitled to an allotment under Section 42.101; and

(3) "ABA" is the adjusted basic allotment determined under Section 42.102.

(b) The basic allotment of a school district that contains at least 300 square miles and has not more than 1,600 students in average daily attendance is adjusted by applying the formula:

AA = (1 + ((1,600 - ADA) X .0004)) X ABA

(c) The basic allotment of a school district that contains less than 300 square miles and has not more than 1,600 students in average daily attendance is adjusted by applying the formula:

AA = (1 + ((1,600 - ADA) X .00025)) X ABA

(d) The basic allotment of a school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is adjusted by applying the formula, of the following formulas, that results in the greatest adjusted allotment:

(1) the formula in Subsection (b) or (c) for which the district is eligible; or

(2) AA = (1 + ((5,000 - ADA) X .000025)) X ABA.

(e) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(5), eff. September 1, 2009.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 553, Sec. 1, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 6.008, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(5), eff. September 1, 2009.

Sec. 42.104. USE OF SMALL OR MID-SIZED DISTRICT ADJUSTMENT IN CALCULATING SPECIAL ALLOTMENTS. In determining the amount of a special allotment under Subchapter C for a district to which Section 42.103 applies, a district's adjusted basic allotment is considered to be the district's adjusted allotment determined under Section 42.103.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.105. SPARSITY ADJUSTMENT. (a) Notwithstanding Sections 42.101, 42.102, and 42.103, a school district that has fewer than 130 students in average daily attendance shall be provided an adjusted basic allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade 12 program and has preceding or current year's average daily attendance of at least 90 students or is 30 miles or more by bus route from the nearest high school district. A district offering a kindergarten through grade 8 program whose preceding or current year's average daily attendance was at least 50 students or which is 30 miles or more by bus route from the nearest high school district shall be provided an adjusted basic allotment on the basis of 75 students in average daily attendance. An average daily attendance of 60 students shall be the basis of providing the adjusted basic allotment if a district offers a kindergarten through grade 6 program and has preceding or current year's average daily attendance of at least 40 students or is 30 miles or more by bus route from the nearest high school district.

(b) Subsection (c) applies only to a school district that:

(1) does not offer each grade level from kindergarten through grade 12 and whose prospective or former students generally attend school in a state that borders this state for the grade levels the district does not offer;

(2) serves both students residing in this state and students residing in a state that borders this state who are subsequently eligible for in-state tuition rates at institutions of higher education in either state regardless of the state in which the students reside; and

(3) shares students with an out-of-state district that does not offer competing instructional services.

(c) Notwithstanding Subsection (a) or Sections 42.101, 42.102, and 42.103, a school district to which this subsection applies, as provided by Subsection (b), that has fewer than 130 students in average daily attendance shall be provided an adjusted basic allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade four program and has preceding or current year's average daily attendance of at least 75 students or is 30 miles or more by bus route from the nearest high school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.10, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.11, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 785 (H.B. 2593), Sec. 1, eff. September 1, 2015.

Sec. 42.106. TUITION ALLOTMENT FOR DISTRICTS NOT OFFERING ALL GRADE LEVELS. A school district that contracts for students residing in the district to be educated in another district under Section 25.039(a) is entitled to receive an allotment equal to the total amount of tuition required to be paid by the district under Section 25.039, not to exceed the amount specified by commissioner rule under Section 25.039(b).

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.12, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 1069, Sec. 2, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 51, eff. September 1, 2009.

SUBCHAPTER C. SPECIAL ALLOTMENTS

Sec. 42.151. SPECIAL EDUCATION. (a) For each student in average daily attendance in a special education program under Subchapter A, Chapter 29, in a mainstream instructional arrangement, a school district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by 1.1. For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by a weight determined according to instructional arrangement as follows:

Homebound 5.0

Hospital class 3.0

Speech therapy 5.0
Resource room 3.0
Self-contained, mild and moderate,
regular campus 3.0
Self-contained, severe, regular campus 3.0
Off home campus 2.7
Nonpublic day school 1.7
Vocational adjustment class 2.3

(b) A special instructional arrangement for students with disabilities residing in care and treatment facilities, other than state schools, whose parents or guardians do not reside in the district providing education services shall be established under the rules of the State Board of Education. The funding weight for this arrangement shall be 4.0 for those students who receive their education service on a local school district campus. A special instructional arrangement for students with disabilities residing in state schools shall be established under the rules of the State Board of Education with a funding weight of 2.8.

(c) For funding purposes, the number of contact hours credited per day for each student in the off home campus instructional arrangement may not exceed the contact hours credited per day for the multidistrict class instructional arrangement in the 1992-1993 school year.

(d) For funding purposes the contact hours credited per day for each student in the resource room; self-contained, mild and moderate; and self-contained, severe, instructional arrangements may not exceed the average of the statewide total contact hours credited per day for those three instructional arrangements in the 1992-1993 school year.

(e) The State Board of Education by rule shall prescribe the qualifications an instructional arrangement must meet in order to be funded as a particular instructional arrangement under this section. In prescribing the qualifications that a mainstream instructional arrangement must meet, the board shall establish requirements that students with disabilities and their teachers receive the direct, indirect, and support services that are necessary to enrich the regular classroom and enable student success.

(f) In this section, "full-time equivalent student" means 30 hours of contact a week between a special education student and special education program personnel.

(g) The State Board of Education shall adopt rules and procedures governing contracts for residential placement of special education students. The legislature shall provide by appropriation for the state's share of the costs of those placements.

(h) Funds allocated under this section, other than an indirect cost allotment established under State Board of Education rule, must be used in the special education program under Subchapter A, Chapter 29.

(i) The agency shall encourage the placement of students in special education programs, including students in residential instructional arrangements, in the least restrictive environment appropriate for their educational needs.

(j) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 494, Sec. 1, eff. September 1, 2011.

(k) A school district that provides an extended year program required by federal law for special education students who may regress is entitled to receive funds in an amount equal to 75 percent, or a lesser percentage determined by the commissioner, of the adjusted basic allotment or adjusted allotment, as applicable, for each full-time equivalent student in average daily attendance, multiplied by the amount designated for the student's instructional arrangement under this section, for each day the program is provided divided by the number of days in the minimum school year. The total amount of state funding for extended year services under this section may not exceed $10 million per year. A school district may use funds received under this section only in providing an extended year program.

(l) From the total amount of funds appropriated for special education under this section, the commissioner shall withhold an amount specified in the General Appropriations Act, and distribute that amount to school districts for programs under Section 29.014. The program established under that section is required only in school districts in which the program is financed by funds distributed under this subsection and any other funds available for the program. After deducting the amount withheld under this subsection from the total amount appropriated for special education, the commissioner shall reduce each district's allotment proportionately and shall allocate funds to each district accordingly.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 2003, 78th Leg., ch. 545, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 494 (H.B. 1130), Sec. 1, eff. September 1, 2011.

Sec. 42.152. COMPENSATORY EDUCATION ALLOTMENT. (a) For each student who is educationally disadvantaged or who is a student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by 0.2, and by 2.41 for each full-time equivalent student who is in a remedial and support program under Section 29.081 because the student is pregnant.

(b) For purposes of this section, the number of educationally disadvantaged students is determined:

(1) by averaging the best six months' numbers of students eligible for enrollment in the national school lunch program of free or reduced-price lunches for the preceding school year; or

(2) in the manner provided by commissioner rule.

(b-1) A student receiving a full-time virtual education through the state virtual school network may be included in determining the number of educationally disadvantaged students under Subsection (b) if the school district submits to the commissioner a plan detailing the enhanced services that will be provided to the student and the commissioner approves the plan.

(c) Funds allocated under this section shall be used to fund supplemental programs and services designed to eliminate any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the rates of high school completion between students at risk of dropping out of school, as defined by Section 29.081, and all other students. Specifically, the funds, other than an indirect cost allotment established under State Board of Education rule, which may not exceed 45 percent, may be used to meet the costs of providing a compensatory, intensive, or accelerated instruction program under Section 29.081 or a disciplinary alternative education program established under Section 37.008, to pay the costs associated with placing students in a juvenile justice alternative education program established under

Section 37.011, or to support a program eligible under Title I of the Elementary and Secondary Education Act of 1965, as provided by Pub. L. No. 103-382 and its subsequent amendments, and by federal regulations implementing that Act, at a campus at which at least 40 percent of the students are educationally disadvantaged. In meeting the costs of providing a compensatory, intensive, or accelerated instruction program under Section 29.081, a district's compensatory education allotment shall be used for costs supplementary to the regular education program, such as costs for program and student evaluation, instructional materials and equipment and other supplies required for quality instruction, supplemental staff expenses, salary for teachers of at-risk students, smaller class size, and individualized instruction. A home-rule school district or an open-enrollment charter school must use funds allocated under Subsection (a) for a purpose authorized in this subsection but is not otherwise subject to Subchapter C, Chapter 29. For purposes of this subsection, a program specifically designed to serve students at risk of dropping out of school, as defined by Section 29.081, is considered to be a program supplemental to the regular education program, and a district may use its compensatory education allotment for such a program.

(c-1) Notwithstanding Subsection (c), funds allocated under this section may be used to fund in proportion to the percentage of students served by the program that meet the criteria in Section 29.081(d) or (g):

(1) an accelerated reading instruction program under Section 28.006(g); or

(2) a program for treatment of students who have dyslexia or a related disorder as required by Section 38.003.

(c-2) Notwithstanding Subsection (c), funds allocated under this section may be used to fund a district's mentoring services program under Section 29.089.

(d) The agency shall evaluate the effectiveness of accelerated instruction and support programs provided under Section 29.081 for students at risk of dropping out of school.

(e) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(f) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(g) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec.

105(a)(6), eff. September 1, 2009.

(h) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(i) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(j) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(k) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(l) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(m) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(n) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(o) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(p) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(q) The State Board of Education, with the assistance of the comptroller, shall develop and implement by rule reporting and auditing systems for district and campus expenditures of compensatory education funds to ensure that compensatory education funds, other than the indirect cost allotment, are spent only to supplement the regular education program as required by Subsection (c). The reporting requirements shall be managed electronically to minimize local administrative costs. A district shall submit the report required by this subsection not later than the 150th day after the last day permissible for resubmission of information required under Section 42.006.

(q-1) The commissioner shall develop a system to identify school districts that are at high risk of having used compensatory education funds other than in compliance with Subsection (c) or of having inadequately reported compensatory education expenditures. If a review of the report submitted under Subsection (q), using the risk-based system, indicates that a district is not at high risk of having misused compensatory education funds or of having inadequately reported compensatory education expenditures, the district may not be required to perform a local audit of compensatory education expenditures and is not subject to on-site monitoring under this

section.

(q-2) If a review of the report submitted under Subsection (q), using the risk-based system, indicates that a district is at high risk of having misused compensatory education funds, the commissioner shall notify the district of that determination. The district must respond to the commissioner not later than the 30th day after the date the commissioner notifies the district of the commissioner's determination. If the district's response does not change the commissioner's determination that the district is at high risk of having misused compensatory education funds or if the district does not respond in a timely manner, the commissioner shall:

(1) require the district to conduct a local audit of compensatory education expenditures for the current or preceding school year;

(2) order agency staff to conduct on-site monitoring of the district's compensatory education expenditures; or

(3) both require a local audit and order on-site monitoring.

(q-3) If a review of the report submitted under Subsection (q), using the risk-based system, indicates that a district is at high risk of having inadequately reported compensatory education expenditures, the commissioner may require agency staff to assist the district in following the proper reporting methods or amending a district or campus improvement plan under Subchapter F, Chapter 11. If the district does not take appropriate corrective action before the 45th day after the date the agency staff notifies the district of the action the district is expected to take, the commissioner may:

(1) require the district to conduct a local audit of the district's compensatory education expenditures; or

(2) order agency staff to conduct on-site monitoring of the district's compensatory education expenditures.

(q-4) The commissioner, in the year following a local audit of compensatory education expenditures, shall withhold from a district's foundation school fund payment an amount equal to the amount of compensatory education funds the agency determines were not used in compliance with Subsection (c). The commissioner shall release to a district funds withheld under this subsection when the district provides to the commissioner a detailed plan to spend those funds in compliance with Subsection (c).

(r) The commissioner shall grant a one-year exemption from the

requirements of Subsections (q)-(q-4) to a school district in which the group of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l) subsequently performs on those assessment instruments at a level that meets or exceeds a level prescribed by commissioner rule. Each year the commissioner, based on the most recent information available, shall determine if a school district is entitled to an exemption for the following school year and notify the district of that determination.

(t) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

(u) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1328, Sec. 105(a)(6), eff. September 1, 2009.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 16, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.13, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 725, Sec. 11, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 1156, Sec. 4, 12, eff; Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 30, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 253, Sec. 1, eff. sept. 1, 2003; Acts 2003, 78th Leg., ch. 783, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 785, Sec. 57, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 903, Sec. 3, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 6.009, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(17), eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1204 (H.B. 1609), Sec. 3, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 52, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 53, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(a)(6), eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.12, eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1250 (H.B. 1305), Sec. 2, eff. June 20, 2015.

Sec. 42.153. BILINGUAL EDUCATION ALLOTMENT. (a) For each student in average daily attendance in a bilingual education or special language program under Subchapter B, Chapter 29, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by 0.1.

(b) Funds allocated under this section, other than an indirect cost allotment established under State Board of Education rule, must be used in providing bilingual education or special language programs under Subchapter B, Chapter 29, and must be accounted for under existing agency reporting and auditing procedures.

(c) A district's bilingual education or special language allocation may be used only for program and student evaluation, instructional materials and equipment, staff development, supplemental staff expenses, salary supplements for teachers, and other supplies required for quality instruction and smaller class size.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.154. CAREER AND TECHNOLOGY EDUCATION ALLOTMENT. (a) For each full-time equivalent student in average daily attendance in an approved career and technology education program in grades nine through 12 or in career and technology education programs for students with disabilities in grades seven through 12, a district is entitled to:

(1) an annual allotment equal to the adjusted basic allotment multiplied by a weight of 1.35; and

(2) $50, if the student is enrolled in:

(A) two or more advanced career and technology education classes for a total of three or more credits; or

(B) an advanced course as part of a tech-prep program under Subchapter T, Chapter 61.

(b) In this section, "full-time equivalent student" means 30 hours of contact a week between a student and career and technology education program personnel.

(c) Funds allocated under this section, other than an indirect cost allotment established under State Board of Education rule, must

be used in providing career and technology education programs in grades nine through 12 or career and technology education programs for students with disabilities in grades seven through 12 under Sections 29.182, 29.183, and 29.184.

(d) The commissioner shall conduct a cost-benefit comparison between career and technology education programs and mathematics and science programs.

(e) Out of the total statewide allotment for career and technology education under this section, the commissioner shall set aside an amount specified in the General Appropriations Act, which may not exceed an amount equal to one percent of the total amount appropriated, to support regional career and technology education planning. After deducting the amount set aside under this subsection from the total amount appropriated for career and technology education under this section, the commissioner shall reduce each district's tier one allotments in the same manner described for a reduction in allotments under Section 42.253.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 31, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 763 (H.B. 3485), Sec. 5, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 54, eff. September 1, 2009.

Sec. 42.1541. INDIRECT COST ALLOTMENTS. (a) The State Board of Education shall by rule increase the indirect cost allotments established under Sections 42.151(h), 42.152(c), 42.153(b), and 42.154(a-1) and (c) and in effect for the 2010-2011 school year in proportion to the average percentage reduction in total state and local maintenance and operations revenue provided under this chapter for the 2011-2012 school year as a result of S.B. Nos. 1 and 2, Acts of the 82nd Legislature, 1st Called Session, 2011.

(b) To the extent necessary to permit the board to comply with this section, the limitation on the percentage of the indirect cost allotment prescribed by Section 42.152(c) does not apply.

(c) The board shall take the action required by Subsection (a)

not later than the date that permits the increased indirect cost allotments to apply beginning with the 2011-2012 school year.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.13, eff. September 28, 2011.

Sec. 42.155. TRANSPORTATION ALLOTMENT. (a) Each district or county operating a transportation system is entitled to allotments for transportation costs as provided by this section.

(b) As used in this section:

(1) "Regular eligible student" means a student who resides two or more miles from the student's campus of regular attendance, measured along the shortest route that may be traveled on public roads, and who is not classified as a student eligible for special education services.

(2) "Eligible special education student" means a student who is eligible for special education services under Section 29.003 and who would be unable to attend classes without special transportation services.

(3) "Linear density" means the average number of regular eligible students transported daily, divided by the approved daily route miles traveled by the respective transportation system.

(c) Each district or county operating a regular transportation system is entitled to an allotment based on the daily cost per regular eligible student of operating and maintaining the regular transportation system and the linear density of that system. In determining the cost, the commissioner shall give consideration to factors affecting the actual cost of providing these transportation services in each district or county. The average actual cost is to be computed by the commissioner and included for consideration by the legislature in the General Appropriations Act. The allotment per mile of approved route may not exceed the amount set by appropriation.

(d) A district or county may apply for and on approval of the commissioner receive an additional amount of up to 10 percent of its regular transportation allotment to be used for the transportation of children living within two miles of the school they attend who would be subject to hazardous traffic conditions if they walked to school. Each board of trustees shall provide to the commissioner the

definition of hazardous conditions applicable to that district and shall identify the specific hazardous areas for which the allocation is requested. A hazardous condition exists where no walkway is provided and children must walk along or cross a freeway or expressway, an underpass, an overpass or a bridge, an uncontrolled major traffic artery, an industrial or commercial area, or another comparable condition.

(e) The commissioner may grant an amount set by appropriation for private or commercial transportation for eligible students from isolated areas. The need for this type of transportation grant shall be determined on an individual basis and the amount granted shall not exceed the actual cost. The grants may be made only in extreme hardship cases. A grant may not be made if the students live within two miles of an approved school bus route.

(f) The cost of transporting career and technology education students from one campus to another inside a district or from a sending district to another secondary public school for a career and technology program or an area career and technology school or to an approved post-secondary institution under a contract for instruction approved by the agency shall be reimbursed based on the number of actual miles traveled times the district's official extracurricular travel per mile rate as set by the board of trustees and approved by the agency.

(g) A school district or county that provides special transportation services for eligible special education students is entitled to a state allocation paid on a previous year's cost-per-mile basis. The maximum rate per mile allowable shall be set by appropriation based on data gathered from the first year of each preceding biennium. Districts may use a portion of their support allocation to pay transportation costs, if necessary. The commissioner may grant an amount set by appropriation for private transportation to reimburse parents or their agents for transporting eligible special education students. The mileage allowed shall be computed along the shortest public road from the student's home to school and back, morning and afternoon. The need for this type transportation shall be determined on an individual basis and shall be approved only in extreme hardship cases.

(h) Funds allotted under this section must be used in providing transportation services.

(i) In the case of a district belonging to a county

transportation system, the district's transportation allotment for purposes of determining a district's foundation school program allocations is determined on the basis of the number of approved daily route miles in the district multiplied by the allotment per mile to which the county transportation system is entitled.

(j) The Texas School for the Deaf is entitled to an allotment under this section. The commissioner shall determine the appropriate allotment.

(k) Notwithstanding any other provision of this section, the commissioner may not reduce the allotment to which a district or county is entitled under this section because the district or county provides transportation for an eligible student to and from a child-care facility, as defined by Section 42. 002, Human Resources Code, or a grandparent's residence instead of the student's residence, as authorized by Section 34.007, if the transportation is provided within the approved routes of the district or county for the school the student attends.

(l) A school district may, with the funds allotted under this section, provide a bus pass or card for another transportation system to each student who is eligible to use the regular transportation system of the district but for whom the regular transportation system of the district is not a feasible method of providing transportation. The commissioner by rule shall provide procedures for a school district to provide bus passes or cards to students under this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 17, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 169, Sec. 4, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 32, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 352 (H.B. 3506), Sec. 1, eff. June 17, 2011.

Sec. 42.156. GIFTED AND TALENTED STUDENT ALLOTMENT. (a) For each identified student a school district serves in a program for gifted and talented students that the district certifies to the commissioner as complying with Subchapter D, Chapter 29, a district is entitled to an annual allotment equal to the district's adjusted

basic allotment as determined under Section 42.102 or Section 42.103, as applicable, multiplied by .12 for each school year or a greater amount provided by appropriation.

(b) Funds allocated under this section, other than the amount that represents the program's share of general administrative costs, must be used in providing programs for gifted and talented students under Subchapter D, Chapter 29, including programs sanctioned by International Baccalaureate and Advanced Placement, or in developing programs for gifted and talented students. Each district must account for the expenditure of state funds as provided by rule of the State Board of Education. If by the end of the 12th month after receiving an allotment for developing a program a district has failed to implement a program, the district must refund the amount of the allotment to the agency within 30 days.

(c) Not more than five percent of a district's students in average daily attendance are eligible for funding under this section.

(d) If the amount of state funds for which school districts are eligible under this section exceeds the amount of state funds appropriated in any year for the programs, the commissioner shall reduce each district's tier one allotments in the same manner described for a reduction in allotments under Section 42.253.

(e) If the total amount of funds allotted under this section before a date set by rule of the State Board of Education is less than the total amount appropriated for a school year, the commissioner shall transfer the remainder to any program for which an allotment under Section 42.152 may be used.

(f) After each district has received allotted funds for this program, the State Board of Education may use up to $500,000 of the funds allocated under this section for programs such as MATHCOUNTS, Future Problem Solving, Odyssey of the Mind, and Academic Decathlon, as long as these funds are used to train personnel and provide program services. To be eligible for funding under this subsection, a program must be determined by the State Board of Education to provide services that are effective and consistent with the state plan for gifted and talented education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.157. PUBLIC EDUCATION GRANT ALLOTMENT. (a) Except as

provided by Subsection (b), for each student in average daily attendance who is using a public education grant under Subchapter G, Chapter 29, to attend school in a district other than the district in which the student resides, the district in which the student attends school is entitled to an annual allotment equal to the adjusted basic allotment multiplied by a weight of 0.1.

(b) The total number of allotments under this section to which a district is entitled may not exceed the number by which the number of students using public education grants to attend school in the district exceeds the number of students who reside in the district and use public education grants to attend school in another district.

Added by Acts 1997, 75th Leg., ch. 722, Sec. 5, eff. Sept. 1, 1997.

Sec. 42.158. NEW INSTRUCTIONAL FACILITY ALLOTMENT. (a) A school district is entitled to an additional allotment as provided by this section for operational expenses associated with opening a new instructional facility.

(b) For the first school year in which students attend a new instructional facility, a school district is entitled to an allotment of $250 for each student in average daily attendance at the facility. For the second school year in which students attend that instructional facility, a school district is entitled to an allotment of $250 for each additional student in average daily attendance at the facility.

(c) For purposes of this section, the number of additional students in average daily attendance at a facility is the difference between the number of students in average daily attendance in the current year at that facility and the number of students in average daily attendance at that facility in the preceding year.

(d) Subject to Subsection (d-1), the amount appropriated for allotments under this section may not exceed $25 million in a school year. If the total amount of allotments to which districts are entitled under this section for a school year exceeds the amount appropriated under this subsection, the commissioner shall reduce each district's allotment under this section in the manner provided by Section 42.253(h).

(d-1) In addition to the appropriation amount described by Subsection (d), the amount of $1 million may be appropriated each

school year to supplement the allotment to which a school district is entitled under this section that may be provided using the appropriation amount described by Subsection (d). The commissioner shall first apply the funds appropriated under this subsection to prevent any reduction under Subsection (d) in the allotment for attendance at an eligible high school instructional facility, subject to the maximum amount of $250 for each student in average daily attendance. Any funds remaining after preventing all reductions in amounts due for high school instructional facilities may be applied proportionally to all other eligible instructional facilities, subject to the maximum amount of $250 for each student in average daily attendance.

(e) A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level is entitled to a credit, in the amount of the allotments to which the district is entitled under this section, against the total amount required under Section 41.093 for the district to purchase attendance credits. A school district that is otherwise ineligible for state aid under this chapter is entitled to receive allotments under this section.

(f) The commissioner may adopt rules necessary to implement this section.

(g) In this section, "instructional facility" has the meaning assigned by Section 46.001.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.14, eff. Sept. 1, 1999.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 15, eff. June 15, 2007.

Sec. 42.160. HIGH SCHOOL ALLOTMENT. (a) A school district is entitled to an annual allotment of $275 for each student in average daily attendance in grades 9 through 12 in the district.

(b) A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level is entitled to a credit, in the amount of the allotments to which the district is entitled under this section, against the total amount required under Section 41.093 for the district to purchase

attendance credits. A school district that is otherwise ineligible for state aid under this chapter is entitled to receive allotments under this section.

(c) An open-enrollment charter school is entitled to an allotment under this section in the same manner as a school district.

(d) The commissioner shall adopt rules to administer this section, including rules related to the permissible use of funds allocated under this section to an open-enrollment charter school.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 56, eff. September 1, 2009.

SUBCHAPTER E. FINANCING THE PROGRAM

Sec. 42.251. FINANCING; GENERAL RULE.

(a) The sum of the basic allotment under Subchapter B and the special allotments under Subchapter C, computed in accordance with this chapter, constitute the tier one allotments. The sum of the tier one allotments and the guaranteed yield allotments under Subchapter F, computed in accordance with this chapter, constitute the total cost of the Foundation School Program.

(b) The program shall be financed by:

(1) ad valorem tax revenue generated by an equalized uniform school district effort;

(2) ad valorem tax revenue generated by local school district effort in excess of the equalized uniform school district effort;

(3) state available school funds distributed in accordance with law; and

(4) state funds appropriated for the purposes of public school education and allocated to each district in an amount sufficient to finance the cost of each district's Foundation School Program not covered by other funds specified in this subsection.

(c) Repealed by Acts 1999, 76th Leg., ch. 396, Sec. 3.01(a), eff. Sept. 1, 1999.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.15, 3.01(a), eff. Sept. 1, 1999.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.14, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.15, eff. September 1, 2015.

Sec. 42.2513. ADDITIONAL STATE AID FOR STAFF SALARY INCREASES. (a) A school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount equal to the sum of:

(1) the product of $500 multiplied by the number of full-time district employees, other than administrators or employees subject to the minimum salary schedule under Section 21.402; and

(2) the product of $250 multiplied by the number of part-time district employees, other than administrators.

(b) A determination by the commissioner under this section is final and may not be appealed.

(c) The commissioner may adopt rules to implement this section.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 4.10, eff. May 31, 2006.

Sec. 42.2514. ADDITIONAL STATE AID FOR TAX INCREMENT FINANCING PAYMENTS. For each school year, a school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.16, eff. September 28, 2011.

Sec. 42.2515. ADDITIONAL STATE AID FOR AD VALOREM TAX CREDITS UNDER TEXAS ECONOMIC DEVELOPMENT ACT. (a) For each school year, a school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount equal to the amount of all tax credits credited against ad valorem taxes of the district in that year under former Subchapter D, Chapter 313, Tax Code.

(b) The commissioner may adopt rules to implement and administer this section.

Added by Acts 2001, 77th Leg., ch. 1505, Sec. 6, eff. Jan. 1, 2002.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1304 (H.B. 3390), Sec. 20, eff. January 1, 2014.

Text of section effective until September 1, 2017

Sec. 42.2516. ADDITIONAL STATE AID FOR TAX REDUCTION. (a) In this title, "state compression percentage" means the percentage of a school district's adopted maintenance and operations tax rate for the 2005 tax year that serves as the basis for state funding. If the state compression percentage is not established by appropriation for a school year, the commissioner shall determine the state compression percentage for each school year based on the percentage by which a district is able to reduce the district's maintenance and operations tax rate for that year, as compared to the district's adopted maintenance and operations tax rate for the 2005 tax year, as a result of state funds appropriated for distribution under this section for that year from the property tax relief fund established under Section 403.109, Government Code, or from another funding source available for school district property tax relief.

(b) Notwithstanding any other provision of this title, a school district that imposes a maintenance and operations tax at a rate at least equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year is entitled to at least the amount of state revenue necessary to provide the district with the sum of:

(1) the percentage specified by Subsection (i) of the amount, as calculated under Subsection (e), of state and local revenue per student in weighted average daily attendance for maintenance and operations that the district would have received during the 2009-2010 school year under Chapter 41 and this chapter, as those chapters existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage for that year multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the percentage specified by Subsection (i) of an amount

equal to the product of $120 multiplied by the number of students in weighted average daily attendance in the district; and

(3) any amount to which the district is entitled under Section 42.106.

(b-1) The amount determined for a school district under Subsection (b) is increased or reduced as follows:

(1) if for any school year the district is entitled to a greater allotment under Section 42.155 or 42.158 or more additional state aid under Section 42.2515 than the allotment or additional state aid to which the district was entitled under Section 42.155, 42.158, or 42.2515, as applicable, for the 2009-2010 school year, the district's entitlement under Subsection (b) is increased by an amount equal to the difference between the amount to which the district is entitled under Section 42.155, 42.158, or 42.2515, as applicable, for that school year and the amount to which the district was entitled under the applicable section for the 2009-2010 school year; and

(2) if for any school year the district is not entitled to an allotment under Section 42.155 or 42.158 or additional state aid under Section 42.2515 or is entitled to a lesser allotment or less additional state aid under the applicable section than the allotment or additional state aid to which the district was entitled under the applicable section for the 2009-2010 school year, the district's entitlement under Subsection (b) is reduced by an amount equal to the difference between the amount to which the district was entitled under Section 42.155, 42.158, or 42.2515, as applicable, for the 2009-2010 school year and the amount to which the district is entitled under the applicable section for the current school year.

(b-2) If a school district adopts a maintenance and operations tax rate that is below the rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, the commissioner shall reduce the district's entitlement under this section in proportion to the amount by which the adopted rate is less than the rate equal to the product of the state compression percentage multiplied by the rate adopted by the district for the 2005 tax year. The reduction required by this subsection applies beginning with the maintenance and operations tax rate adopted for the 2009 tax year.

(c) Enrichment revenue to which a school district is entitled under Section 42.302 is not included for purposes of determining the

amount to which a district is entitled under this section.

(c-1) Revenue generated by the portion of a district's maintenance and operations tax rate included in calculating the district's compressed tax rate under Section 42.101(a-1) and local share under Section 42.252(a-1) is included in determining the amount to which a district is entitled under this section, but may not increase the total amount of revenue per weighted student to which the district is entitled under this section. This subsection expires September 1, 2017.

(d) In determining the amount to which a district is entitled under Subsection (b)(1), the commissioner shall:

(g) The commissioner may adopt rules necessary to implement this section.

(h) A determination by the commissioner under this section is final and may not be appealed.

(1) include the percentage specified by Subsection (i) of any amounts received by the district during the 2008-2009 school year under Rider 86, page III-23, Chapter 1428 (H.B. 1), Acts of the 80th Legislature, Regular Session, 2007 (the General Appropriations Act); and

(2) for a school district that paid tuition under Section 25.039 during the 2008-2009 school year, reduce the amount to which the district is entitled by the amount of tuition paid during that school year.

(e) For purposes of determining the total amount of state and local revenue to which a district is entitled under Subsection (b)(1), the commissioner shall determine the amount of state and local revenue per student in weighted average daily attendance to which the district would have been entitled during the 2009-2010 school year under Chapter 41 and this chapter, as they existed on January 1, 2009, and multiply that amount by the number of students in weighted average daily attendance as determined in accordance with the changes to Chapter 41 and this chapter, including the repeal of former Section 42.103(e), made by H.B. No. 3646, Acts of the 81st Legislature, Regular Session, 2009.

(f) A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level and that is entitled to state revenue under this section may receive that revenue through an adjustment against the total amount of attendance credits required to be purchased under Subchapter D,

Chapter 41, or the total number of nonresident students required to be educated under Subchapter E, Chapter 41, as determined by the commissioner.

(f-1) The commissioner shall, in accordance with rules adopted by the commissioner, adjust the amount of a school district's local revenue derived from maintenance and operations tax collections, as calculated for purposes of determining the amount of state revenue to which the district is entitled under this section, if the district, for the 2010 tax year or a subsequent tax year:

(1) adopts an exemption under Section 11.13(n), Tax Code, that was not in effect for the 2009 tax year, or eliminates an exemption under Section 11.13(n), Tax Code, that was in effect for the 2009 tax year;

(2) adopts an exemption under Section 11.13(n), Tax Code, at a greater or lesser percentage than the percentage in effect for the district for the 2009 tax year;

(3) grants an exemption under an agreement authorized by Chapter 312, Tax Code, that was not in effect for the 2009 tax year, or ceases to grant an exemption authorized by that chapter that was in effect for the 2009 tax year; or

(4) agrees to deposit taxes into a tax increment fund created under Chapter 311, Tax Code, under a reinvestment zone financing plan that was not in effect for the 2009 tax year, or ceases depositing taxes into a tax increment fund created under that chapter under a reinvestment zone financing plan that was in effect for the 2009 tax year.

(f-2) The rules adopted by the commissioner under Subsection (f-1) must:

(1) require the commissioner to determine, as if this section did not exist, the effect under Chapter 41 and this chapter of a school district's action described by Subsection (f-1)(1), (2), (3), or (4) on the total state revenue to which the district would be entitled or the cost to the district of purchasing sufficient attendance credits to reduce the district's wealth per student to the equalized wealth level; and

(2) require an increase or reduction in the amount of state revenue to which a school district is entitled under Subsection (b)(1) that is substantially equivalent to any change in total state revenue or the cost of purchasing attendance credits that would apply to the district if this section did not exist.

(f-3) An adjustment made by the commissioner under the rules adopted under Subsection (f-1) is final and may not be appealed.

(i) The percentage to be applied for purposes of Subsections (b)(1) and (2) and Subsection (d)(1) is 100.00 percent for the 2011-2012 school year and 92.35 percent for the 2012-2013 school year. For the 2013-2014 school year and each subsequent school year, the legislature by appropriation shall establish the percentage reduction to be applied.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.04, eff. May 31, 2006.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 235 (H.B. 1922), Sec. 1, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1191 (H.B. 828), Sec. 1, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 57, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 53.01, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.17, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.18, eff. September 1, 2017.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 6, eff. September 1, 2015.

Text of section effective on September 1, 2017

Sec. 42.2516. STATE COMPRESSION PERCENTAGE. (a) In this title, "state compression percentage" means the percentage of a school district's adopted maintenance and operations tax rate for the 2005 tax year that serves as the basis for state funding. If the state compression percentage is not established by appropriation for a school year, the commissioner shall determine the state compression percentage for each school year based on the percentage by which a district is able to reduce the district's maintenance and operations tax rate for that year, as compared to the district's adopted maintenance and operations tax rate for the 2005 tax year, as a result of state funds appropriated for that year from the property

tax relief fund established under Section 403.109, Government Code, or from another funding source available for school district property tax relief.

(b) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(b-1) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(b-2) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(c) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(e) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(d) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(f) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(f-1) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(f-2) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(f-3) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

(g) The commissioner may adopt rules necessary to implement this section.

(h) A determination by the commissioner under this section is final and may not be appealed.

(i) Repealed by Acts 2011, 82nd Leg., 1st C.S., Ch. 4, Sec. 57.32(a)(2), eff. September 1, 2017.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.04, eff. May 31, 2006.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 235 (H.B. 1922), Sec. 1, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1191 (H.B. 828), Sec. 1, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 57, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.18, eff.

September 1, 2017.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.19, eff. September 1, 2017.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(2), eff. September 1, 2017.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 6, eff. September 1, 2015.

Text of section effective until September 1, 2017.

Sec. 42.25161. ADDITIONAL STATE AID FOR SOUTH TEXAS INDEPENDENT SCHOOL DISTRICT. (a) The commissioner shall provide South Texas Independent School District with the amount of state aid necessary to ensure that the district receives an amount of state and local revenue per student in weighted average daily attendance that is at least the percentage specified by Section 42.2516(i) of $120 greater than the amount the district would have received per student in weighted average daily attendance during the 2009-2010 school year under this chapter, as it existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, provided that the district imposes a maintenance and operations tax at that rate.

(b) The commissioner may adopt rules necessary to implement this section.

(c) A determination by the commissioner under this section is final and may not be appealed.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 58, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.20, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(3), eff. September 1, 2017.

Sec. 42.2517. EXCESS FUNDS FOR COST OF EDUCATION ADJUSTMENT. (a) If the commissioner determines that the amount appropriated for purposes of the Foundation School Program exceeds the amount to which

school districts are entitled under this chapter, the commissioner may:

(1) adjust each district's cost of education adjustment under Section 42.102 to reflect current uncontrollable variations in the cost of education, particularly the cost of providing salaries and benefits to classroom teachers; and

(2) provide funding under this chapter based on the cost of education index adjusted under Subdivision (1).

(b) If the amount available under Subsection (a) is not sufficient to provide funding based on the cost of education index adjusted under Subsection (a)(1), the commissioner shall rank districts by the increase in the cost of education adjustment applicable to each district under this section and shall provide funding under this section to districts in descending order of the amount of increase in the cost of education adjustment applicable to districts under this section, beginning with the district that has the greatest increase in the cost of education adjustment, until no funds are available for purposes of this section.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 33, eff. Sept. 1, 2003.

For expiration of this section, see Subsection (e).

Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) For the 2015-2016 and 2016-2017 school years, a school district is entitled to additional state aid to the extent that state and local revenue under this chapter and Chapter 41 is less than the state and local revenue that would have been available to the district under Chapter 41 and this chapter as those chapters existed on September 1, 2015, if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had not occurred.

(b) The lesser of the school district's currently adopted maintenance and operations tax rate or the adopted maintenance and operations tax rate for the 2014 tax year is used for the purpose of determining additional state aid under this section.

(c) Revenue from a school district maintenance and operations tax that is levied to pay costs of a lease-purchase agreement as

described by Section 46.004 and that is included in determining state assistance under Subchapter A, Chapter 46, is included for the purpose of calculating state aid under this section.

(d) The commissioner, using information provided by the comptroller and other information as necessary, shall compute the amount of additional state aid to which a district is entitled under this section. A determination by the commissioner under this section is final and may not be appealed.

(e) This section expires August 31, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 17, eff. November 3, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 18, eff. September 1, 2017.

Text of section effective on September 1, 2017

Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2017-2018 school year, a school district is entitled to additional state aid to the extent that state and local revenue under this chapter and Chapter 41 is less than the state and local revenue that would have been available to the district under Chapter 41 and this chapter as those chapters existed on September 1, 2015, excluding any state aid that would have been provided under former Section 42.2516, if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had not occurred.

(b) The lesser of the school district's currently adopted maintenance and operations tax rate or the adopted maintenance and operations tax rate for the 2014 tax year is used for the purpose of determining additional state aid under this section.

(c) Revenue from a school district maintenance and operations tax that is levied to pay costs of a lease-purchase agreement as described by Section 46.004 and that is included in determining state assistance under Subchapter A, Chapter 46, is included for the purpose of calculating state aid under this section.

(d) The commissioner, using information provided by the comptroller and other information as necessary, shall compute the

amount of additional state aid to which a district is entitled under this section. A determination by the commissioner under this section is final and may not be appealed.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 17, eff. November 3, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 18, eff. September 1, 2017.

Sec. 42.252. LOCAL SHARE OF PROGRAM COST (TIER ONE). (a) Each school district's share of the Foundation School Program is determined by the following formula:

LFA = TR X DPV

where:

"LFA" is the school district's local share;

"TR" is a tax rate which for each hundred dollars of valuation is an effective tax rate of the amount equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the lesser of:

(1) $1.50; or

(2) the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"DPV" is the taxable value of property in the school district for the preceding tax year determined under Subchapter M, Chapter 403, Government Code.

(a-1) Notwithstanding Subsection (a), for a school district that adopted a maintenance and operations tax rate for the 2005 tax year below the maximum rate permitted by law for that year, the district's tax rate ("TR") includes the tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1).

(b) The commissioner shall adjust the values reported in the official report of the comptroller as required by Section 5.09(a), Tax Code, to reflect reductions in taxable value of property resulting from natural or economic disaster after January 1 in the year in which the valuations are determined. The decision of the commissioner is final. An adjustment does not affect the local fund assignment of any other school district.

(c) Appeals of district values shall be held pursuant to

Section 403.303, Government Code.

(d) A school district must raise its total local share of the Foundation School Program to be eligible to receive foundation school fund payments.

(e) Notwithstanding any other provision of this chapter, in computing each school district's local share of program cost under this section for the 2015-2016 school year, a school district's taxable value of property under Subchapter M, Chapter 403, Government Code, is determined as if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article in effect for the 2015 tax year as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had been in effect for the 2014 tax year. This subsection expires September 1, 2016.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 18, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 3.01(a), eff. Sept. 1, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 59, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 7, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 19, eff. November 3, 2015.

Sec. 42.2521. ADJUSTMENT FOR RAPID DECLINE IN TAXABLE VALUE OF PROPERTY. (a) For purposes of Chapters 41 and 46 and this chapter, and to the extent money specifically authorized to be used under this section is available, the commissioner shall adjust the taxable value of property in a school district that, due to factors beyond the control of the board of trustees, experiences a rapid decline in the tax base used in calculating taxable values in excess of four percent of the tax base used in the preceding year.

(b) To the extent that a sufficient amount of money is not available to fund all adjustments under this section, the commissioner shall reduce adjustments in the manner provided by Section 42.253(h) so that the total amount of adjustments equals the

amount of money available to fund the adjustments.

(c) A decision of the commissioner under this section is final and may not be appealed.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.18, eff. Sept. 1, 1999.

Sec. 42.2522. ADJUSTMENT FOR OPTIONAL HOMESTEAD EXEMPTION. (a) In any school year, the commissioner may not provide funding under this chapter based on a school district's taxable value of property computed in accordance with Section 403.302(d)(2), Government Code, unless:

(1) funds are specifically appropriated for purposes of this section; or

(2) the commissioner determines that the total amount of state funds appropriated for purposes of the Foundation School Program for the school year exceeds the amount of state funds distributed to school districts in accordance with Section 42.253 based on the taxable values of property in school districts computed in accordance with Section 403.302(d), Government Code, without any deduction for residence homestead exemptions granted under Section 11.13(n), Tax Code.

(b) In making a determination under Subsection (a)(2), the commissioner shall:

(1) notwithstanding Section 42.253(b), reduce the entitlement under this chapter of a school district whose final taxable value of property is higher than the estimate under Section 42.254 and make payments to school districts accordingly; and

(2) give priority to school districts that, due to factors beyond the control of the board of trustees, experience a rapid decline in the tax base used in calculating taxable values in excess of four percent of the tax base used in the preceding year.

(c) In the first year of a state fiscal biennium, before providing funding as provided by Subsection (a)(2), the commissioner shall ensure that sufficient appropriated funds for purposes of the Foundation School Program are available for the second year of the biennium, including funds to be used for purposes of Section 42.2521.

(d) If the commissioner determines that the amount of funds available under Subsection (a)(1) or (2) does not at least equal the

total amount of state funding to which districts would be entitled if state funding under this chapter were based on the taxable values of property in school districts computed in accordance with Section 403.302(d)(2), Government Code, the commissioner may, to the extent necessary, provide state funding based on a uniform lesser fraction of the deduction under Section 403.302(d)(2), Government Code.

(e) The commissioner shall notify school districts as soon as practicable as to the availability of funds under this section. For purposes of computing a rollback tax rate under Section 26.08, Tax Code, a district shall adjust the district's tax rate limit to reflect assistance received under this section.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.18, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1158, Sec. 3, eff. Sept. 1, 2001.

Sec. 42.2523. ADJUSTMENT FOR PROPERTY VALUE AFFECTED BY STATE OF DISASTER. (a) For purposes of Chapters 41 and 46 and this chapter, the commissioner shall adjust the taxable value of property of a school district all or part of which is located in an area declared a disaster area by the governor under Chapter 418, Government Code, as necessary to ensure that the district receives funding based as soon as possible on property values as affected by the disaster.

(b) The commissioner may fund adjustments under this section using funds specifically appropriated for the purpose or other funds available to the commissioner for that purpose.

Text of subsection effective until September 1, 2017

(c) Any additional funding to which a school district is entitled as a result of the adjustment required by this section is in addition to the amount of funding to which the district is entitled under Section 42.2516(b).

(d) A decision of the commissioner under this section is final and may not be appealed.

Added by Acts 2009, 81st Leg., R.S., Ch. 1006 (H.B. 4102), Sec. 5, eff. June 19, 2009.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(4),

eff. September 1, 2017.

Sec. 42.2524. REIMBURSEMENT FOR DISASTER REMEDIATION COSTS. (a) This section applies only to a school district all or part of which is located in an area declared a disaster area by the governor under Chapter 418, Government Code, and that incurs disaster remediation costs as a result of the disaster.

(b) During the two-year period following the date of the governor's initial proclamation or executive order declaring a state of disaster, a district may apply to the commissioner for reimbursement of disaster remediation costs that the district pays during that period and does not anticipate recovering through insurance proceeds, federal disaster relief payments, or another similar source of reimbursement.

(c) The commissioner may provide reimbursement under this section only if funds are available for that purpose as follows:

(1) reimbursement for a school district not required to take action under Chapter 41 may be provided from:

(A) amounts appropriated for that purpose, including amounts appropriated for those districts for that purpose to the disaster contingency fund established under Section 418.073, Government Code; or

(B) Foundation School Program funds available for that purpose, based on a determination by the commissioner that the amount appropriated for the Foundation School Program, including the facilities component as provided by Chapter 46, exceeds the amount to which districts are entitled under this chapter and Chapter 46; and

(2) reimbursement for a school district required to take action under Chapter 41 may be provided from funds described by Subdivision (1)(B) if funds remain available after fully reimbursing each school district described by Subdivision (1) for its disaster remediation costs.

(d) If the amount of money available for purposes of reimbursing school districts not required to take action under Chapter 41 is not sufficient to fully reimburse each district's disaster remediation costs, the commissioner shall reduce the amount of assistance provided to each of those districts proportionately. If the amount of money available for purposes of reimbursing school districts required to take action under Chapter 41 is not sufficient

to fully reimburse each district's disaster remediation costs, the commissioner shall reduce the amount of assistance provided to each of those districts proportionately.

(e) A district seeking reimbursement under this section must provide the commissioner with adequate documentation of the costs for which the district seeks reimbursement.

(f) A district required to take action under Chapter 41:

(1) may, at its discretion, receive assistance provided under this section either as a payment of state aid under this chapter or as a reduction in the total amount required to be paid by the district for attendance credits under Section 41.093; and

(2) may not obtain reimbursement under this section for the payment of any disaster remediation costs that resulted in a reduction under Section 41.0931 of the district's cost of attendance credits.

Text of subsection effective until September 1, 2017

(g) Amounts provided to a district under this section are in addition to the amount to which the district is entitled under Section 42.2516.

(h) The commissioner shall adopt rules necessary to implement this section, including rules defining "disaster remediation costs" for purposes of this section and specifying the type of documentation required under Subsection (e).

(i) Notwithstanding any other provision of this section, the commissioner may permit a district to use amounts provided to a district under this section to pay the costs of replacing a facility instead of repairing the facility. The commissioner shall ensure that a district that elects to replace a facility does not receive an amount under this section that exceeds the lesser of:

(1) the amount that would be provided to the district if the facility were repaired; or

(2) the amount necessary to replace the facility.

(j) This section does not require the commissioner to provide any requested reimbursement. A decision of the commissioner regarding reimbursement is final and may not be appealed.

Added by Acts 2009, 81st Leg., R.S., Ch. 1006 (H.B. 4102), Sec. 5, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(5),

eff. September 1, 2017.

Sec. 42.2525. ADJUSTMENTS FOR CERTAIN DISTRICTS RECEIVING FEDERAL IMPACT AID. The commissioner is granted the authority to ensure that school districts receiving federal impact aid due to the presence of a military installation or significant concentrations of military students do not receive more than an eight percent reduction should the federal government reduce appropriations to those schools.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.21, eff. September 28, 2011.

For expiration of this section, see Subsection (c).

Sec. 42.2526. ADJUSTMENT FOR DISTRICT OPERATING PILOT PROGRAM. (a) This section applies only to a school district operating a pilot program authorized by Section 28.0255.

(b) Beginning with the first school year that follows the first school year in which students receive high school diplomas under the pilot program authorized by Section 28.0255 and continuing for every subsequent school year that the district operates the pilot program, the commissioner shall provide funding for the district's prekindergarten program under Section 29.153 on a full-day basis for a number of prekindergarten students equal to twice the number of students who received a high school diploma under the pilot program authorized by Section 28.0255 during the preceding school year.

(c) This section expires September 1, 2023.

Added by Acts 2013, 83rd Leg., R.S., Ch. 660 (H.B. 1122), Sec. 2, eff. September 1, 2013.

For expiration of this section, see Subsection (d).

Sec. 42.2527. ADJUSTMENT FOR CERTAIN DISTRICTS WITH EARLY HIGH SCHOOL GRADUATION PROGRAMS. (a) As a pilot program to enable the state to evaluate the benefit of providing additional funding at the prekindergarten level for low-income students, the commissioner shall provide prekindergarten funding in accordance with this section to a school district located in a county that borders the United Mexican

States and the Gulf of Mexico.

(b) The commissioner shall provide funding for a school district's prekindergarten program on a half-day basis for a number of low-income prekindergarten students equal to twice the number of students who received, as a result of participation in an early high school graduation program operated by the district, a high school diploma from the district during the preceding school year after three years of secondary school attendance.

(c) The commissioner may adopt rules necessary to implement this section.

(d) This section expires September 1, 2023.

Added by Acts 2015, 84th Leg., R.S., Ch. 694 (H.B. 731), Sec. 1, eff. September 1, 2015.

Sec. 42.2528. EXCESS FUNDS FOR VIDEO SURVEILLANCE OF SPECIAL EDUCATION SETTINGS. (a) Notwithstanding any other provision of law, if the commissioner determines that the amount appropriated for the purposes of the Foundation School Program exceeds the amount to which school districts are entitled under this chapter, the commissioner by rule shall establish a grant program through which excess funds are awarded as grants for the purchase of video equipment, or for the reimbursement of costs for previously purchased video equipment, used for monitoring special education classrooms or other special education settings required under Section 29.022.

(b) In awarding grants under this section, the commissioner shall give highest priority to districts with maintenance and operations tax rates at the greatest rates permitted by law. The commissioner shall also give priority to:

(1) districts with maintenance and operations tax rates at least equal to the state maximum compressed tax rate, as defined by Section 42.101(a), and lowest amounts of maintenance and operations tax revenue per weighted student; and

(2) districts with debt service tax rates near or equal to the greatest rates permitted by law.

(c) The commissioner may adopt rules to implement and administer this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 1147 (S.B. 507), Sec. 3, eff. June 19, 2015.

Sec. 42.253. DISTRIBUTION OF FOUNDATION SCHOOL FUND. (a) For each school year the commissioner shall determine:

(1) the amount of money to which a school district is entitled under Subchapters B and C;

(2) the amount of money to which a school district is entitled under Subchapter F;

(3) the amount of money allocated to the district from the available school fund;

(4) the amount of each district's tier one local share under Section 42.252; and

(5) the amount of each district's tier two local share under Section 42.302.

(b) Except as provided by this subsection, the commissioner shall base the determinations under Subsection (a) on the estimates provided to the legislature under Section 42.254, or, if the General Appropriations Act provides estimates for that purpose, on the estimates provided under that Act, for each school district for each school year. The commissioner shall reduce the entitlement of each district that has a final taxable value of property for the second year of a state fiscal biennium that is higher than the estimate under Section 42.254 or the General Appropriations Act, as applicable. A reduction under this subsection may not reduce the district's entitlement below the amount to which it is entitled at its actual taxable value of property.

(c) Each school district is entitled to an amount equal to the difference for that district between the sum of Subsections (a)(1) and (a)(2) and the sum of Subsections (a)(3), (a)(4), and (a)(5).

Text of subsection effective until September 1, 2017

(c-1) The amounts to be paid under Section 42.2516(b)(3) shall be paid at the same time as other state revenue is paid to the district. Payments shall be based on amounts paid under Section 42.2516(b)(3) for the preceding year. Any deficiency shall be paid to the district at the same time the final amount to be paid to the district is determined, and any overpayment shall be deducted from the payments the district would otherwise receive in the following year.

(d) The commissioner shall approve warrants to each school district equaling the amount of its entitlement except as provided by

this section. Warrants for all money expended according to this chapter shall be approved and transmitted to treasurers or depositories of school districts in the same manner that warrants for state payments are transmitted. The total amount of the warrants issued under this section may not exceed the total amount appropriated for Foundation School Program purposes for that fiscal year.

(e) Repealed by Acts 2006, 79th Leg., 3rd C.S., Ch. 5, Sec. 1.20, eff. May 31, 2006.

(e-1) Repealed by Acts 2006, 79th Leg., 3rd C.S., Ch. 5, Sec. 1.20, eff. May 31, 2006.

(e-2) Expired September 1, 2001.

(f) Repealed by Acts 2006, 79th Leg., 3rd C.S., Ch. 5, Sec. 1.20, eff. May 31, 2006.

(g) If a school district demonstrates to the satisfaction of the commissioner that the estimate of the district's tax rate, student enrollment, or taxable value of property used in determining the amount of state funds to which the district is entitled are so inaccurate as to result in undue financial hardship to the district, the commissioner may adjust funding to that district in that school year to the extent that funds are available for that year.

Text of subsection effective on September 1, 2017

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts and open-enrollment charter schools are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall adjust the total amounts due to each school district and open-enrollment charter school under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 by an amount determined by applying to each district and school the same percentage adjustment to the total amount of state and local revenue due to the district or

school under this chapter and Chapter 41 so that the total amount of the adjustment to all districts and schools results in an amount equal to the total adjustment necessary. The following fiscal year:

(1) a district's or school's entitlement under this section is increased by an amount equal to the adjustment made under this subsection; and

(2) the amount necessary for a district to comply with the requirements of Chapter 41 is reduced by an amount necessary to ensure a district's full recovery of the adjustment made under this subsection.

Text of subsection as amended by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.22

Text of subsection effective until September 1, 2017

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts and open-enrollment charter schools are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall adjust the total amounts due to each school district and open-enrollment charter school under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 by an amount determined by applying to each district and school, including a district receiving funds under Section 42.2516, the same percentage adjustment to the total amount of state and local revenue due to the district or school under this chapter and Chapter 41 so that the total amount of the adjustment to all districts and schools results in an amount equal to the total adjustment necessary. The following fiscal year:

(1) a district's or school's entitlement under this section is increased by an amount equal to the adjustment made under this subsection; and

(2) the amount necessary for a district to comply with the

requirements of Chapter 41 is reduced by an amount necessary to ensure the district's full recovery of the adjustment made under this subsection.

(i) Not later than March 1 each year, the commissioner shall determine the actual amount of state funds to which each school district is entitled under the allocation formulas in this chapter for the current school year and shall compare that amount with the amount of the warrants issued to each district for that year. If the amount of the warrants differs from the amount to which a district is entitled because of variations in the district's tax rate, student enrollment, or taxable value of property, the commissioner shall adjust the district's entitlement for the next fiscal year accordingly.

(j) The legislature may appropriate funds necessary for increases under Subsection (i) from funds that the comptroller, at any time during the fiscal year, finds are available.

(k) The commissioner shall compute for each school district the total amount by which the district's allocation of state funds is increased or reduced under Subsection (i) and shall certify that amount to the district.

(l) Repealed by Acts 2006, 79th Leg., 3rd C.S., Ch. 5, Sec. 1.20, eff. May 31, 2006.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 19, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.19, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1187, Sec. 2.06, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 34, eff. Sept. 1, 2003.

Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.05, eff. May 31, 2006.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.20, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 60, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.22, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.23, eff. September 1, 2017.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(6),

eff. September 1, 2017.

Sec. 42.2531. ADJUSTMENT BY COMMISSIONER. (a) The commissioner may make adjustments to amounts due to a school district under this chapter or Chapter 46, or to amounts necessary for a district to comply with the requirements of Chapter 41, as provided by this section.

(b) A school district that has a major taxpayer, as determined by the commissioner, that because of a protest of the valuation of the taxpayer's property fails to pay all or a portion of the ad valorem taxes due to the district may apply to the commissioner to have the district's taxable value of property or ad valorem tax collections adjusted for purposes of this chapter or Chapter 41 or 46. The commissioner may make the adjustment only to the extent the commissioner determines that making the adjustment will not:

(1) in the fiscal year in which the adjustment is made, cause the amount to which school districts are entitled under this chapter to exceed the amount appropriated for purposes of the Foundation School Program for that year; and

(2) if the adjustment is made in the first year of a state fiscal biennium, cause the amount to which school districts are entitled under this chapter for the second year of the biennium to exceed the amount appropriated for purposes of the Foundation School Program for that year.

(c) The commissioner shall recover the benefit of any adjustment made under this section by making offsetting adjustments in the school district's taxable value of property or ad valorem tax collections for purposes of this chapter or Chapter 41 or 46 on a final determination of the taxable value of property that was the basis of the original adjustment, or in the second school year following the year in which the adjustment is made, whichever is earlier.

(d) This section does not require the commissioner to make any requested adjustment. A determination by the commissioner under this section is final and may not be appealed.

Added by Acts 2001, 77th Leg., ch. 1156, Sec. 5, eff. Sept. 1, 2001.

Sec. 42.254. ESTIMATES REQUIRED. (a) Not later than October 1 of each even-numbered year:

(1) the agency shall submit to the legislature an estimate of the tax rate and student enrollment of each school district for the following biennium; and

(2) the comptroller shall submit to the legislature an estimate of the total taxable value of all property in the state as determined under Subchapter M, Chapter 403, Government Code, for the following biennium.

(b) The agency and the comptroller shall update the information provided to the legislature under Subsection (a) not later than March 1 of each odd-numbered year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 20, eff. Sept. 1, 1997.

Sec. 42.255. FALSIFICATION OF RECORDS; REPORT. When, in the opinion of the agency's director of school audits, audits or reviews of accounting, enrollment, or other records of a school district reveal deliberate falsification of the records, or violation of the provisions of this chapter, through which the district's share of state funds allocated under the authority of this chapter would be, or has been, illegally increased, the director shall promptly and fully report the fact to the State Board of Education, the state auditor, and the appropriate county attorney, district attorney, or criminal district attorney.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.257. EFFECT OF APPRAISAL APPEAL. (a) If the final determination of an appeal under Chapter 42, Tax Code, results in a reduction in the taxable value of property that exceeds five percent of the total taxable value of property in the school district for the same tax year determined under Subchapter M, Chapter 403, Government Code, the commissioner shall request the comptroller to adjust its taxable property value findings for that year consistent with the final determination of the appraisal appeal.

(b) If the district would have received a greater amount from

the foundation school fund for the applicable school year using the adjusted value, the commissioner shall add the difference to subsequent distributions to the district from the foundation school fund. An adjustment does not affect the local fund assignment of any other district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.258. RECOVERY OF OVERALLOCATED FUNDS. (a) If a school district has received an overallocation of state funds, the agency shall, by withholding from subsequent allocations of state funds for the current or subsequent school year or by requesting and obtaining a refund, recover from the district an amount equal to the overallocation.

(a-1) Notwithstanding Subsection (a), the agency may recover an overallocation of state funds over a period not to exceed the subsequent five school years if the commissioner determines that the overallocation was the result of exceptional circumstances reasonably caused by statutory changes to Chapter 41 or 46 or this chapter and related reporting requirements.

(b) If a district fails to comply with a request for a refund under Subsection (a), the agency shall certify to the comptroller that the amount constitutes a debt for purposes of Section 403.055, Government Code. The agency shall provide to the comptroller the amount of the overallocation and any other information required by the comptroller. The comptroller may certify the amount of the debt to the attorney general for collection.

(c) Any amounts recovered under this section shall be deposited in the foundation school fund.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.24, eff. September 28, 2011.

Sec. 42.259. FOUNDATION SCHOOL FUND TRANSFERS. (a) In this section:

(1) "Category 1 school district" means a school district having a wealth per student of less than one-half of the statewide

average wealth per student.

(2) "Category 2 school district" means a school district having a wealth per student of at least one-half of the statewide average wealth per student but not more than the statewide average wealth per student.

(3) "Category 3 school district" means a school district having a wealth per student of more than the statewide average wealth per student.

(4) "Wealth per student" means the taxable property values reported by the comptroller to the commissioner under Section 42.252 divided by the number of students in average daily attendance.

(b) Payments from the foundation school fund to each category 1 school district shall be made as follows:

(1) 15 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 80 percent of the yearly entitlement of the district shall be paid in eight equal installments to be made on or before the 25th day of October, November, December, January, March, May, June, and July; and

(3) five percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of February.

(c) Payments from the foundation school fund to each category 2 school district shall be made as follows:

(1) 22 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 18 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of October;

(3) 9.5 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of November;

(4) 7.5 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of April;

(5) five percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of May;

(6) 10 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of June;

(7) 13 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of July; and

(8) 15 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of August.

(d) Payments from the foundation school fund to each category 3 school district shall be made as follows:

(1) 45 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 35 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of October; and

(3) 20 percent of the yearly entitlement of the district shall be paid in an installment to be made on or before the 25th day of August.

(e) The amount of any installment required by this section may be modified to provide a school district with the proper amount to which the district may be entitled by law and to correct errors in the allocation or distribution of funds. If an installment under this section is required to be equal to other installments, the amount of other installments may be adjusted to provide for that equality. A payment under this section is not invalid because it is not equal to other installments.

(f) Previously unpaid additional funds from prior fiscal years owed to a district shall be paid to the district together with the September payment of the current fiscal year entitlement.

(g) The commissioner shall make all annual Foundation School Program payments under this section for purposes described by Sections 45.252(a)(1) and (2) before the deadline established under Section 45.263(b) for payment of debt service on bonds. Notwithstanding any other provision of this section, the commissioner may make Foundation School Program payments under this section after the deadline established under Section 45.263(b) only if the commissioner has not received notice under Section 45.258 concerning a district's failure or inability to pay matured principal or

interest on bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1995, 74th Leg., ch. 426, Sec. 31, eff. June 9, 1995; Acts 1997, 75th Leg., ch. 165, Sec. 6.03, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 201, Sec. 35, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 4, eff. June 20, 2003.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.06, eff. August 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 61, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 1.01, eff. September 28, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1410 (S.B. 758), Sec. 1, eff. June 14, 2013.

Sec. 42.2591. FOUNDATION SCHOOL FUND TRANSFERS TO CERTAIN CHARTER SCHOOLS. (a) On the request of an open-enrollment charter school, the commissioner shall compare the student enrollment of the open-enrollment charter school for the current school year to the student enrollment of the school during the preceding school year. If the number of students enrolled at the open-enrollment charter school for the current school year has increased by 10 percent or more from the number of students enrolled during the preceding school year, the open-enrollment charter school may request that payments from the foundation school fund to the school for the following school year and each subsequent school year, subject to Subsection (b), be made according to the schedule provided under Subsection (c).

(b) An open-enrollment charter school that qualifies to receive funding as provided by this section is entitled to receive funding in that manner for three school years. On the expiration of that period, the commissioner shall determine the eligibility of the open-enrollment charter school to continue receiving payments from the foundation school fund under this section for an additional three school years. Subsequently, the open-enrollment charter school must reestablish eligibility in the manner provided by this subsection every three school years.

(c) Payments from the foundation school fund to an open-

enrollment charter school under this section shall be made as follows:

(1) 22 percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of September of a fiscal year;

(2) 18 percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of October;

(3) 9.5 percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of November;

(4) four percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of December;

(5) four percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of January;

(6) four percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of February;

(7) four percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of March;

(8) 7.5 percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of April;

(9) five percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of May;

(10) seven percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of June;

(11) seven percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of July; and

(12) eight percent of the yearly entitlement of the school shall be paid in an installment to be made on or before the 25th day of August.

(d) The amount of any installment required by this section may be modified to provide an open-enrollment charter school with the

proper amount to which the school may be entitled by law and to correct errors in the allocation or distribution of funds.

(e) Previously unpaid additional funds from prior fiscal years owed to an open-enrollment charter school shall be paid to the school together with the September payment of the current fiscal year entitlement.

Added by Acts 2015, 84th Leg., R.S., Ch. 767 (H.B. 2251), Sec. 1, eff. June 17, 2015.

Sec. 42.260. USE OF CERTAIN FUNDS. (a) In this section, "participating charter school" means an open-enrollment charter school that participates in the uniform group coverage program established under Chapter 1579, Insurance Code.

(b) For each year, the commissioner shall certify to each school district or participating charter school the amount of additional funds to which the district or school is entitled due to the increase made by H.B. No. 3343, Acts of the 77th Legislature, Regular Session, 2001, to:

(1) the equalized wealth level under Section 41.002; or

(2) the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302.

(c) Notwithstanding any other provision of this code, a school district or participating charter school may use the following amount of funds only to pay contributions under a group health coverage plan for district or school employees:

(1) an amount equal to 75 percent of the amount certified for the district or school under Subsection (b); or

(2) if the following amount is less than the amount specified by Subdivision (1), the sum of:

(A) the amount determined by multiplying the amount of $900 or the amount specified in the General Appropriations Act for that year for purposes of the state contribution under Section 9, Article 3.50-7, Insurance Code, by the number of district or school employees who participate in a group health coverage plan provided by or through the district or school; and

(B) the difference between the amount necessary for the district or school to comply with Section 3, Article 3.50-9, Insurance Code, for the school year and the amount the district or

school is required to use to provide health coverage under Section 2 of that article for that year.

(d) A determination by the commissioner under this section is final and may not be appealed.

(e) The commissioner may adopt rules to implement this section.

Added by Acts 2001, 77th Leg., ch. 1187, Sec. 2.08, eff. Sept. 1, 2002.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 62, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.25, eff. September 28, 2011.

Text of section effective until September 1, 2017

Sec. 42.261. CERTAIN FUNDS APPROPRIATED FOR PURPOSE OF TAX REDUCTION. (a) Funds appropriated by the legislature for a tax year for the purpose of reducing a school district's maintenance and operations tax rate and providing state aid under Section 42.2516:

(1) are not excess funds for purposes of Section 42.2517;

(2) are not available for purposes of Section 42.2521 or 42.2522;

(3) may not be used for purposes of Chapter 46; and

(4) may not be provided by the commissioner to a school district for a purpose other than reduction of the district's maintenance and operations tax rate.

(b) The commissioner may adopt rules necessary to administer this section.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.07, eff. May 31, 2006.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.32(a)(7), eff. September 1, 2017.

Sec. 42.262. TAX RATE CONVERSION FUND. (a) Each fiscal year, the commissioner shall identify amounts appropriated in the General Appropriations Act from the Foundation School Fund, to be deposited

in the tax rate conversion fund in the general revenue fund. The amount identified by the commissioner shall be sufficient to provide additional state aid to school districts to which the compressed tax rate modified under Section 42.101(a-1) applies, in excess of the level of state aid to which the district would have been entitled had Section 42.101(a-1) not taken effect.

(b) For the purposes of state aid payments to school districts under this chapter, the tax rate conversion fund shall be considered to be used in the same manner as the foundation school fund.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 8, eff. September 1, 2015.

SUBCHAPTER F. GUARANTEED YIELD PROGRAM

Sec. 42.301. PURPOSE. The purpose of the guaranteed yield component of the Foundation School Program is to provide each school district with the opportunity to provide the basic program and to supplement that program at a level of its own choice. An allotment under this subchapter may be used for any legal purpose other than capital outlay or debt service.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.20, eff. Sept. 1, 1999.

Sec. 42.302. ALLOTMENT. (a) Each school district is guaranteed a specified amount per weighted student in state and local funds for each cent of tax effort over that required for the district's local fund assignment up to the maximum level specified in this subchapter. The amount of state support, subject only to the maximum amount under Section 42.303, is determined by the formula:

$$GYA = (GL \times WADA \times DTR \times 100) - LR$$

where:

"GYA" is the guaranteed yield amount of state funds to be allocated to the district;

"GL" is the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort, which is an amount described by Subsection (a-1) or a greater amount for any year provided by appropriation;

"WADA" is the number of students in weighted average daily attendance, which is calculated by dividing the sum of the school district's allotments under Subchapters B and C, less any allotment to the district for transportation, any allotment under Section 42.158 or 42.160, and 50 percent of the adjustment under Section 42.102, by the basic allotment for the applicable year;

"DTR" is the district enrichment tax rate of the school district, which is determined by subtracting the amounts specified by Subsection (b) from the total amount of maintenance and operations taxes collected by the school district for the applicable school year and dividing the difference by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100; and

"LR" is the local revenue, which is determined by multiplying "DTR" by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100.

(a-1) For purposes of Subsection (a), the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort ("GL") for a school district is:

(1) the greater of the amount of district tax revenue per weighted student per cent of tax effort that would be available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, if the reduction of the limitation on tax increases as provided by Section 11.26(a-1), (a-2), or (a-3), Tax Code, did not apply, or the amount of district tax revenue per weighted student per cent of tax effort used for purposes of this subdivision in the preceding school year, for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1); and

(2) $31.95, for the district's maintenance and operations tax effort that exceeds the amount of tax effort described by Subdivision (1).

(a-2) The limitation on district enrichment tax rate ("DTR")

under Section 42.303 does not apply to the district's maintenance and operations tax effort described by Subsection (a-1)(1).

(b) In computing the district enrichment tax rate of a school district, the total amount of maintenance and operations taxes collected by the school district does not include the amount of:

(1) the district's local fund assignment under Section 42.252; or

(2) taxes paid into a tax increment fund under Chapter 311, Tax Code.

(c) For purposes of this section, school district taxes for which credit is granted under Section 31.035, 31.036, or 31.037, Tax Code, are considered taxes collected by the school district as if the taxes were paid when the credit for the taxes was granted.

(d) For purposes of this section, the total amount of maintenance and operations taxes collected for an applicable school year by a school district with alternate tax dates, as authorized by Section 26.135, Tax Code, is the amount of taxes collected on or after January 1 of the year in which the school year begins and not later than December 31 of the same year.

(e) For purposes of this section, school district taxes for which credit is granted under former Subchapter D, Chapter 313, Tax Code, are considered taxes collected by the school district as if the taxes were paid when the credit for the taxes was granted.

(f) If a school district imposes a maintenance and operations tax at a rate greater than the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, the district is entitled to receive an allotment under this section on the basis of that greater tax effort.

(g) Notwithstanding any other provision of this chapter, in computing a school district's enrichment tax rate ("DTR") and local revenue ("LR") for the 2015-2016 school year, a school district's taxable value of property under Subchapter M, Chapter 403, Government Code, is determined as if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article in effect for the 2015 tax year as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had been in effect for the 2014 tax year. This subsection expires September 1, 2016.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 21, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 637, Sec. 3, eff. Aug. 30, 1999; Acts 1999, 76th Leg., ch. 396, Sec. 1.20, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 320, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1187, Sec. 2.09, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1187, Sec. 2.10, eff. Sept. 1, 2002; Acts 2001, 77th Leg., ch. 1505, Sec. 8, eff. Jan. 1, 2002; Acts 2003, 78th Leg., ch. 1275, Sec. 2(21), eff. Sept. 1, 2003.

Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.08, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 19 (H.B. 5), Sec. 3, eff. May 12, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1191 (H.B. 828), Sec. 2, eff. September 1, 2010.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 63, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 105(c), eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.26, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 61.08, eff. September 28, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1304 (H.B. 3390), Sec. 21, eff. January 1, 2014.

Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 9, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 20, eff. November 3, 2015.

Sec. 42.303. LIMITATION ON ENRICHMENT TAX RATE. The district enrichment tax rate ("DTR") under Section 42.302 may not exceed the amount per $100 of valuation by which the maximum rate permitted under Section 45.003 exceeds the rate used to determine the district's local share under Section 42.252, or a greater amount for any year provided by appropriation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 21, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 396, Sec. 1.20, eff. Sept. 1, 1999.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.09, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 64, eff. September 1, 2009.

Sec. 42.304. COMPUTATION OF AID FOR DISTRICT ON MILITARY RESERVATION OR AT STATE SCHOOL. State assistance under this subchapter for a school district located on a federal military installation or at Moody State School is computed using the average tax rate and property value per student of school districts in the county, as determined by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. SCHOOL FACILITIES INVENTORY AND STANDARDS

Sec. 42.352. STANDARDS. The State Board of Education shall establish standards for adequacy of school facilities. The standards shall include requirements related to space, educational adequacy, and construction quality. All facilities constructed after September 1, 1992, must meet the standards in order to be financed with state or local tax funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 42.4101. ADDITIONAL ASSISTANCE FOR DISTRICTS WITH STUDENTS USING PUBLIC EDUCATION GRANTS. (a) A district is entitled to additional assistance under this section as provided by Section 29.203(c).

(b) The amount of additional assistance under this section is computed by subtracting the number of students residing in the district and using public education grants to attend school in another district for the year in which the assistance is granted from the number of students using public education grants to attend school in the district for that year and multiplying the difference by $266.

(c) If a district to which this section applies is entitled to

the maximum amount of assistance under Section 42.406, the maximum is increased by the amount of additional assistance to which the district is entitled under this section.

Added by Acts 1997, 75th Leg., ch. 722, Sec. 6, eff. Sept. 1, 1997.

CHAPTER 43. PERMANENT SCHOOL FUND AND AVAILABLE SCHOOL FUND

Sec. 43.001. COMPOSITION OF PERMANENT SCHOOL FUND AND AVAILABLE SCHOOL FUND. (a) Except as provided by Subsection (b), the permanent school fund, which is a perpetual endowment for the public schools of this state, consists of:

(1) all land appropriated for the public schools by the constitution and laws of this state;

(2) all of the unappropriated public domain remaining in this state, including all land recovered by the state by suit or otherwise except pine forest land as defined by Section 88.111;

(3) all proceeds from the authorized sale of permanent school fund land;

(4) all proceeds from the lawful sale of any other properties belonging to the permanent school fund;

(5) all investments authorized by Section 43.003 of properties belonging to the permanent school fund; and

(6) all income from the mineral development of permanent school fund land, including income from mineral development of riverbeds and other submerged land.

(b) The available school fund, which shall be apportioned annually to each county according to its scholastic population, consists of:

(1) the distributions to the fund from the permanent school fund as provided by Section 5(a), Article VII, Texas Constitution;

(2) one-fourth of all revenue derived from all state occupation taxes, exclusive of delinquencies and cost of collection;

(3) one-fourth of revenue derived from state gasoline and special fuels excise taxes as provided by law; and

(4) all other appropriations to the available school fund made by the legislature for public school purposes.

(c) The term "scholastic population" in Subsection (b) or any other law governing the apportionment, distribution, and transfer of the available school fund means all students of school age enrolled

in average daily attendance the preceding school year in the public elementary and high school grades of school districts within or under the jurisdiction of a county of this state.

(d) Each biennium the State Board of Education shall set aside an amount equal to 50 percent of the distribution for that biennium from the permanent school fund to the available school fund as provided by Section 5(a), Article VII, Texas Constitution, to be placed, subject to the General Appropriations Act, in the state instructional materials fund established under Section 31.021.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 201, Sec. 36, eff. June 10, 2003; Acts 2003, 78th Leg., ch. 328, Sec. 2.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 65, eff. July 19, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 6 (S.B. 6), Sec. 66, eff. July 19, 2011.

Acts 2015, 84th Leg., R.S., Ch. 731 (H.B. 1474), Sec. 4, eff. September 1, 2015.

Sec. 43.002. TRANSFERS FROM PERMANENT SCHOOL FUND AND GENERAL REVENUE FUND TO AVAILABLE SCHOOL FUND. (a) On the first working day of each month in a state fiscal year, the comptroller shall transfer from the permanent school fund to the available school fund an amount equal to one-twelfth of the annual distribution from the permanent school fund to the available school fund as provided by Section 5(a), Article VII, Texas Constitution, for the fiscal year.

(b) Of the amounts available for transfer from the general revenue fund to the available school fund for the months of January and February of each fiscal year, no more than the amount necessary to enable the comptroller to distribute from the available school fund an amount equal to 9-1/2 percent of the estimated annual available school fund apportionment to category 1 school districts, as defined by Section 42.259, and 3-1/2 percent of the estimated annual available school fund apportionment to category 2 school districts, as defined by Section 42.259, may be transferred from the general revenue fund to the available school fund. Any remaining amount that would otherwise be available for transfer for the months

of January and February shall be transferred from the general revenue fund to the available school fund in equal amounts in June and in August of the same fiscal year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 328, Sec. 3, eff. Jan. 1, 2004.

Sec. 43.003. INVESTMENT OF PERMANENT SCHOOL FUND. In compliance with this section, the State Board of Education may invest the permanent school fund in the types of securities, which must be carefully examined by the State Board of Education and be found to be safe and proper investments for the fund as specified below:

(1) securities, bonds, or other obligations issued, insured, or guaranteed in any manner by the United States Government or any of its agencies and in bonds issued by this state;

(2) obligations and pledges of The University of Texas;

(3) corporate bonds, debentures, or obligations of United States corporations of at least "A" rating;

(4) obligations of United States corporations that mature in less than one year and are of the highest rating available at the time of investment;

(5) bonds issued, assumed, or guaranteed by the Inter-American Development Bank, the International Bank of Reconstruction and Development (the World Bank), the African Development Bank, the Asian Development Bank, and the International Finance Corporation;

(6) bonds of counties, school districts, municipalities, road precincts, drainage, irrigation, navigation, and levee districts in this state, subject to the following requirements:

(A) the securities, before purchase, must have been diligently investigated by the attorney general both as to form and as to legal compliance with applicable laws;

(B) the attorney general's certificate of validity procured by the party offering the bonds, obligations, or pledges must accompany the securities when they are submitted for registration to the comptroller, who must preserve the certificates;

(C) the public securities, if purchased, and when certified and registered as specified under Paragraph (B), are incontestable unless issued fraudulently or in violation of a constitutional limitation, and the certificates of the attorney

general are prima facie evidence of the validity of the bonds and bond coupons; and

(D) after the issuing political subdivision has received the proceeds from the sales of the securities, the issuing agency is estopped to deny their validity, and the securities are valid and binding obligations;

(7) preferred stocks and common stocks that the State Board of Education considers proper investments for the permanent school fund, subject to the following requirements:

(A) in making all of those investments, the State Board of Education shall exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital;

(B) the company issuing the stock must be incorporated in the United States, and the stocks must have paid dividends for five consecutive years or longer immediately before the date of purchase and the stocks, except for bank stocks and insurance stocks, must be listed on an exchange registered with the Securities and Exchange Commission or its successors; and

(C) not more than one percent of the permanent school fund may be invested in stock issued by one corporation and not more than five percent of the voting stock of any one corporation will be owned; and

(8) notwithstanding any other law or provision of this code, first lien real estate mortgage securities insured by the Federal Housing Administration under the National Housing Act of the United States, or in any other first lien real estate mortgage securities guaranteed in whole or in part by the United States.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.0031. PERMANENT SCHOOL FUND ETHICS POLICY. (a) In addition to any other requirements provided by law, the State Board of Education shall adopt and enforce an ethics policy that provides standards of conduct relating to the management and investment of the permanent school fund. The ethics policy must include provisions

that address the following issues as they apply to the management and investment of the permanent school fund and to persons responsible for managing and investing the fund:

(1) general ethical standards;

(2) conflicts of interest;

(3) prohibited transactions and interests;

(4) the acceptance of gifts and entertainment;

(5) compliance with applicable professional standards;

(6) ethics training; and

(7) compliance with and enforcement of the ethics policy.

(b) The ethics policy must include provisions applicable to:

(1) members of the State Board of Education;

(2) the commissioner;

(3) employees of the agency; and

(4) any person who provides services to the board relating to the management or investment of the permanent school fund.

(c) Not later than the 45th day before the date on which the board intends to adopt a proposed ethics policy or an amendment to or revision of an adopted ethics policy, the board shall submit a copy of the proposed policy, amendment, or revision to the Texas Ethics Commission and the state auditor for review and comments. The board shall consider any comments from the commission or state auditor before adopting the proposed policy.

(d) The provisions of the ethics policy that apply to a person who provides services to the board relating to the management or investment of the permanent school fund must be based on the Code of Ethics and the Standards of Professional Conduct prescribed by the Association for Investment Management and Research or other ethics standards adopted by another appropriate professionally recognized entity.

(e) The board shall ensure that applicable provisions of the ethics policy are included in any contract under which a person provides services to the board relating to the management and investment of the permanent school fund.

Added by Acts 1999, 76th Leg., ch. 1488, Sec. 1, eff. Sept. 1, 1999.

Sec. 43.0032. CONFLICTS OF INTEREST. (a) A member of the State Board of Education, the commissioner, an employee of the

agency, or a person who provides services to the board that relate to the management or investment of the permanent school fund who has a business, commercial, or other relationship that could reasonably be expected to diminish the person's independence of judgment in the performance of the person's responsibilities relating to the management or investment of the fund shall disclose the relationship in writing to the board.

(b) The board or the board's designee shall, in the ethics policy adopted under Section 43.0031, define the kinds of relationships that may create a possible conflict of interest.

(c) A person who files a statement under Subsection (a) disclosing a possible conflict of interest may not give advice or make decisions about a matter affected by the possible conflict of interest unless the board, after consultation with the general counsel of the agency, expressly waives this prohibition. The board may delegate the authority to waive the prohibition established by this subsection.

Added by Acts 1999, 76th Leg., ch. 1488, Sec. 1, eff. Sept. 1, 1999.

Sec. 43.0033. REPORTS OF EXPENDITURES. A consultant, advisor, broker, or other person providing services to the State Board of Education relating to the management and investment of the permanent school fund shall file with the board regularly, as determined by the board, a report that describes in detail any expenditure of more than $50 made by the person on behalf of:

(1) a member of the board;

(2) the commissioner; or

(3) an employee of the agency or of a nonprofit corporation created under Section 43.006.

Added by Acts 1999, 76th Leg., ch. 1488, Sec. 1, eff. Sept. 1, 1999.

Sec. 43.0034. FORMS; PUBLIC INFORMATION. (a) The board shall prescribe forms for:

(1) statements of possible conflicts of interest and waivers of possible conflicts of interest under Section 43.0032; and

(2) reports of expenditures under Section 43.0033.

(b) A statement, waiver, or report described by Subsection (a)

is public information.

(c) The board shall designate an employee of the agency to act as custodian of statements, waivers, and reports described by Subsection (a) for purposes of public disclosure.

Added by Acts 1999, 76th Leg., ch. 1488, Sec. 1, eff. Sept. 1, 1999.

Sec. 43.004. WRITTEN INVESTMENT OBJECTIVES; PERFORMANCE EVALUATION. (a) The State Board of Education shall develop written investment objectives concerning the investment of the permanent school fund. The objectives may address desired rates of return, risks involved, investment time frames, and any other relevant considerations.

(b) The board shall employ a well-recognized performance measurement service to evaluate and analyze the investment results of the permanent school fund. The service shall compare investment results with the written investment objectives developed by the board, and shall also compare the investment of the permanent school fund with the investment of other public and private funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.005. EXTERNAL INVESTMENT MANAGERS. (a) The State Board of Education may contract with private professional investment managers to assist the board in making investments of the permanent school fund. A contract under this subsection must be approved by the board or otherwise entered into in accordance with board rules relating to contracting authority.

(b) The State Board of Education by rule may delegate a power or duty relating to the investment of the permanent school fund to a committee, officer, employee, or other agent of the board.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.0051. TRANSFERS TO REAL ESTATE SPECIAL FUND ACCOUNT OF THE PERMANENT SCHOOL FUND. The State Board of Education may transfer funds from the portion of the permanent school fund managed by the State Board of Education to the real estate special fund account of

the permanent school fund if the State Board of Education determines, using the standard of care set forth in Subsection (f), Section 5, Article VII, Texas Constitution, that such transfer is in the best interest of the permanent school fund.

Added by Acts 2007, 80th Leg., R.S., Ch. 1368 (H.B. 3699), Sec. 9, eff. June 15, 2007.

Sec. 43.006. INVESTMENT MANAGEMENT. (a) The State Board of Education may delegate investment authority for the investment of the permanent school fund to the same extent as an institution with respect to an institutional fund under Chapter 163, Property Code.

(b) The board may enter into a contract with a nonprofit corporation for the corporation to invest funds under the control and management of the board, including the permanent school fund, as designated by the board. The corporation may not engage in any business other than investing funds designated by the board under the contract.

(c) The board must approve the:

(1) articles of incorporation and bylaws of the corporation and any amendment to the articles of incorporation or bylaws;

(2) investment policies of the corporation, including changes to those policies;

(3) audit and ethics committee of the corporation; and

(4) code of ethics of the corporation.

(d) The board of directors of the corporation must be members of the State Board of Education.

(e) If an investment contract entered into under Subsection (b) includes the permanent school fund within the scope of funds under the control and management of the State Board of Education to be invested by the corporation, the board shall provide for an annual financial audit of the permanent school fund. Subject to the legislative audit committee's approval of including the audit in the audit plan under Section 321.013(c), Government Code, the audit shall be performed by the state auditor.

(f) The corporation shall file quarterly reports with the State Board of Education concerning matters required by the board.

(g) The corporation is subject to the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil

Statutes).

(h) The corporation may not enter into an agreement or transaction with a:

(1) director, officer, or employee of the corporation acting in other than an official capacity on behalf of the corporation;

(2) business entity in which a director, officer, or employee of the corporation has an interest;

(3) former director, officer, or employee of the corporation on or before the second anniversary of the date the person ceased to be a director, officer, or employee of the corporation; or

(4) business entity in which a former director, officer, or employee of the corporation has an interest on or before the second anniversary of the date the person ceased to be a director, officer, or employee of the corporation.

(i) An agreement or transaction entered into in violation of Subsection (h) is void.

(j) For purposes of this section, a person has an interest in a business entity if:

(1) the person owns five percent or more of the voting stock or shares of the business entity;

(2) the person owns five percent or more of the fair market value of the business entity; or

(3) money received by the person from the business entity exceeds five percent of the person's gross income for the preceding calendar year.

(k) In this section, "institution" and "institutional fund" have the meanings assigned by Chapter 163, Property Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 785, Sec. 58, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 834 (H.B. 860), Sec. 2, eff. September 1, 2007.

Sec. 43.007. PURCHASE AND SALE OR EXCHANGE OF SECURITIES. (a) The State Board of Education may authorize the purchase of all of the

types of securities in which it is authorized by law to invest the permanent school fund in either registered or negotiable form. The board may authorize the reissue of those securities held at any time for the account of the permanent school fund in either registered or negotiable form. The State Board of Education may authorize the sale of any of the securities held for the account of the permanent school fund and reinvest the proceeds of sale for the fund and may authorize the exchange of any of the securities held for the account of the permanent school fund.

(b) In making purchases, sales, exchanges, and reissues, the State Board of Education shall exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital.

(c) When any securities are sold, reissued, or exchanged as provided by Subsection (a), the custodian of the securities shall deliver the securities sold, reissued, or exchanged in accordance with the directions of the State Board of Education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.009. PREPAYMENT OF CERTAIN BONDS HELD BY THE PERMANENT SCHOOL FUND. (a) The State Board of Education may authorize the governing body of any political subdivision in this state to pay off and discharge, at any interest paying date whether the bonds are matured or not, all or any part of any outstanding bond indebtedness owned by the permanent school fund.

(b) The governing body of a political subdivision desiring to pay off and discharge any bonded indebtedness owned by the fund shall apply in writing to the State Board of Education, not later than the 30th day before any interest paying date on the bonds, describing the bonds or part of the bonds it desires to pay off and discharge. The application must be accompanied by an affidavit stating that only tax money collected from a tax levy made for the specific purpose of providing a sinking fund and paying interest on the particular bonds to be redeemed will be spent in redeeming, taking up, or paying off the bonds.

(c) The State Board of Education, on receiving the application and affidavit, shall take action on them in the manner it considers best and shall notify the applicant whether the application is refused or granted in whole or in part.

(d) A person who has a duty under this section may not give or receive any commission, premium, or compensation for the performance of that duty.

(e) Only tax money collected from tax levies made for the specific purpose of providing a sinking fund and paying interest on the particular bonds to be redeemed may be spent in redeeming, taking up, or paying off of bonds as provided by this section, unless the bonds are being redeemed for the purpose of being refunded.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.010. DEFAULT OF SCHOOL DISTRICT SECURITIES HELD BY THE PERMANENT SCHOOL FUND. (a) If interest or principal has not been paid for two years or more on any bonds issued by any school district and held by the permanent school fund, the State Board of Education may:

(1) compel the district to levy a tax sufficient to meet the interest and principal payments then or later due; or

(2) if the district furnishes to the State Board of Education satisfactory proof that the district's taxing ability is insufficient, require the district to:

(A) exhaust all legal remedies in collecting delinquent taxes; and

(B) levy a tax at the maximum lawful rate on the bona fide valuation of taxable property located in the district.

(b) Revenue collected by either method specified by Subsection (a) shall be distributed proportionately to all owners of the defaulted securities in compliance with the following:

(1) the proportionate share for each owner is based on the interest and principal requirements of the original security before authorized refunding; and

(2) prior acceptance of refunding securities does not reduce an owner's proportionate share.

(c) As long as any school district is delinquent in its payments of principal or interest on any of its bonds owned by the

permanent school fund, the State Board of Education may specify the method of crediting payments to the state made by the district as to principal and interest.

(d) The comptroller may not issue any warrant from the foundation school fund to or for the benefit of any district that has been for as long as two years in default in the payment of principal or interest on any security owned by the permanent school fund until the State Board of Education certifies that the district has satisfactorily complied with the appropriate provisions of this section, in which event the comptroller shall resume making payments to or for the benefit of the district, including the making of pretermitted payments.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.011. AUTHORIZED REFUNDING OF DEFAULTED SCHOOL BONDS. (a) In compliance with this section, the State Board of Education may revise, readjust, modify, refinance, or refund defaulted bonds issued by any school district in this state and owned by either the permanent school fund or the available school fund.

(b) Application must be made to the State Board of Education by the district that issued the bonds and must show that:

(1) delinquent interest totals at least 50 percent of the principal amount of the bonds; and

(2) taxable valuation has decreased to such an extent that a full application of the proceeds of the voted authorized tax authorized to be levied on the $100 taxable property valuation will not meet interest and principal annually maturing on the bonds.

(c) The State Board of Education may effect a refunding of the debt due and to become due only if the board finds that:

(1) the district is unable to pay the sums already matured and the sums contracted to be paid as they mature by paying annually to the State Board of Education the full proceeds of a 50-cent tax levy on the $100 of all taxable valuation of property in the district;

(2) the taxable valuation of property in the district has decreased at least 75 percent since the bonds were issued and that the decrease was not caused by the district or any of its officials;

(3) the district for a period of at least five years before

applying to the State Board of Education for refunding has levied a tax of 50 cents on the $100 of taxable valuation of property in the district, and that despite such levies, the aggregate amount due the State Board of Education exceeds the aggregate amount due at the beginning of the period;

(4) the district has not authorized and sold additional bonds during the five-year period immediately preceding the application; and

(5) the district has in good faith endeavored to pay its debt in accordance with the contract evidenced by the bonds held for the account of the permanent school fund or the available school fund.

(d) If the conditions specified by Subsection (c) are found to exist, the district is, for purposes of this section, insolvent, and the State Board of Education may exchange the bonds, interest coupons, and other evidences of indebtedness for new refunding bonds of the district issued in compliance with the following:

(1) the principal amount of the refunding bonds may not be less than the total amount of the bonds, matured interest coupons, accrued interest, and interest on delinquent interest then actually due to the permanent school fund or the available school fund; and

(2) the rate of interest to be borne by the refunding bonds may be lower than that borne by the bonds to be refunded if in consideration of the interest reduction the district agrees to levy a tax each year for a period of 40 years at a rate sufficient to produce annually a sum equal to 90 percent of the amount that can be calculated by the levy of a tax at the rate of 50 cents on the $100 of taxable valuation of property as determined by the latest approved tax roll of the district, and in determining the rate of interest to be borne by the refunding bonds, the State Board of Education shall be governed by the following:

(A) the State Board of Education may require the rate to be a percent per annum as in its judgment will represent the maximum rate that can be paid by the district and still permit an orderly and certain retirement of the refunding bonds within 40 years from their date;

(B) the interest rate of refunding bonds to be received in exchange for bonds owned by the permanent school fund may not be less than the minimum rate at which bonds may then be purchased as investments for the permanent school fund; and

(C) the rate of interest of refunding bonds to be received in exchange for bonds owned by the available school fund may be set by the State Board of Education at any rate the board considers feasible, and the refunding bonds may, at the discretion of the State Board of Education, be made non-interest bearing to a date fixed by the board.

(e) The State Board of Education may not make a revision, readjustment, modification, refinancing, or refunding that will release or extinguish any debt or obligation then due and payable to the permanent school fund or to the available school fund.

(f) Except as otherwise provided or permitted by this section, the refunding of the bonds of school districts authorized by this section must be in compliance with the general provisions with regard to the refunding of school district bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.012. REFUNDING OTHER DEFAULTED OBLIGATIONS. (a) Defaulted obligations, other than bonds of school districts as provided by Section 43.011, due the available school fund may be refinanced or refunded with the approval of the State Board of Education in compliance with this section.

(b) In this section, "defaulted obligations" includes delinquent interest whether represented by coupons or not, interest on delinquent interest, and any other form of obligation due the available school fund.

(c) The obligor must apply to the State Board of Education and show:

(1) that the obligations due the available school fund have been in default in whole or in part for a continuous period of at least 15 years; and

(2) that the obligor is not in default in the payment of the principal of any bonds owned by the permanent school fund.

(d) If the State Board of Education finds that the requirements provided by Subsection (c) have been met, it may approve a refinancing or the issuance of refunding bonds on the conditions:

(1) that the refunding bonds must mature serially in not exceeding 40 years from the date of issuance;

(2) that the principal amount of the refunding bonds may be

not less than the total amount of the obligations then in default and due the available school fund; and

(3) that the refunding bonds must bear interest at a rate or rates determined by the State Board of Education to be for the best interest of the available school fund.

(e) The State Board of Education may accept refunding bonds in lieu of either matured or unmatured bonds held for the benefit of the permanent school fund if the rate of interest on the new refunding bonds is at least the same rate as that of the bonds being refunded.

(f) Refunding bonds issued with the approval or pursuant to a refunding agreement with the State Board of Education in compliance with either this section or Section 43.011 shall, on the order of the State Board of Education, be exchanged by the comptroller for the defaulted obligations they have been issued to refund.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.02, eff. Sept. 1, 1997.

Sec. 43.013. JURISDICTION. The district courts of Travis County have jurisdiction of any suit on bonds or obligations belonging to the permanent school fund, or purchased therewith, concurrent with that of any other court having jurisdiction in the case.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.014. DUTIES OF COMPTROLLER. (a) On or before July 1 of each year, the comptroller shall estimate the amount of the available school fund receivable from every source during the following school year and report the estimate to the State Board of Education.

(b) On or before the meeting of each regular session of the legislature, the comptroller shall report to the legislature an estimate of the amount of the available school fund that is to be received for the following two years, and the sources from which that amount accrues, and that is subject to appropriation for the establishment and support of public schools.

(c) On or before the first working day of each month, the

comptroller shall certify to the commissioner the total amount of money collected from every source during the preceding month and on hand to the credit of the available school fund.

(d) On receipt of certificates issued to the comptroller by the commissioner, the comptroller shall draw warrants in favor of the treasurer of the available school fund of each school district for the amounts stated in the certificates. All such warrants shall be registered.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.03, eff. Sept. 1, 1997.

Sec. 43.015. DUTIES OF COMPTROLLER. (a) Not later than the 30th day before the first day of each regular session of the legislature and not later than the 10th day before the first day of any special session at which there can be legislation respecting the public schools, the comptroller shall report to the governor the condition of the permanent school fund and the available school fund, the amount of each fund, and the manner of its disbursement.

(b) The comptroller shall provide the State Board of Education with the reports specified by Subsection (a) and with additional reports concerning those funds requested by the State Board of Education.

(c) The comptroller shall ensure that no portion of either the permanent school fund or the available school fund is used to pay any warrant drawn against any other fund.

(d) The comptroller shall receive and hold in a special deposit and account for all properties belonging to the available school fund. All warrants drawn on that fund by the comptroller pursuant to a certificate of the commissioner must be registered by the comptroller and then transmitted to the commissioner, and when properly endorsed shall be paid by the comptroller in the order of their presentation.

(e) On order of the State Board of Education, the comptroller shall exchange or accept refunding bonds in lieu of:

(1) either matured or unmatured bonds held for the benefit of the permanent school fund, which are being refunded under this chapter;

(2) defaulted obligations held for the benefit of the available school fund if the refunding bonds are issued in compliance with Section 43.012;

(3) defaulted obligations of any school district of this state held for the benefit of the permanent school fund or the available school fund if the refunding bonds are issued in compliance with Section 43.011; or

(4) refunding bonds of any school district of this state for school bonds not matured held by the comptroller for the permanent school fund if the new refunding bonds are issued by the school district in compliance with this code.

(f) The comptroller shall be the custodian of all securities enumerated in Section 43.003(6) and of other securities as designated by the State Board of Education in which the school funds of the state are invested. The comptroller shall keep those securities in the comptroller's custody until paid off, discharged, delivered as required by the State Board of Education, or otherwise disposed of by the proper authorities of the state, and on the proper installment of any interest or dividend, shall see that the proper credit is given, and the coupons on bonds, when paid, shall be separated from the bonds and cancelled by the comptroller.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.04, eff. Sept. 1, 1997.

Sec. 43.016. USE OF AVAILABLE SCHOOL FUND. All available school funds shall be appropriated in each county for the education of its children.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.017. USE OF COMMERCIAL BANKS AS AGENTS FOR COLLECTION OF INCOME FROM PERMANENT SCHOOL FUND INVESTMENTS. (a) The State Board of Education may contract with one or more commercial banks to receive payments of dividends and interest on securities in which the state permanent school funds are invested and transmit that money with identification of its source to the comptroller for the account of the available school fund by the fastest available means.

(b) In choosing each commercial bank with which to contract as authorized by Subsection (a), the State Board of Education shall assure itself of:

(1) the financial stability of the bank;

(2) the location of the bank with respect to its proximity to the banks on which checks are drawn in payment of dividends and interest on securities of the permanent school fund;

(3) the experience and reliability of the bank in acting as agent for others in the similar collection and expeditious remittance of money; and

(4) the reasonableness of the bank's charges for the services, both in amount of the charges and in relation to the increased investment earnings of the available school fund that will result from speedier receipt by the comptroller of the money.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.05, eff. Sept. 1, 1997.

Sec. 43.018. PARTICIPATION IN FULLY SECURED SECURITIES LOAN PROGRAMS. (a) The State Board of Education may contract with a commercial bank to serve both as a custodian of securities in which the state permanent school funds are invested and to lend those securities, under the conditions prescribed by Subsection (b), to securities brokers and dealers on short-term loan.

(b) The State Board of Education may contract with a commercial bank pursuant to this section only if:

(1) the bank is located in a city having a major stock exchange;

(2) the bank is experienced in the operation of a fully secured securities loan program;

(3) the bank has adequate capital in the prudent judgment of the State Board of Education to assure the safety of the securities entrusted to it as a custodian;

(4) the bank will require of any securities broker or dealer to which it lends securities owned by the state permanent school fund that the broker or dealer deliver to it cash collateral for the loan of securities, and that the cash collateral will at all times be not less than 100 percent of the market value of the

securities lent;

(5) the bank executes an indemnification agreement, satisfactory in form and content to the State Board of Education, fully indemnifying the permanent and available school funds against loss resulting from the bank's service as custodian of securities of the permanent school fund and its operation of a securities loan program using securities of the permanent school fund;

(6) the bank will speedily collect and remit on the day of collection by the fastest available means to the comptroller any dividends and interest collectible by it on securities held by it as custodian, together with identification as to the source of the dividends or interest; and

(7) the bank is the bank agreeing to pay to the available school fund the largest sum or highest percentage of the income derived by the bank from use of the securities of the permanent school fund in the operation of a securities loan program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.06, eff. Sept. 1, 1997.

Sec. 43.019. ACCOUNTING TREATMENT OF CERTAIN EXCHANGES. The State Board of Education may account for the exchange of permanent school fund securities in a closely related sale and purchase transaction in a manner in which the gain or loss on the sale is deferred as an adjustment to the book value of the security purchased, if:

(1) the security sold and the security purchased have a fixed maturity value;

(2) the board is authorized by law to invest the permanent school fund in the security purchased;

(3) the sale is made in clear contemplation of reinvesting substantially all of the proceeds;

(4) substantially all of the proceeds are reinvested;

(5) the transaction is completed within a reasonable time after the sale, not to exceed 30 business days; and

(6) the transaction results in an improvement in effective income yield, taking into consideration the deferral of any gain or loss on the sale.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 43.020. TREATMENT OF ACCRUED INCOME. All interest and dividends accruing from the investments of the permanent school fund shall be deposited to the credit of the available school fund in accordance with the accrual basis of accounting. Funds recognized under this section are considered part of the available school fund and may be appropriated as provided by Section 5, Article VII, Texas Constitution.

Added by Acts 2003, 78th Leg., ch. 201, Sec. 37, eff. June 10, 2003.

CHAPTER 44. FISCAL MANAGEMENT

SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

Sec. 44.001. FISCAL GUIDELINES. (a) The commissioner shall establish advisory guidelines relating to the fiscal management of a school district.

(b) The commissioner shall report annually to the State Board of Education the status of school district fiscal management as reflected by the advisory guidelines and by statutory requirements.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.0011. FISCAL YEAR. The fiscal year of a school district begins on July 1 or September 1 of each year, as determined by the board of trustees of the district. The commissioner may adopt rules concerning the submission of information by a district under Chapter 39 or 42 based on the fiscal year of the district.

Added by Acts 1999, 76th Leg., ch. 643, Sec. 1, eff. Sept. 1, 2001.

Sec. 44.002. PREPARATION OF BUDGET. (a) On or before a date set by the State Board of Education, the superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the district for the following fiscal year.

(b) The budget must be prepared according to generally accepted

accounting principles, rules adopted by the State Board of Education, and adopted policies of the board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.003. RECORDS AND REPORTS. The superintendent shall ensure that records are kept and that copies of all budgets, all forms, and all other reports are filed on behalf of the school district at the proper times and in the proper offices as required by this code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.004. NOTICE OF BUDGET AND TAX RATE MEETING; BUDGET ADOPTION. (a) When the budget has been prepared under Section 44.002, the president shall call a meeting of the board of trustees for the purpose of adopting a budget for the succeeding fiscal year.

(b) The president shall provide for the publication of notice of the budget and proposed tax rate meeting in a daily, weekly, or biweekly newspaper published in the district. If no daily, weekly, or biweekly newspaper is published in the district, the president shall provide for the publication of notice in at least one newspaper of general circulation in the county in which the district's central administrative office is located. Notice under this subsection shall be published not earlier than the 30th day or later than the 10th day before the date of the hearing.

(c) The notice of public meeting to discuss and adopt the budget and the proposed tax rate may not be smaller than one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type. Subject to Subsection (d), the notice must:

(1) contain a statement in the following form:

"NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

"The (name of school district) will hold a public meeting at (time, date, year) in (name of room, building, physical location, city, state). The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited." The statement of the purpose of the meeting must be in bold type. In

reduced type, the notice must state: "The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.";

(2) contain a section entitled "Comparison of Proposed Budget with Last Year's Budget," which must show the difference, expressed as a percent increase or decrease, as applicable, in the amounts budgeted for the preceding fiscal year and the amount budgeted for the fiscal year that begins in the current tax year for each of the following:

(A) maintenance and operations;

(B) debt service; and

(C) total expenditures;

(3) contain a section entitled "Total Appraised Value and Total Taxable Value," which must show the total appraised value and the total taxable value of all property and the total appraised value and the total taxable value of new property taxable by the district in the preceding tax year and the current tax year as calculated under Section 26.04, Tax Code;

(4) contain a statement of the total amount of the outstanding and unpaid bonded indebtedness of the school district;

(5) contain a section entitled "Comparison of Proposed Rates with Last Year's Rates," which must:

(A) show in rows the tax rates described by Subparagraphs (i)-(iii), expressed as amounts per $100 valuation of property, for columns entitled "Maintenance & Operations," "Interest & Sinking Fund," and "Total," which is the sum of "Maintenance & Operations" and "Interest & Sinking Fund":

(i) the school district's "Last Year's Rate";

(ii) the "Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service," which:

(a) in the case of "Maintenance & Operations," is the tax rate that, when applied to the current taxable value for the district, as certified by the chief appraiser under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, would impose taxes in an amount that, when added to state funds to be distributed to the district under Chapter 42, would provide the same amount of

maintenance and operations taxes and state funds distributed under Chapter 42 per student in average daily attendance for the applicable school year that was available to the district in the preceding school year; and

(b) in the case of "Interest & Sinking Fund," is the tax rate that, when applied to the current taxable value for the district, as certified by the chief appraiser under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, and when multiplied by the district's anticipated collection rate, would impose taxes in an amount that, when added to state funds to be distributed to the district under Chapter 46 and any excess taxes collected to service the district's debt during the preceding tax year but not used for that purpose during that year, would provide the amount required to service the district's debt; and

(iii) the "Proposed Rate";

(B) contain fourth and fifth columns aligned with the columns required by Paragraph (A) that show, for each row required by Paragraph (A):

(i) the "Local Revenue per Student," which is computed by multiplying the district's total taxable value of property, as certified by the chief appraiser for the applicable school year under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, by the total tax rate, and dividing the product by the number of students in average daily attendance in the district for the applicable school year; and

(ii) the "State Revenue per Student," which is computed by determining the amount of state aid received or to be received by the district under Chapters 42, 43, and 46 and dividing that amount by the number of students in average daily attendance in the district for the applicable school year; and

(C) contain an asterisk after each calculation for "Interest & Sinking Fund" and a footnote to the section that, in reduced type, states "The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.";

(6) contain a section entitled "Comparison of Proposed Levy with Last Year's Levy on Average Residence," which must:

(A) show in rows the information described by Subparagraphs (i)-(iv), rounded to the nearest dollar, for columns entitled "Last Year" and "This Year":

(i) "Average Market Value of Residences," determined using the same group of residences for each year;

(ii) "Average Taxable Value of Residences," determined after taking into account the limitation on the appraised value of residences under Section 23.23, Tax Code, and after subtracting all homestead exemptions applicable in each year, other than exemptions available only to disabled persons or persons 65 years of age or older or their surviving spouses, and using the same group of residences for each year;

(iii) "Last Year's Rate Versus Proposed Rate per $100 Value"; and

(iv) "Taxes Due on Average Residence," determined using the same group of residences for each year; and

(B) contain the following information: "Increase (Decrease) in Taxes" expressed in dollars and cents, which is computed by subtracting the "Taxes Due on Average Residence" for the preceding tax year from the "Taxes Due on Average Residence" for the current tax year;

(7) contain the following statement in bold print: "Under state law, the dollar amount of school taxes imposed on the residence of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.";

(8) contain the following statement in bold print: "Notice of Rollback Rate: The highest tax rate the district can adopt before requiring voter approval at an election is (the school district rollback rate determined under Section 26.08, Tax Code). This election will be automatically held if the district adopts a rate in excess of the rollback rate of (the school district rollback rate)."; and

(9) contain a section entitled "Fund Balances," which must include the estimated amount of interest and sinking fund balances and the estimated amount of maintenance and operation or general fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding debt obligation, less estimated

funds necessary for the operation of the district before the receipt of the first payment under Chapter 42 in the succeeding school year.

(c-1) The notice described by Subsection (c) must state in a distinct row or on a separate or individual line for each of the following taxes:

(1) the proposed rate of the school district's maintenance tax described by Section 45.003, under the heading "Maintenance Tax"; and

(2) if the school district has issued ad valorem tax bonds under Section 45.001, the proposed rate of the tax to pay for the bonds, under the heading "School Debt Service Tax Approved by Local Voters."

(d) The comptroller shall prescribe the language and format to be used in the part of the notice required by Subsection (c). A notice under Subsection (c) is not valid if it does not substantially conform to the language and format prescribed by the comptroller under this subsection.

(e) A person who owns taxable property in a school district is entitled to an injunction restraining the collection of taxes by the district if the district has not complied with the requirements of Subsections (b), (c), and (d), and, if applicable, Subsection (i), and the failure to comply was not in good faith. An action to enjoin the collection of taxes must be filed before the date the school district delivers substantially all of its tax bills.

(f) The board of trustees, at the meeting called for that purpose, shall adopt a budget to cover all expenditures for the school district for the next succeeding fiscal year. Any taxpayer of the district may be present and participate in the meeting.

(g) The budget must be adopted before the adoption of the tax rate for the tax year in which the fiscal year covered by the budget begins.

(g-1) If the rate calculated under Subsection (c)(5)(A)(ii)(b) decreases after the publication of the notice required by this section, the president is not required to publish another notice or call another meeting to discuss and adopt the budget and the proposed lower tax rate.

(h) Notwithstanding any other provision of this section, a school district with a fiscal year beginning July 1 may use the certified estimate of the taxable value of district property required by Section 26.01(e), Tax Code, in preparing the notice required by

this section if the district does not receive on or before June 7 the certified appraisal roll for the district required by Section 26.01(a), Tax Code.

(i) A school district that uses a certified estimate, as authorized by Subsection (h), may adopt a budget at the public meeting designated in the notice prepared using the estimate, but the district may not adopt a tax rate before the district receives the certified appraisal roll for the district required by Section 26.01(a), Tax Code. After receipt of the certified appraisal roll, the district must publish a revised notice and hold another public meeting before the district may adopt a tax rate that exceeds:

(1) the rate proposed in the notice prepared using the estimate; or

(2) the district's rollback rate determined under Section 26.08, Tax Code, using the certified appraisal roll.

(j) Notwithstanding Subsections (g), (h), and (i), a school district may adopt a budget after the district adopts a tax rate for the tax year in which the fiscal year covered by the budget begins if the district elects to adopt a tax rate before receiving the certified appraisal roll for the district as provided by Section 26.05(g), Tax Code. If a school district elects to adopt a tax rate before adopting a budget, the district must publish notice and hold a meeting for the purpose of discussing the proposed tax rate as provided by this section. Following adoption of the tax rate, the district must publish notice and hold another public meeting before the district may adopt a budget. The comptroller shall prescribe the language and format to be used in the notices. The school district may use the certified estimate of taxable value in preparing a notice under this subsection.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 398, Sec. 1, eff. Aug. 30, 1999; Acts 2001, 77th Leg., ch. 898, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 807 (S.B. 567), Sec. 2, eff. June 17, 2005.

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.11, eff. May 31, 2006.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 66, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 57.27, eff. September 28, 2011.

Sec. 44.0041. PUBLICATION OF SUMMARY OF PROPOSED BUDGET. (a) Concurrently with the publication of notice of the budget under Section 44.004, a school district shall post a summary of the proposed budget:

(1) on the school district's Internet website; or

(2) if the district has no Internet website, in the district's central administrative office.

(b) The budget summary must include:

(1) information relating to per student and aggregate spending on:

(A) instruction;

(B) instructional support;

(C) central administration;

(D) district operations;

(E) debt service; and

(F) any other category designated by the commissioner; and

(2) a comparison to the previous year's actual spending.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.06, eff. May 31, 2006.

Sec. 44.005. FILING OF ADOPTED BUDGET. On or before a date set by the State Board of Education, the budget must be filed with the agency according to the rules established by the State Board of Education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.0051. POSTING OF ADOPTED BUDGET. (a) On final approval of the budget by the board of trustees, the school district shall post on the district's Internet website a copy of the budget adopted by the board of trustees. The district's Internet website must prominently display the electronic link to the adopted budget.

(b) The district shall maintain the adopted budget on the

district's Internet website until the third anniversary of the date the budget was adopted.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 59, eff. June 19, 2009.
Transferred and redesignated from Education Code, Section 39.084 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(12), eff. September 1, 2015.

Sec. 44.006. EFFECT OF ADOPTED BUDGET; AMENDMENTS. (a) Public funds of the school district may not be spent in any manner other than as provided for in the budget adopted by the board of trustees, but the board may amend a budget or adopt a supplementary emergency budget to cover necessary unforeseen expenses.

(b) Any amendment or supplementary budget must be prepared and filed according to rules adopted by the State Board of Education.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.007. ACCOUNTING SYSTEM; REPORT. (a) A standard school fiscal accounting system must be adopted and installed by the board of trustees of each school district. The accounting system must conform with generally accepted accounting principles.

(b) The accounting system must meet at least the minimum requirements prescribed by the commissioner, subject to review and comment by the state auditor.

(c) A record must be kept of all revenues realized and of all expenditures made during the fiscal year for which a budget is adopted. A report of the revenues and expenditures for the preceding fiscal year shall be filed with the agency on or before the date set by the State Board of Education.

(d) The State Board of Education shall require each district, as part of the report required by this section, to include management, cost accounting, and financial information in a format prescribed by the board and in a manner sufficient to enable the board to monitor the funding process and determine educational system costs by district, campus, and program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 2.08, eff. May 31, 2006.

Sec. 44.0071. COMPUTATION OF INSTRUCTIONAL EXPENDITURES RATIO AND INSTRUCTIONAL EMPLOYEES RATIO. (a) Each fiscal year, a school district shall compute and report to the commissioner:

(1) the percentage of the district's total expenditures for the preceding fiscal year that were used to fund direct instructional activities; and

(2) the percentage of the district's full-time equivalent employees during the preceding fiscal year whose job function was to directly provide classroom instruction to students, determined by dividing the number of hours spent by employees in providing direct classroom instruction by the total number of hours worked by all district employees.

(b) At least annually a school district shall provide educators employed by the district with a list of district employees determined by the district for purposes of this section to be engaged in directly providing classroom instruction to students. The list must include the percentage of time spent by each employee in directly providing classroom instruction to students.

(c) For purposes of this section, the computation of a district's expenditures used to fund direct instructional activities shall include the salary, including any associated employment taxes, and value of any benefits provided to any district employee who directly provided classroom instruction to students, but only in proportion to the percentage of time spent by the employee in directly providing classroom instruction to students.

(d) The commissioner shall adopt rules as necessary to implement this section. To the extent possible, the rules must provide for development of the information required by this section using information otherwise compiled by school districts for reporting through the Public Education Information Management System (PEIMS).

Added by Acts 2003, 78th Leg., ch. 1269, Sec. 1, eff. Sept. 1, 2003.

Sec. 44.008. ANNUAL AUDIT; REPORT. (a) The board of school trustees of each school district shall have its school district fiscal accounts audited annually at district expense by a certified or public accountant holding a permit from the Texas State Board of Public Accountancy. The audit must be completed following the close of each fiscal year.

(b) The independent audit must meet at least the minimum requirements and be in the format prescribed by the State Board of Education, subject to review and comment by the state auditor. The audit shall include an audit of the accuracy of the fiscal information provided by the district through the Public Education Information Management System (PEIMS).

(c) Each treasurer receiving or having control of any school fund of any school district shall keep a full and separate itemized account with each of the different classes of its school funds coming into the treasurer's hands. The treasurer's records of the district's itemized accounts and records shall be made available to audit.

(d) A copy of the annual audit report, approved by the board of trustees, shall be filed by the district with the agency not later than the 150th day after the end of the fiscal year for which the audit was made. If the board of trustees declines or refuses to approve its auditor's report, it shall nevertheless file with the agency a copy of the audit report with its statement detailing reasons for failure to approve the report.

(e) The audit reports shall be reviewed by the agency, and the commissioner shall notify the board of trustees of objections, violations of sound accounting practices or law and regulation requirements, or of recommendations concerning the audit reports that the commissioner wants to make. If the audit report reflects that penal laws have been violated, the commissioner shall notify the appropriate county or district attorney and the attorney general. The commissioner shall have access to all vouchers, receipts, district fiscal and financial records, and other school records as the commissioner considers necessary and appropriate for the review, analysis, and passing on audit reports.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 914, Sec. 2, eff. Sept. 1, 2001.

Sec. 44.009. FINANCIAL REPORTS TO COMMISSIONER OR AGENCY; FORMS. (a) All financial reports made by or for school districts or by their officers, agents, or employees, to the commissioner or to the agency, shall be made on forms prescribed by the agency, subject to review and comment by the state auditor.

(b) The agency shall combine as many forms as possible to avoid multiplicity of reports. The forms shall provide for entry of all information required by law or by the commissioner and information considered necessary by the state auditor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.010. REVIEW BY AGENCY. The budgets, fiscal reports, and audit reports filed with the agency shall be reviewed and analyzed by the staff of the agency to determine whether all legal requirements have been met and to collect fiscal data needed in preparing school fiscal reports for the governor and the legislature.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.011. FINANCIAL EXIGENCY. (a) The board of trustees of a school district may adopt a resolution declaring a financial exigency for the district. The declaration expires at the end of the fiscal year during which the declaration is made unless the board adopts a resolution before the end of the fiscal year declaring continuation of the financial exigency for the following fiscal year.

(b) The board is not limited in the number of times the board may adopt a resolution declaring continuation of the financial exigency.

(c) A board may terminate a financial exigency declaration at any time if the board considers it appropriate.

(d) Each time the board adopts a resolution under this section, the board must notify the commissioner. The commissioner by rule shall prescribe the time and manner in which notice must be given to the commissioner under this subsection.

(e) The commissioner by rule shall adopt minimum standards concerning school district financial conditions that must exist for declaration of a financial exigency by the board of trustees of the district.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 8 (S.B. 8), Sec. 19, eff. September 28, 2011.

SUBCHAPTER B. PURCHASES; CONTRACTS

Sec. 44.031. PURCHASING CONTRACTS. (a) Except as provided by this subchapter, all school district contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at $50,000 or more in the aggregate for each 12-month period shall be made by the method, of the following methods, that provides the best value for the district:

(1) competitive bidding for services other than construction services;

(2) competitive sealed proposals for services other than construction services;

(3) a request for proposals, for services other than construction services;

(4) an interlocal contract;

(5) a method provided by Chapter 2269, Government Code, for construction services;

(6) the reverse auction procedure as defined by Section 2155.062(d), Government Code; or

(7) the formation of a political subdivision corporation under Section 304.001, Local Government Code.

(b) Except as provided by this subchapter, in determining to whom to award a contract, the district shall consider:

(1) the purchase price;

(2) the reputation of the vendor and of the vendor's goods or services;

(3) the quality of the vendor's goods or services;

(4) the extent to which the goods or services meet the district's needs;

(5) the vendor's past relationship with the district;

(6) the impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses;

(7) the total long-term cost to the district to acquire the vendor's goods or services;

(8) for a contract for goods and services, other than goods and services related to telecommunications and information services,

building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner:

(A) has its principal place of business in this state; or

(B) employs at least 500 persons in this state; and

(9) any other relevant factor specifically listed in the request for bids or proposals.

(b-1) In awarding a contract by competitive sealed bid under this section, a school district that has its central administrative office located in a municipality with a population of less than 250,000 may consider a bidder's principal place of business in the manner provided by Section 271.9051, Local Government Code. This subsection does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153.

(c) The state auditor may audit purchases of goods or services by the district.

(d) The board of trustees of the district may adopt rules and procedures for the acquisition of goods or services.

(e) To the extent of any conflict, this subchapter prevails over any other law relating to the purchasing of goods and services except a law relating to contracting with historically underutilized businesses.

(f) This section does not apply to a contract for professional services rendered, including services of an architect, attorney, certified public accountant, engineer, or fiscal agent. A school district may, at its option, contract for professional services rendered by a financial consultant or a technology consultant in the manner provided by Section 2254.003, Government Code, in lieu of the methods provided by this section.

(g) Notice of the time by when and place where the bids or proposals, or the responses to a request for qualifications, will be received and opened shall be published in the county in which the district's central administrative office is located, once a week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications. If there is not a newspaper in that county, the advertising shall be published in a newspaper in the county nearest the county seat of the county in which the district's central administrative office is located. In a

two-step procurement process, the time and place where the second-step bids, proposals, or responses will be received are not required to be published separately.

Text of subsec. (h) as amended by Acts 1999, 76th Leg., ch. 922, Sec. 1

(h) If school equipment, a school facility, or a portion of a school facility is destroyed, severely damaged, or experiences a major unforeseen operational or structural failure, and the board of trustees determines that the delay posed by the contract methods required by this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment, school facility, or portion of the school facility may be made by a method other than the methods required by this section.

Text of subsec. (h) as amended by Acts 1999, 76th Leg., ch. 1225, Sec. 1

(h) If school equipment or a part of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the board of trustees determines that the delay posed by the methods provided for in this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment or the part of the school facility may be made by methods other than those required by this section.

(i) A school district may acquire computers and computer-related equipment, including computer software, through the Department of Information Resources under contracts entered into in accordance with Chapter 2054 or 2157, Government Code. Before issuing an invitation for bids, the department shall consult with the agency concerning the computer and computer-related equipment needs of school districts. To the extent possible the resulting contract shall provide for such needs.

(j) Without complying with Subsection (a), a school district may purchase an item that is available from only one source, including:

(1) an item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly;

(2) a film, manuscript, or book;

(3) a utility service, including electricity, gas, or water; and

(4) a captive replacement part or component for equipment.

(k) The exceptions provided by Subsection (j) do not apply to mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of $15,000.

(l) Each contract proposed to be made by a school district for the purchase or lease of one or more school buses, including a lease with an option to purchase, must be submitted to competitive bidding when the contract is valued at $20,000 or more.

(m) If a purchase is made at the campus level in a school district with a student enrollment of 180,000 or more that has formally adopted a site-based decision-making plan under Subchapter F, Chapter 11, that delegates purchasing decisions to the campus level, this section applies only to the campus and does not require the district to aggregate and jointly award purchasing contracts. A district that adopts site-based purchasing under this subsection shall adopt a policy to ensure that campus purchases achieve the best value to the district and are not intended or used to avoid the requirement that a district aggregate purchases under Subsection (a).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1179, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 881, Sec. 1, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 922, Sec. 1, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 1225, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 436, Sec. 7, eff. May 28, 2001; Acts 2001, 77th Leg., ch. 1409, Sec. 9, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 38, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 680, Sec. 1, eff. June 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1205 (H.B. 664), Sec. 2, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 325 (H.B. 2626), Sec. 1, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 449 (H.B. 273), Sec. 4, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 2.02, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1081 (H.B. 2918), Sec. 1, eff.

September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1266 (H.B. 987), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.02, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.002(5), eff. September 1, 2013.

Sec. 44.0311. APPLICABILITY TO JUNIOR COLLEGE DISTRICTS. (a) Except as provided by Subsection (c), this subchapter applies to junior college districts.

(b) For purposes of this subchapter, "board of trustees" includes the governing board of a junior college district.

(c) This subchapter does not apply to a purchase, acquisition, or license of library goods and services for a library operated as a part of a junior college district. In this subsection, "library goods and services" has the meaning assigned by Section 130.0101(a).

Added by Acts 1999, 76th Leg., ch. 1225, Sec. 2, eff. Sept. 1, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 336 (H.B. 962), Sec. 1, eff. June 19, 2009.

Sec. 44.0312. DELEGATION. (a) The board of trustees of the district may, as appropriate, delegate its authority under this subchapter regarding an action authorized or required by this subchapter to be taken by a school district to a designated person, representative, or committee. In procuring construction services, the district shall provide notice of the delegation and the limits of the delegation in the request for bids, proposals, or qualifications or in an addendum to the request. If the district fails to provide that notice, a ranking, selection, or evaluation of bids, proposals, or qualifications for construction services other than by the board of trustees in an open public meeting is advisory only.

(b) The board may not delegate the authority to act regarding an action authorized or required by this subchapter to be taken by the board of trustees of a school district.

(c) Notwithstanding any other provision of this code, in the

event of a catastrophe, emergency, or natural disaster affecting a school district, the board of trustees of the district may delegate to the superintendent or designated person the authority to contract for the replacement, construction, or repair of school equipment or facilities under this subchapter if emergency replacement, construction, or repair is necessary for the health and safety of district students and staff.

Added by Acts 1999, 76th Leg., ch. 1225, Sec. 2, eff. Sept. 1, 1999.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1006 (H.B. 4102), Sec. 6, eff. June 19, 2009.

Sec. 44.0313. PROCEDURES FOR ELECTRONIC BIDS OR PROPOSALS. (a) A school district may receive bids or proposals under this chapter through electronic transmission if the board of trustees of the school district adopts rules to ensure the identification, security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time.

(b) Notwithstanding any other provision of this chapter, an electronic bid or proposal is not required to be sealed. A provision of this chapter that applies to a sealed bid or proposal applies to a bid or proposal received through electronic transmission in accordance with the rules adopted under Subsection (a).

Added by Acts 2009, 81st Leg., R.S., Ch. 1266 (H.B. 987), Sec. 2, eff. June 19, 2009.

Sec. 44.032. ENFORCEMENT OF PURCHASE PROCEDURES: CRIMINAL PENALTIES; REMOVAL; INELIGIBILITY. (a) In this section:

(1) "Component purchases" means purchases of the component parts of an item that in normal purchasing practices would be purchased in one purchase.

(2) "Separate purchases" means purchases, made separately, of items that in normal purchasing practices would be purchased in one purchase.

(3) "Sequential purchases" means purchases, made over a period, of items that in normal purchasing practices would be

purchased in one purchase.

(b) An officer, employee, or agent of a school district commits an offense if the person with criminal negligence makes or authorizes separate, sequential, or component purchases to avoid the requirements of Section 44.031(a) or (b). An offense under this subsection is a Class B misdemeanor and is an offense involving moral turpitude.

(c) An officer, employee, or agent of a school district commits an offense if the person with criminal negligence violates Section 44.031(a) or (b) other than by conduct described by Subsection (b). An offense under this subsection is a Class B misdemeanor and is an offense involving moral turpitude.

(d) An officer or employee of a school district commits an offense if the officer or employee knowingly violates Section 44.031, other than by conduct described by Subsection (b) or (c). An offense under this subsection is a Class C misdemeanor.

(e) The final conviction of a person other than a trustee of a school district for an offense under Subsection (b) or (c) results in the immediate removal from office or employment of that person. A trustee who is convicted of an offense under this section is considered to have committed official misconduct for purposes of Chapter 87, Local Government Code, and is subject to removal as provided by that chapter and Section 24, Article V, Texas Constitution. For four years after the date of the final conviction, the removed person is ineligible to be a candidate for or to be appointed or elected to a public office in this state, is ineligible to be employed by or act as an agent for the state or a political subdivision of the state, and is ineligible to receive any compensation through a contract with the state or a political subdivision of the state. This subsection does not prohibit the payment of retirement benefits to the removed person or the payment of workers' compensation benefits to the removed person for an injury that occurred before the commission of the offense for which the person was removed. This subsection does not make a person ineligible for an office for which the federal or state constitution prescribes exclusive eligibility requirements.

(f) A court may enjoin performance of a contract made in violation of this subchapter. A county attorney, a district attorney, a criminal district attorney, a citizen of the county in which the school district is located, or any interested party may

bring an action for an injunction. A party who prevails in an action brought under this subsection is entitled to reasonable attorney's fees as approved by the court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 3, eff. Sept. 1, 1999.

Sec. 44.0331. MANAGEMENT FEES UNDER CERTAIN COOPERATIVE PURCHASING CONTRACTS. (a) A school district that enters into a purchasing contract valued at $25,000 or more under Section 44.031(a)(5), under Subchapter F, Chapter 271, Local Government Code, or under any other cooperative purchasing program authorized for school districts by law shall document any contract-related fee, including any management fee, and the purpose of each fee under the contract.

(b) The amount, purpose, and disposition of any fee described by Subsection (a) must be presented in a written report and submitted annually in an open meeting of the board of trustees of the school district. The written report must appear as an agenda item.

(c) The commissioner may audit the written report described by Subsection (b).

Added by Acts 2007, 80th Leg., R.S., Ch. 449 (H.B. 273), Sec. 5, eff. June 16, 2007.

Sec. 44.034. NOTIFICATION OF CRIMINAL HISTORY OF CONTRACTOR. (a) A person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony.

(b) A school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract.

(c) This section does not apply to a publicly held corporation.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.0351. COMPETITIVE BIDDING. (a) Except to the extent prohibited by other law and to the extent consistent with this subchapter, a school district may use competitive bidding to select a vendor as authorized by Section 44.031(a)(1).

(b) Except as provided by this subsection, Subchapter B, Chapter 271, Local Government Code, does not apply to a competitive bidding process under this subchapter. Sections 271.026, 271.027(a), and 271.0275, Local Government Code, apply to a competitive bidding process under this subchapter.

(c) A school district shall award a competitively bid contract at the bid amount to the bidder offering the best value for the district. In determining the best value for the district, the district is not restricted to considering price alone but may consider any other factors stated in the selection criteria. The selection criteria may include the factors listed in Section 44.031(b).

Added by Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.03, eff. September 1, 2011.

Sec. 44.0352. COMPETITIVE SEALED PROPOSALS. (a) In selecting a vendor through competitive sealed proposals as authorized by Section 44.031(a)(2), a school district shall follow the procedures prescribed by this section.

(b) The district shall prepare a request for competitive sealed proposals that includes information that vendors may require to respond to the request. The district shall state in the request for proposals the selection criteria that will be used in selecting the successful offeror.

(c) The district shall receive, publicly open, and read aloud the names of the offerors and, if any are required to be stated, all prices stated in each proposal. Not later than the 45th day after the date on which the proposals are opened, the district shall evaluate and rank each proposal submitted in relation to the published selection criteria.

(d) The district shall select the offeror that offers the best

value for the district based on the published selection criteria and on its ranking evaluation. The district shall first attempt to negotiate a contract with the selected offeror. The district may discuss with the selected offeror options for a scope or time modification and any price change associated with the modification. If the district is unable to negotiate a satisfactory contract with the selected offeror, the district shall, formally and in writing, end negotiations with that offeror and proceed to the next offeror in the order of the selection ranking until a contract is reached or all proposals are rejected.

(e) In determining the best value for the district, the district is not restricted to considering price alone but may consider any other factors stated in the selection criteria.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.03, eff. September 1, 2011.

Sec. 44.0411. CHANGE ORDERS. (a) If a change in plans or specifications is necessary after the performance of a contract is begun or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the district may approve change orders making the changes.

(b) The total contract price may not be increased because of the changes unless additional money for increased costs is approved for that purpose from available money or is provided for by the authorization of the issuance of time warrants.

(c) The district may grant general authority to an administrative official to approve the change orders.

(d) A contract with an original contract price of $1 million or more may not be increased under this section by more than 25 percent. If a change order for a contract with an original contract price of less than $1 million increases the contract amount to $1 million or more, the total of the subsequent change orders may not increase the revised contract amount by more than 25 percent of the original contract price.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.04, eff. September 1, 2011.

Sec. 44.042. PREFERENCE TO TEXAS AND UNITED STATES PRODUCTS. (a) A school district that purchases agricultural products shall give preference to those produced, processed, or grown in this state if the cost to the school district is equal and the quality is equal.

(b) If agricultural products produced, processed, or grown in this state are not equal in cost and quality to other products, the school district shall give preference to agricultural products produced, processed, or grown in other states of the United States over foreign products if the cost to the school district is equal and the quality is equal.

(c) A school district that purchases vegetation for landscaping purposes, including plants, shall give preference to Texas vegetation if the cost to the school district is equal and the quality is not inferior.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(11), eff. June 17, 2011.

(e) In the implementation of this section, a school district may receive assistance from and use the resources of the Texas Department of Agriculture, including information on availability of agricultural products.

(f) A school district may not adopt product purchasing specifications that unnecessarily exclude agricultural products produced, processed, or grown in this state.

(g) In this section:

(1) "Agricultural products" includes textiles and other similar products.

(2) "Processed" means canning, freezing, drying, juicing, preserving, or any other act that changes the form of a good from its natural state to another form.

Added by Acts 1999, 76th Leg., ch. 1342, Sec. 1, eff. Sept. 1, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(11), eff. June 17, 2011.

Sec. 44.043. RIGHT TO WORK. (a) This section applies to a school district while the school district is engaged in:

(1) procuring goods or services;

(2) awarding a contract; or

(3) overseeing procurement or construction for a public work or public improvement.

(b) Notwithstanding any other provision of this chapter, a school district:

(1) may not consider whether a vendor is a member of or has another relationship with any organization; and

(2) shall ensure that its bid specifications and any subsequent contract or other agreement do not deny or diminish the right of a person to work because of the person's membership or other relationship status with respect to any organization.

Added by Acts 2001, 77th Leg., ch. 1409, Sec. 13, eff. Sept. 1, 2001.

Sec. 44.044. CONTRACT WITH PERSON INDEBTED TO SCHOOL DISTRICT. (a) The board of trustees of a school district by resolution may establish regulations permitting the school district to refuse to enter into a contract or other transaction with a person indebted to the school district.

(b) It is not a violation of this subchapter for a school district, under regulations adopted under Subsection (a), to refuse to award a contract to or enter into a transaction with an apparent low bidder or successful proposer that is indebted to the school district.

(c) In this section, "person" includes an individual, sole proprietorship, corporation, nonprofit corporation, partnership, joint venture, limited liability company, and any other entity that proposes or otherwise seeks to enter into a contract or other transaction with the school district requiring approval by the board.

Added by Acts 2003, 78th Leg., ch. 156, Sec. 3, eff. Sept. 1, 2003.

Sec. 44.047. PURCHASE OR LEASE OF AUTOMATED EXTERNAL DEFIBRILLATOR. (a) A school district or private school that purchases or leases an automated external defibrillator, as defined by Section 779.001, Health and Safety Code, shall ensure that the automated external defibrillator meets standards established by the federal Food and Drug Administration.

(b) A private school that purchases or leases an automated external defibrillator is required to comply with the requirements of

this section only if the school receives funding from the agency to purchase or lease the automated external defibrillator.

Added by Acts 2007, 80th Leg., R.S., Ch. 1371 (S.B. 7), Sec. 7, eff. June 15, 2007.

SUBCHAPTER C. PENAL PROVISIONS

Sec. 44.051. INTERFERENCE WITH OPERATION OF FOUNDATION SCHOOL PROGRAM. An offense under Section 37.10, Penal Code, is a felony of the third degree if it is shown on trial of the offense that the governmental record was a record, form, report, or budget required under Chapter 42 or rules adopted under that chapter. If the actor's intent is to defraud the state or the public school system, the offense is a felony of the second degree.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.052. FAILURE TO COMPLY WITH BUDGET REQUIREMENTS; PENALTY. (a) Any county superintendent approving any expenditure of school funds in excess of the item or items appropriated in the adopted budget or a supplementary or amended budget commits an offense. An offense under this subsection is a Class C misdemeanor.

(b) A person who fails to comply with the person's duties with regard to the preparation or the following of a county school budget or a budget of a school district or who violates any provision of Section 44.002 commits an offense. An offense under this subsection is a Class C misdemeanor.

(c) A trustee of a school district who votes to approve any expenditure of school funds in excess of the item or items appropriated in the adopted budget or a supplementary or amended budget commits an offense. An offense under this subsection is a Class C misdemeanor.

(d) Charges of the violation of this section may be instituted by the proper county or district attorney or by the attorney general.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.053. FAILURE OF MUNICIPAL OFFICER TO MAKE TREASURER'S

REPORT; PENALTY. Any county or municipal treasurer or treasurer of the school board of each municipality having exclusive control of its schools who fails to make and transmit any report and certified copy thereof, or either, required by law, commits an offense. An offense under this section is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 44.054. FAILURE TO TRANSFER STUDENTS AND FUNDS. A county judge serving as ex officio county superintendent, a county, district, or municipal superintendent, or a school officer who refuses to transfer students and funds as provided by Subchapter B, Chapter 25, commits an offense. An offense under this section is a Class B misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 44.901. ENERGY SAVINGS PERFORMANCE CONTRACTS. (a) In this section, "energy savings performance contract" means a contract for energy or water conservation measures to reduce energy or water consumption or operating costs of new or existing school facilities in which the estimated savings in utility costs resulting from the measures is guaranteed to offset the cost of the measures over a specified period. The term includes a contract for the installation or implementation of:

(1) insulation of a building structure and systems within the building;

(2) storm windows or doors, caulking or weatherstripping, multiglazed windows or doors, heat absorbing or heat reflective glazed and coated window or door systems, or other window or door system modifications that reduce energy consumption;

(3) automatic energy control systems, including computer software and technical data licenses;

(4) heating, ventilating, or air-conditioning system modifications or replacements that reduce energy or water consumption;

(5) lighting fixtures that increase energy efficiency;

(6) energy recovery systems;

(7) electric systems improvements;

(8) water-conserving fixtures, appliances, and equipment or the substitution of non-water-using fixtures, appliances, and equipment;

(9) water-conserving landscape irrigation equipment;

(10) landscaping measures that reduce watering demands and capture and hold applied water and rainfall, including:

(A) landscape contouring, including the use of berms, swales, and terraces; and

(B) the use of soil amendments that increase the water-holding capacity of the soil, including compost;

(11) rainwater harvesting equipment and equipment to make use of water collected as part of a storm-water system installed for water quality control;

(12) equipment for recycling or reuse of water originating on the premises or from other sources, including treated municipal effluent;

(13) equipment needed to capture water from nonconventional, alternate sources, including air conditioning condensate or graywater, for nonpotable uses;

(14) metering equipment needed to segregate water use in order to identify water conservation opportunities or verify water savings; or

(15) other energy or water conservation-related improvements or equipment, including improvements or equipment relating to renewable energy or nonconventional water sources or water reuse.

(b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1347, Sec. 5, eff. June 19, 2009.

(c) Each energy or water conservation measure must comply with current local, state, and federal construction, plumbing, and environmental codes and regulations. Notwithstanding Subsection (a), an energy savings performance contract may not include improvements or equipment that allow or cause water from any condensing, cooling, or industrial process or any system of nonpotable usage over which the public water supply system officials do not have sanitary control, to be returned to the potable water supply.

(d) The board may enter into energy savings performance contracts only with persons who are experienced in the design, implementation, and installation of the energy or water conservation

measures addressed by the contract.

(e) Before entering into an energy savings performance contract, the board shall require the provider of the energy or water conservation measures to file with the board a payment and performance bond relating to the installation of the measures in accordance with Chapter 2253, Government Code. The board may also require a separate bond to cover the value of the guaranteed savings on the contract.

(f) An energy savings performance contract may be financed:

(1) under a lease/purchase contract that has a term not to exceed 20 years from the final date of installation and that meets federal tax requirements for tax-free municipal leasing or long-term financing;

(2) with the proceeds of bonds; or

(3) under a contract with the provider of the energy or water conservation measures that has a term not to exceed the lesser of 20 years from the final date of installation or the average useful life of the energy or water conservation or usage measures.

(f-1) Notwithstanding other law, the board may use any available money, other than money borrowed from this state, to pay the provider of the energy or water conservation measures under this section, and the board is not required to pay for such costs solely out of the savings realized by the school district under an energy savings performance contract. The board may contract with the provider to perform work that is related to, connected with, or otherwise ancillary to the measures identified in the scope of an energy savings performance contract.

(g) An energy savings performance contract shall contain provisions requiring the provider of the energy or water conservation measures to guarantee the amount of the savings to be realized by the school district under the contract. If the term of an energy savings performance contract exceeds one year, the school district's contractual obligations in any one year during the term of the contract beginning after the final date of installation may not exceed the total energy, water, wastewater, and operating cost savings, including electrical, gas, water, wastewater, or other utility cost savings and operating cost savings resulting from the measures, as determined by the school district in this subsection, divided by the number of years in the contract term.

(h) An energy savings performance contract shall be let

according to the procedures established for procuring certain professional services by Section 2254.004, Government Code. Notice of the request for qualifications shall be published in the manner provided for competitive bidding.

(i) Before entering into an energy savings performance contract, the board must require that the cost savings projected by an offeror be reviewed by a licensed professional engineer who has a minimum of three years of experience in energy calculation and review, is not an officer or employee of an offeror for the contract under review, and is not otherwise associated with the contract. In conducting the review, the engineer shall focus primarily on the proposed improvements from an engineering perspective, the methodology and calculations related to cost savings, increases in revenue, and, if applicable, efficiency or accuracy of metering equipment. An engineer who reviews a contract shall maintain the confidentiality of any proprietary information the engineer acquires while reviewing the contract. Sections 1001.053 and 1001.407, Occupations Code, apply to work performed under the contract.

(j) Chapter 2269, Government Code, does not apply to this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1142, Sec. 1, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 361, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 573, Sec. 1, 2, 11, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1319, Sec. 1, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1310, Sec. 5, 121(1), eff. June 20, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 262 (S.B. 12), Sec. 3.03, eff. June 8, 2007.

Acts 2007, 80th Leg., R.S., Ch. 527 (S.B. 831), Sec. 1, eff. June 16, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1347 (S.B. 300), Sec. 5, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 982 (H.B. 1728), Sec. 1, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 3.01, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.002(6), eff. September 1, 2013.

Sec. 44.902. LONG-RANGE ENERGY PLAN TO REDUCE CONSUMPTION OF ELECTRIC ENERGY. (a) The board of trustees of a school district shall establish a long-range energy plan to reduce the district's annual electric consumption by five percent beginning with the 2008 state fiscal year and consume electricity in subsequent fiscal years in accordance with the district's energy plan.

(b) The plan required under Subsection (a) must include:

(1) strategies for achieving energy efficiency that:

(A) result in net savings for the district; or

(B) can be achieved without financial cost to the district; and

(2) for each strategy identified under Subdivision (1), the initial, short-term capital costs and lifetime costs and savings that may result from implementation of the strategy.

(b-1) For purposes of Subsection (b), a strategy for achieving energy efficiency includes facility design and construction.

(c) In determining under Subsection (b) whether a strategy may result in financial cost to the district, the board of trustees shall consider the total net costs and savings that may occur over the seven-year period following implementation of the strategy.

(d) The board of trustees may submit the plan required under Subsection (a) to the State Energy Conservation Office for the purposes of determining whether funds available through loan programs administered by the office or tax incentives administered by the state or federal government are available to the district. The board may not disallow any proper allocation of incentives.

Added by Acts 2007, 80th Leg., R.S., Ch. 939 (H.B. 3693), Sec. 1, eff. September 1, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1347 (S.B. 300), Sec. 4, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 982 (H.B. 1728), Sec. 2, eff. September 1, 2011.

Sec. 44.903. ENERGY-EFFICIENT LIGHT BULBS IN INSTRUCTIONAL FACILITIES. (a) In this section, "instructional facility" has the

meaning assigned by Section 46.001.

(b) A school district shall purchase for use in each type of light fixture in an instructional facility the commercially available model of light bulb that:

(1) uses the fewest watts for the necessary luminous flux or light output;

(2) is compatible with the light fixture; and

(3) is the most cost-effective, considering the factors described by Subdivisions (1) and (2).

Added by Acts 2007, 80th Leg., R.S., Ch. 939 (H.B. 3693), Sec. 2, eff. September 1, 2007.

Sec. 44.908. EXPENDITURE OF LOCAL FUNDS. (a) A school district shall adopt a policy governing the expenditure of local funds from vending machines, rentals, gate receipts, or other local sources of revenue over which the district has direct control.

(b) A policy under this section must:

(1) require discretionary expenditures of local funds to be related to the district's educational purpose and provide a commensurate benefit to the district or its students; and

(2) meet the standards of Section 52, Article III, Texas Constitution, regarding expenditure of public funds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 67, eff. September 1, 2009.

CHAPTER 45. SCHOOL DISTRICT FUNDS

SUBCHAPTER A. TAX BONDS AND MAINTENANCE TAXES

Sec. 45.001. BONDS AND BOND TAXES. (a) The governing board of an independent school district, including the city council or commission that has jurisdiction over a municipally controlled independent school district, the governing board of a rural high school district, and the commissioners court of a county, on behalf of each common school district under its jurisdiction, may:

(1) issue bonds for:

(A) the construction, acquisition, and equipment of school buildings in the district;

(B) the acquisition of property or the refinancing of

property financed under a contract entered under Subchapter A, Chapter 271, Local Government Code, regardless of whether payment obligations under the contract are due in the current year or a future year;

(C) the purchase of the necessary sites for school buildings; and

(D) the purchase of new school buses; and

(2) may levy, pledge, assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on the bonds as or before the principal and interest become due, subject to Section 45.003.

(b) The bonds must mature serially or otherwise not more than 40 years from their date. The bonds may be made redeemable before maturity.

(c) Bonds may be sold at public or private sale as determined by the governing board of the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 1536, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1500, Sec. 1, eff. June 17, 2001. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1240 (S.B. 2274), Sec. 2, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 87(b), eff. June 19, 2009.

Sec. 45.0011. CREDIT AGREEMENTS IN CERTAIN SCHOOL DISTRICTS. (a) This section applies only to an independent school district that, at the time of the issuance of obligations and execution of credit agreements under this section, has:

(1) at least 2,000 students in average daily attendance; or

(2) a combined aggregate principal amount of at least $50 million of outstanding bonds and voted but unissued bonds.

(b) A district to which this section applies may, in the issuance of bonds as provided by Sections 45.001 and 45.003(b)(1), exercise the powers granted to the governing body of an issuer with regard to the issuance of obligations and execution of credit agreements under Chapter 1371, Government Code.

(c) A proposition to issue bonds to which this section applies must, in addition to meeting the requirements of Section 45.003(b)(1), include the question of whether the governing board or commissioners court may levy, pledge, assess, and collect annual ad valorem taxes, on all taxable property in the district, sufficient, without limit as to rate or amount, to pay the principal of and interest on the bonds and the costs of any credit agreements executed in connection with the bonds.

(d) A district may not issue bonds to which this section applies in an amount greater than the greater of:

(1) 25 percent of the sum of:

(A) the aggregate principal amount of all district debt payable from ad valorem taxes that is outstanding at the time the bonds are issued; and

(B) the aggregate principal amount of all bonds payable from ad valorem taxes that have been authorized but not issued;

(2) $25 million, in a district that has at least 3,500 but not more than 15,000 students in average daily attendance; or

(3) $50 million, in a district that has more than 15,000 students in average daily attendance.

(e) In this section, average daily attendance is determined in the manner provided by Section 42.005.

(f) Sections 1371.057 and 1371.059, Government Code, govern approval by the attorney general of obligations issued under the authority of this section.

Added by Acts 1999, 76th Leg., ch. 1536, Sec. 2, eff. June 19, 1999. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.207, eff. Sept. 1, 2001.

Sec. 45.002. MAINTENANCE TAXES. The governing board of an independent school district, including the city council or commission that has jurisdiction over a municipally controlled independent school district, the governing board of a rural high school district, and the commissioners court of a county, on behalf of each common school district under its jurisdiction, may levy, assess, and collect annual ad valorem taxes for the further maintenance of public schools in the district, subject to Section 45.003.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.003. BOND AND TAX ELECTIONS. (a) Bonds described by Section 45.001 may not be issued and taxes described by Section 45.001 or 45.002 may not be levied unless authorized by a majority of the qualified voters of the district, voting at an election held for that purpose, at the expense of the district, in accordance with the Election Code, except as provided by this section. Each election must be called by resolution or order of the governing board or commissioners court. The resolution or order must state the date of the election, the proposition or propositions to be submitted and voted on, the polling place or places, and any other matters considered necessary or advisable by the governing board or commissioners court.

(b) A proposition submitted to authorize the issuance of bonds must include the question of whether the governing board or commissioners court may levy, pledge, assess, and collect annual ad valorem taxes, on all taxable property in the district, either:

(1) sufficient, without limit as to rate or amount, to pay the principal of and interest on the bonds; or

(2) sufficient to pay the principal of and interest on the bonds, provided that the annual aggregate bond taxes in the district may never be more than the rate stated in the proposition.

(c) If bonds are ever voted in a district pursuant to Subsection (b)(1), then all bonds thereafter proposed must be submitted pursuant to that subsection, and Subsection (b)(2) does not apply to the district.

(d) A proposition submitted to authorize the levy of maintenance taxes must include the question of whether the governing board or commissioners court may levy, assess, and collect annual ad valorem taxes for the further maintenance of public schools, at a rate not to exceed the rate stated in the proposition. For any year, the maintenance tax rate per $100 of taxable value adopted by the district may not exceed the rate equal to the sum of $0.17 and the product of the state compression percentage, as determined under Section 42.2516, multiplied by $1.50.

(e) A rate that exceeds the maximum rate specified by Subsection (d) for the year in which the tax is to be imposed is void. A school district with a tax rate that is void under this subsection may, subject to requirements imposed by other law, adopt a

rate for that year that does not exceed the maximum rate specified by Subsection (d) for that year.

(f) Notwithstanding any other law, a district that levied a maintenance tax for the 2005 tax year at a rate greater than $1.50 per $100 of taxable value in the district as permitted by special law may not levy a maintenance tax at a rate that exceeds the rate per $100 of taxable value that is equal to the sum of $0.17 and the product of the state compression percentage, as determined under Section 42.2516, multiplied by the rate of the maintenance tax levied by the district for the 2005 tax year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 22, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 678, Sec. 2, eff. Sept. 1, 2001. Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 1.12, eff. May 31, 2006.

Sec. 45.0031. LIMITATION ON ISSUANCE OF TAX-SUPPORTED BONDS. (a) Before issuing bonds described by Section 45.001, a school district must demonstrate to the attorney general under Subsection (b) or (c) that, with respect to the proposed issuance, the district has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds other than bonds authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992, from a tax at a rate not to exceed $0.50 per $100 of valuation.

(b) A district may demonstrate the ability to comply with Subsection (a) by using the most recent taxable value of property in the district, combined with state assistance to which the district is entitled under Chapter 42 or 46 that may be lawfully used for the payment of bonds.

(c) A district may demonstrate the ability to comply with Subsection (a) by using a projected future taxable value of property in the district anticipated for the earlier of the tax year five years after the current tax year or the tax year in which the final payment is due for the bonds submitted to the attorney general, combined with state assistance to which the district is entitled under Chapter 42 or 46 that may be lawfully used for the payment of

bonds. The district must submit to the attorney general a certification of the district's projected taxable value of property that is prepared by a registered professional appraiser certified under Chapter 1151, Occupations Code, who has demonstrated professional experience in projecting taxable values of property or who can by contract obtain any necessary assistance from a person who has that experience. To demonstrate the professional experience required by this subsection, a registered professional appraiser must provide to the district written documentation relating to two previous projects for which the appraiser projected taxable values of property. Until the bonds submitted to the attorney general are approved or disapproved, the district must maintain the documentation and on request provide the documentation to the attorney general or comptroller. The certification of the district's projected taxable value of property must be signed by the district's superintendent. The attorney general must base a determination of whether the district has complied with Subsection (a) on a taxable value of property that is equal to 90 percent of the value certified under this subsection.

(d) A district that demonstrates to the attorney general that the district's ability to comply with Subsection (a) is contingent on receiving state assistance may not adopt a tax rate for a year for purposes of paying the principal of and interest on the bonds unless the district credits to the account of the interest and sinking fund of the bonds the amount of state assistance equal to the amount needed to demonstrate compliance and received or to be received in that year.

(e) If a district demonstrates to the attorney general the district's ability to comply with Subsection (a) using a projected future taxable value of property under Subsection (c) and subsequently imposes a tax to pay the principal of and interest on bonds to which Subsection (a) applies at a rate that exceeds the limit imposed by Subsection (a), the attorney general may not approve a subsequent issuance of bonds unless the attorney general finds that the district has a projected ability to pay the principal of and interest on the proposed bonds and all previously issued bonds to which Subsection (a) applies from a tax at a rate not to exceed $0.45 per $100 of valuation.

Added by Acts 2001, 77th Leg., ch. 678, Sec. 1, eff. Sept. 1, 2001.

Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 14A.762, eff. Sept. 1, 2003.

Sec. 45.004. REFUNDING BONDS. (a) In this section:

(1) "Bond" includes a note or other evidence of indebtedness.

(2) "Total debt service" means the amount of principal and unpaid interest on a bond to final maturity.

(b) Each governing board or commissioners court described by Section 45.001 may refund or refinance all or any part of any of the district's outstanding bonds and matured or unmatured but unpaid interest on those bonds payable from ad valorem taxes by issuing refunding bonds payable from ad valorem taxes.

(c) A series or issue of refunding bonds may not be issued unless:

(1) the total debt service on the refunding bonds will amount to less than the total debt service on the bonds being refunded;

(2) if a maximum interest rate was voted for the bonds being refunded, the refunding bonds do not bear interest at a rate higher than that maximum rate; and

(3) the refunding bonds are payable from taxes of the same nature as those pledged to the payment of the obligations being refunded.

(d) Refunding bonds may be made redeemable before maturity.

(e) The refunding bonds may be:

(1) issued and delivered in lieu of, and on surrender to the comptroller and cancellation of, the obligations being refunded, and the comptroller shall register the refunding bonds and deliver them in accordance with the resolution or order authorizing the refunding bonds; or

(2) sold for cash in any principal amounts necessary to provide all or any part of the money required to:

(A) pay the principal of any bonds being refunded and the interest to accrue on the bonds to maturity; or

(B) redeem any bonds being refunded before maturity, including principal, any required redemption premium, and the interest to accrue on the bonds to the redemption date.

(f) The refunding may be accomplished in one or in several

installment deliveries. Refunding bonds also may be issued and delivered in accordance with any other applicable law.

(g) To refund bonds or to pay or redeem bonds in whole or in part without issuing refunding bonds, the governing board or commissioners court may deposit directly with the paying agent the proceeds from the sale of refunding bonds or any other available funds or resources. The deposit must be in an amount sufficient, after taking into account both the principal and interest to accrue on the assets of any escrow account created under Subsection (h), to provide for the payment or redemption of the bonds and assumed obligations that are to be refunded or to be paid or redeemed. The deposit constitutes the making of firm banking and financial arrangements for the discharge and final payment or redemption of the bonds being refunded.

(h) The governing board or commissioners court may enter into an escrow or a similar agreement with the paying agent with respect to the safekeeping, investment, reinvestment, administration, or disposition of the deposits, but the deposits may be invested and reinvested only in direct obligations of the United States, including obligations the principal of and interest on which are unconditionally guaranteed by the United States and that mature or bear interest payable at times and in amounts sufficient to provide for the scheduled payment or redemption of the bonds. The governing board or commissioners court shall enter into an appropriate escrow or a similar agreement if any of the bonds are scheduled to be paid or redeemed on a date later than the next succeeding scheduled interest payment date.

(i) If the governing body or commissioners court has entered into an escrow or a similar agreement under Subsection (h), the refunded bonds are considered to be defeased and may not be included in or considered to be an indebtedness of the district for the purpose of a limitation on outstanding indebtedness or taxation or for any other purpose.

(j) Refunding bonds may be issued under this section to refund any bonds that are scheduled to mature or that are subject to redemption before maturity, not more than 20 years from the date of the refunding bonds. The refunding bonds may be sold at public or private sale under the procedures, at the price, and on the terms determined by the governing board or commissioners court. In addition, the bonds may be sold bearing interest at the rate

determined by the governing board or commissioners court, but not to exceed the maximum rate prescribed by Chapter 1204, Government Code. The governing board or commissioners court may pledge to the payment of any refunding bonds any surplus income to be available from the investment or reinvestment of any deposit made as authorized by this section or any other available revenues, income, or resources.

(k) The refunding bonds may be issued in an additional amount sufficient to pay the costs and expenses of issuing the bonds and sufficient to fund any debt service reserve, contingency, or other similar fund considered necessary or advisable by the governing board or commissioners court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.208, eff. Sept. 1, 2001.

Sec. 45.005. EXAMINATION OF BONDS BY ATTORNEY GENERAL. All bonds issued pursuant to this subchapter, and the appropriate proceedings authorizing their issuance, shall be submitted to the attorney general for examination.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.006. MAINTENANCE TAX REQUIRED FOR JUDGMENT ORDERING AD VALOREM TAX REFUND; BONDS. (a) This section applies only to a school district that:

(1) has an average daily attendance of less than 10,000; and

(2) is located in whole or part in a municipality with a population of less than 25,000 that is located in a county with a population of 200,000 or more bordering another county with a population of 2.8 million or more.

(b) Notwithstanding Section 45.003, a school district may levy, assess, and collect maintenance taxes at a rate that exceeds $1.50 per $100 valuation of taxable property if:

(1) additional ad valorem taxes are necessary to pay a debt of the district that:

(A) resulted from the rendition of a judgment against the district before May 1, 1995;

(B) is greater than $5 million;

(C) decreases a property owner's ad valorem tax liability;

(D) requires the district to refund to the property owner the difference between the amount of taxes paid by the property owner and the amount of taxes for which the property owner is liable; and

(E) is payable according to the judgment in more than one of the district's fiscal years; and

(2) the additional taxes are approved by the voters of the district at an election held for that purpose.

(c) Except as provided by Subsection (e), any additional maintenance taxes that the district collects under this section may be used only to pay the district's debt under Subsection (b)(1).

(d) Except as provided by Subsection (e), the authority of a school district to levy the additional ad valorem taxes under this section expires when the judgment against the district is paid.

(e) The governing body of a school district shall pay the district's debt under Subsection (b)(1) in a lump sum. To satisfy the district's debt under Subsection (b)(1), the governing body may levy and collect additional maintenance taxes as provided by Subsection (b) and may issue bonds. If bonds are issued:

(1) the district may use any additional maintenance taxes collected by the district under this section to pay debt service on the bonds; and

(2) the authority of the district to levy the additional ad valorem taxes expires when the bonds are paid in full or the judgment is paid, whichever occurs later.

(f) The governing body of a school district that adopts a tax rate that exceeds $1.50 per $100 valuation of taxable property may set the amount of the exemption from taxation authorized by Section 11.13(n), Tax Code, at any time before the date the governing body adopts the district's tax rate for the tax year in which the election approving the additional taxes is held.

(g) The authority to issue bonds granted by this section expires June 1, 1996.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER B. REVENUE BONDS

Sec. 45.031. GYMNASIA, STADIA, AND OTHER RECREATIONAL FACILITIES. The governing board of an independent school district, including the city council or commission that has jurisdiction over a municipally controlled independent school district, the governing board of a rural high school district, and the commissioners court of a county, on behalf of each common school district under its jurisdiction, may acquire, construct, improve, equip, operate, and maintain gymnasia, stadia, or other recreational facilities for and on behalf of its district. The facilities may be located inside or outside of the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.032. REVENUE BONDS. To provide funds to acquire, construct, improve, or equip gymnasia, stadia, or other recreational facilities, the board, city council or commission, or commissioners court may issue revenue bonds payable from and secured by liens on and pledges of all or any part of any of the revenues from any rentals, rates, charges, or other revenues from any or all of the facilities, in the manner provided by this subchapter. The bonds may be additionally secured by mortgages and deeds of trust on any real property on which any of the facilities are or will be located, or any real or personal property incident or appurtenant to the facilities, and the board, city council or commission, or commissioners court may authorize the execution and delivery of trust indentures, mortgages, deeds of trust, or other forms of encumbrances to evidence those liens. The bonds may be issued to mature serially or otherwise not to exceed 50 years from their date. In the authorization of any of those bonds, the board, city council or commission, or commissioners court may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, or other types of bonds, under the terms set forth in the resolution or order authorizing the issuance of the bonds, all within the discretion of the board, city council or commission, or commissioners court. The bonds may be made redeemable before maturity. The bonds may be sold in the manner, at the price, and under the terms provided by the board, city council or commission, or commissioners court in the resolution or order authorizing the issuance of the bonds. If

permitted by the bond resolution or order, any required part of the proceeds from the sale of the bonds may be:

(1) used for paying interest on the bonds during the period of the construction of any facilities to be provided through the issuance of the bonds;

(2) used for paying the operation and maintenance expenses of facilities to the extent and for the period specified in the bond resolution;

(3) used for creating reserves for the payment of the principal of and interest on the bonds; or

(4) invested, until needed, to the extent and in the manner provided in the bond resolution or order.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.033. RENTALS, RATES, AND CHARGES. The board, city council or commission, or commissioners court may set and collect rentals, rates, and charges from students and others for the occupancy or use of any of the facilities, in the amounts and manner determined by the board, city council or commission, or commissioners court.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.034. PLEDGE OF REVENUES. The board, city council or commission, or commissioners court may pledge all or any part of any of its revenues from the facilities to the payment of any bonds issued under this subchapter, including the payment of principal, interest, and any other amounts required or permitted in connection with the bonds. If revenues from the facilities are pledged to the payment of bonds, the rentals, rates and charges for the occupancy or use of the facilities must be fixed and collected in amounts at least sufficient to provide for all payments of principal, interest, and any other amounts required in connection with the bonds, and, to the extent required by the resolution or order authorizing the issuance of the bonds, to provide for the payment of operation, maintenance, and other expenses.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.035. REFUNDING BONDS. Revenue bonds issued by a board, city council or commission, or commissioners court under this subchapter and revenue bonds issued by a board, city council or commission, or commissioners court under other law and payable from revenues from facilities described by Section 45.031 may be refunded or otherwise refinanced by the board, city council or commission, or commissioners court, and in that case all appropriate provisions of this subchapter apply to the refunding bonds. In refunding or otherwise refinancing any such bonds, the board, city council or commission, or commissioners court may, in the same authorizing proceedings, refund or refinance bonds issued pursuant to this code and bonds issued pursuant to any other law, may combine all refunding bonds and any other additional new bonds to be issued under this chapter into one or more issues or series of bonds, and may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, or other type of bonds. All refunding bonds must be issued and delivered under the terms set forth in the authorizing proceedings.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.036. EXAMINATION OF BONDS BY ATTORNEY GENERAL. All bonds issued pursuant to this subchapter, and the appropriate proceedings authorizing their issuance, shall be submitted to the attorney general for examination.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER C. GUARANTEED BONDS

Sec. 45.051. DEFINITIONS. In this subchapter:

(1) "Board" means the State Board of Education.

(1-a) "Charter district" means an open-enrollment charter school designated as a charter district under Section 12.135.

(2) "Paying agent" means the financial institution that is designated by a school district or charter district as its agent for the payment of the principal of and interest on guaranteed bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.02, eff. September 28, 2011.

Sec. 45.052. GUARANTEE. (a) On approval by the commissioner, bonds issued under Subchapter A by a school district or Chapter 53 for a charter district, including refunding and refinanced bonds, are guaranteed by the corpus and income of the permanent school fund.

(b) Notwithstanding any amendment of this subchapter or other law, the guarantee under this subchapter of school district or charter district bonds remains in effect until the date those bonds mature or are defeased in accordance with state law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 68, eff. September 1, 2009.
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.03, eff. September 28, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 280 (H.B. 885), Sec. 2, eff. September 1, 2013.

Sec. 45.053. LIMITATION; VALUE ESTIMATES. (a) Except as provided by Subsection (d), the commissioner may not approve bonds for guarantee under this subchapter if the approval would result in the total amount of outstanding guaranteed bonds under this subchapter exceeding an amount equal to 2-1/2 times the cost value of the permanent school fund, as estimated by the board and certified by the state auditor.

(b) Each year, the state auditor shall analyze the status of guaranteed bonds under this subchapter as compared to the cost value of the permanent school fund. Based on that analysis, the state auditor shall certify whether the amount of bonds guaranteed under this subchapter is within the limit prescribed by this section.

(c) The commissioner shall prepare and the board shall adopt an annual report on the status of the guaranteed bond program under this subchapter.

(d) The board by rule may increase the limit prescribed by Subsection (a) to an amount not to exceed five times the cost value of the permanent school fund, provided that the increased limit is consistent with federal law and regulations and does not prevent the bonds to be guaranteed from receiving the highest available credit rating, as determined by the board. The board shall at least annually consider whether to change any limit in accordance with this subsection. This subsection may not be construed in a manner that impairs, limits, or removes the guarantee of bonds that have been approved by the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 89, Sec. 1, eff. May 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 139 (S.B. 389), Sec. 1, eff. May 18, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 68A, eff. September 1, 2009.

Sec. 45.0531. ADDITIONAL LIMITATION: RESERVATION OF PERCENTAGE OF PERMANENT SCHOOL FUND VALUE. (a) In addition to the limitation on the approval of bonds for guarantee under Section 45.053, the board by rule may establish a percentage of the cost value of the permanent school fund to be reserved from use in guaranteeing bonds under this subchapter.

(b) If the board has reserved a portion of the permanent school fund under Subsection (a), each year, the state auditor shall analyze the status of the reserved portion compared to the cost value of the permanent school fund. Based on that analysis, the state auditor shall certify whether the portion of the permanent school fund reserved from use in guaranteeing bonds under this subchapter satisfies the reserve percentage established.

(c) If the board has reserved a portion of the permanent school fund under Subsection (a), the board shall at least annually consider whether to change the reserve percentage established to ensure that the reserve percentage allows compliance with federal law and regulations and serves to enable bonds guaranteed under this subchapter to receive the highest available credit rating, as determined by the board.

(d) This section may not be construed in a manner that impairs, limits, or removes the guarantee of bonds that have been approved by the commissioner.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 69, eff. September 1, 2009.

Sec. 45.0532. LIMITATION ON GUARANTEE OF CHARTER DISTRICT BONDS. (a) In addition to the general limitation under Section 45.053, the commissioner may not approve charter district bonds for guarantee under this subchapter in a total amount that exceeds the percentage of the total available capacity of the guaranteed bond program that is equal to the percentage of the number of students enrolled in open-enrollment charter schools in this state compared to the total number of students enrolled in all public schools in this state, as determined by the commissioner.

(a-1) The commissioner may not approve charter district refunding or refinanced bonds for guarantee under this subchapter in a total amount that exceeds one-half of the total amount available for the guarantee of charter district bonds under Subsection (a).

(b) For purposes of Subsection (a), the total available capacity of the guaranteed bond program is the limit established by the board under Sections 45.053(d) and 45.0531 minus the total amount of outstanding guaranteed bonds. Each time the board increases the limit under Section 45.053(d), the total amount of charter district bonds that may be guaranteed increases accordingly under Subsection (a).

(c) Notwithstanding Subsections (a) and (b), the commissioner may not approve charter district bonds for guarantee under this subchapter if the guarantee will result in lower bond ratings for school district bonds for which a guarantee is requested under this subchapter.

(d) The commissioner may request that the comptroller place the portion of the permanent school fund committed to the guarantee of charter district bonds in a segregated account if the commissioner determines that a separate account is needed to avoid any negative impact on the bond ratings of school district bonds for which a guarantee is requested under this subchapter.

(e) A guarantee of charter district bonds must be made in

accordance with this chapter and any applicable federal law.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.04, eff. September 28, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 280 (H.B. 885), Sec. 3, eff. September 1, 2013.

Sec. 45.054. ELIGIBILITY OF SCHOOL DISTRICT BONDS. To be eligible for approval by the commissioner, school district bonds must be issued under Subchapter A of this chapter or under Subchapter A, Chapter 1207, Government Code, to make a deposit under Subchapter B or C of that chapter, by an accredited school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.209, eff. Sept. 1, 2001.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.05, eff. September 28, 2011.

Sec. 45.0541. ELIGIBILITY OF CHARTER DISTRICT BONDS. To be eligible for approval by the commissioner, charter district bonds must:

(1) without the guarantee, be rated as investment grade by a nationally recognized investment rating firm; and

(2) be issued under Chapter 53.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.06, eff. September 28, 2011.

Sec. 45.055. APPLICATION FOR GUARANTEE. (a) A school district or charter district seeking guarantee of eligible bonds under this subchapter shall apply to the commissioner using a form adopted by the commissioner for the purpose. The commissioner may adopt a single form on which a school district seeking guarantee or credit enhancement of eligible bonds may apply simultaneously first for guarantee under this subchapter and then, if that guarantee is

rejected, for credit enhancement under Subchapter I.

(b) An application under Subsection (a) must include:

(1) the name of the school district or charter district and the principal amount of the bonds to be issued;

(2) the name and address of the district's paying agent for those bonds; and

(3) the maturity schedule, estimated interest rate, and date of the bonds.

(c) An application under Subsection (a) must be accompanied by a fee set by rule of the board in an amount designed to cover the costs of administering the programs to provide the guarantee or credit enhancement of eligible bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 70, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.07, eff. September 28, 2011.

Sec. 45.056. INVESTIGATION. (a) Following receipt of an application for the guarantee of bonds, the commissioner shall conduct an investigation of the applicant school district or charter district in regard to:

(1) the status of the district's accreditation; and

(2) the total amount of outstanding guaranteed bonds.

(b) If following the investigation the commissioner is satisfied that the school district's bonds should be guaranteed under this subchapter or provided credit enhancement under Subchapter I, as applicable, or the charter district's bonds should be guaranteed under this subchapter, the commissioner shall endorse the bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 71, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.08, eff. September 28, 2011.

Sec. 45.057. GUARANTEE ENDORSEMENT. (a) The commissioner shall endorse bonds approved for guarantee with:

(1) the commissioner's signature or a facsimile of the commissioner's signature; and

(2) a statement relating the constitutional and statutory authority for the guarantee.

(b) The guarantee is not effective unless the attorney general approves the bonds under Section 45.005 or 53.40, as applicable.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.09, eff. September 28, 2011.

Sec. 45.0571. CHARTER DISTRICT BOND GUARANTEE RESERVE FUND. (a) The charter district bond guarantee reserve fund is a special fund in the state treasury outside the general revenue fund. The following amounts shall be deposited in the fund:

(1) money due from a charter district as provided by Subsection (b); and

(2) interest earned on balances in the fund.

(b) A charter district that has a bond guaranteed as provided by this subchapter must annually remit to the commissioner, for deposit in the charter district bond guarantee reserve fund, an amount equal to 10 percent of the savings to the charter district that is a result of the lower interest rate on the bond due to the guarantee by the permanent school fund. The amount due under this section shall be amortized and paid over the duration of the bond. Each payment is due on the anniversary of the date the bond was issued. The commissioner shall adopt rules to determine the total and annual amounts due under this section.

(c) The commissioner may direct the comptroller to annually withhold the amount due to the charter district bond guarantee reserve fund under Subsection (b) for that year from the state funds otherwise payable to the charter district.

(d) Each year, the commissioner shall:

(1) review the condition of the bond guarantee program and the amount that must be deposited in the charter district bond guarantee reserve fund from charter districts; and

(2) determine if charter districts should be required to submit a greater percentage of the savings resulting from the guarantee.

(e) The commissioner shall make recommendations to the legislature based on the review under Subsection (d).

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.10, eff. September 28, 2011.

Sec. 45.058. NOTICE OF DEFAULT. Immediately following a determination that a school district or charter district will be or is unable to pay maturing or matured principal or interest on a guaranteed bond, but not later than the fifth day before maturity date, the school district or charter district shall notify the commissioner.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.11, eff. September 28, 2011.

Sec. 45.059. PAYMENT OF SCHOOL DISTRICT BOND ON DEFAULT. (a) Immediately following receipt of notice under Section 45.058 that a school district will be or is unable to pay maturing or matured principal or interest on a guaranteed bond, the commissioner shall instruct the comptroller to transfer from the appropriate account in the permanent school fund to the district's paying agent the amount necessary to pay the maturing or matured principal or interest.

(b) Immediately following receipt of the funds for payment of the principal or interest, the paying agent shall pay the amount due and forward the canceled bond or coupon to the comptroller. The comptroller shall hold the canceled bond or coupon on behalf of the permanent school fund.

(c) Following full reimbursement to the permanent school fund with interest, the comptroller shall further cancel the bond or coupon and forward it to the school district for which payment was made.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.07, eff. Sept. 1, 1997.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.12, eff. September 28, 2011.
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.13, eff. September 28, 2011.

Sec. 45.0591. PAYMENT OF CHARTER DISTRICT BOND ON DEFAULT. (a) Immediately following receipt of notice under Section 45.058 that a charter district will be or is unable to pay maturing or matured principal or interest on a guaranteed bond, the commissioner shall instruct the comptroller to transfer from the charter district bond guarantee reserve fund created under Section 45.0571 to the district's paying agent the amount necessary to pay the maturing or matured principal or interest.

(b) If money in the charter district bond guarantee reserve fund is insufficient to pay the amount due on a bond under Subsection (a), the commissioner shall instruct the comptroller to transfer from the appropriate account in the permanent school fund to the district's paying agent the amount necessary to pay the balance of the unpaid maturing or matured principal or interest.

(c) Immediately following receipt of the funds for payment of the principal or interest, the paying agent shall pay the amount due and forward the canceled bond or coupon to the comptroller. The comptroller shall hold the canceled bond or coupon on behalf of the fund or funds from which payment was made.

(d) Following full reimbursement to the charter district bond guarantee reserve fund and the permanent school fund, if applicable, with interest, the comptroller shall further cancel the bond or coupon and forward it to the charter district for which payment was made.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.14, eff. September 28, 2011.

Sec. 45.060. BONDS NOT ACCELERATED ON DEFAULT. If a school district or charter district fails to pay principal or interest on a

guaranteed bond when it matures, other amounts not yet mature are not accelerated and do not become due by virtue of the school district's or charter district's default.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.15, eff. September 28, 2011.

Sec. 45.061. REIMBURSEMENT OF FUNDS. (a) If the commissioner orders payment from the permanent school fund or the charter district bond guarantee reserve fund on behalf of a school district or charter district, the commissioner shall direct the comptroller to withhold the amount paid, plus interest, from the first state money payable to the school district or charter district. Except as provided by Subsection (a-1), the amount withheld shall be deposited to the credit of the permanent school fund.

(a-1) After the permanent school fund has been reimbursed for all money paid from the fund as the result of a default of a charter district bond guaranteed under this subchapter, any remaining amounts withheld under Subsection (a) shall be deposited to the credit of the charter district bond guarantee reserve fund.

(b) In accordance with the rules of the board, the commissioner may authorize reimbursement to the permanent school fund or charter district bond guarantee reserve fund with interest in a manner other than that provided by this section.

(c) The commissioner may order a school district to set an ad valorem tax rate capable of producing an amount of revenue sufficient to enable the district to:

(1) provide reimbursement under this section; and

(2) pay the principal of and interest on district bonds as the principal and interest become due.

(d) If a school district fails to comply with the commissioner's order under Subsection (c), the commissioner may impose any sanction on the district authorized to be imposed on a district under Subchapter G, Chapter 39, including appointment of a board of managers or annexation to another district, regardless of the district's accreditation status or the duration of a particular accreditation status.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 72, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.16, eff. September 28, 2011.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.17, eff. September 28, 2011.

Sec. 45.062. REPEATED DEFAULTS. (a) If a total of two or more payments are made under this subchapter or Subchapter I on the bonds of a school district and the commissioner determines that the school district is acting in bad faith under the guarantee program under this subchapter or the credit enhancement program under Subchapter I, the commissioner may request the attorney general to institute appropriate legal action to compel the school district and its officers, agents, and employees to comply with the duties required of them by law in regard to the bonds.

(a-1) If a total of two or more payments are made under this subchapter on charter district bonds and the commissioner determines that the charter district is acting in bad faith under the guarantee program under this subchapter, the commissioner may request the attorney general to institute appropriate legal action to compel the charter district and its officers, agents, and employees to comply with the duties required of them by law in regard to the bonds.

(b) Jurisdiction of proceedings under this section is in district court in Travis County.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 73, eff. September 1, 2009.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.18, eff. September 28, 2011.

Sec. 45.063. RULES. The board may adopt rules necessary for the administration of the bond guarantee program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER D. SALE OF SURPLUS REAL PROPERTY; REVENUE BONDS

Sec. 45.081. DEFINITIONS. In this subchapter:

(a) "District" means an independent school district.

(b) "Board" means the governing body of a district.

(c) "Real property" means any interest in land, buildings, or fixtures permanently attached to buildings or land.

(d) "Bonds" includes notes, contracts, and any other evidences of an obligation to pay a sum of money.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.082. SALE OF PROPERTY; REVENUE BONDS. (a) The board of a district may sell real property owned by the district and issue revenue bonds payable from the proceeds of the sale subject to this section.

(b) The board must determine by order that the real property is not required for the current needs of the district for educational purposes, and the proceeds from the sale are required and will be used for:

(1) constructing or equipping school buildings in the district or purchasing necessary sites for school buildings; or

(2) paying the principal of and interest and premium on any bonds issued pursuant to this subchapter.

(c) The board is not required to comply with this section if the sale is:

(1) to a corporation established by the district under Chapter 303, Local Government Code; and

(2) subject to a lease-purchase agreement under which the district will acquire the real property.

(d) The real property may be sold for the price and on the terms determined by order of the board to be most advantageous to the district. The sale may be made pursuant to an installment sale agreement or contract or any other method. The sale must be for cash and all payments for the real property must be scheduled to be paid not more than 10 years after the date of execution of the agreement or contract of sale. Real property may not be sold for less than an aggregate price equal to its fair market value as determined by an

appraisal obtained by the district not more than 180 days before the publication of the notice required by Subsection (e)(3). The appraisal is conclusive of the fair market value of the property for purposes of this subchapter.

(e) Before selling or executing any agreement or contract for the sale of the real property, the board shall:

(1) determine which real estate is proposed to be sold;

(2) determine the scope of the terms on which it will consider selling the real property, and, if the sale price is to be paid in installments, require the purchasers of the real property to secure the payment of the sale price by escrowing collateral acceptable to the board such as a letter of credit, United States government bonds, or any other generally recognized form of guarantee or security;

(3) publish a notice to prospective purchasers at least two weeks before the date set for receiving proposals in a real estate journal and in at least two newspapers of general circulation in the district, requesting sealed written proposals from prospective purchasers to purchase the real property and including the scope of the terms of sale that will be considered, and the time, date, and place where the proposals will be received; and

(4) determine by order of the board which sealed written proposal is most advantageous to the district, and accept that proposal, or reject all proposals if considered advisable.

(f) Except as provided by this subsection, the sale must have been previously approved by a majority of the qualified voters of the district voting at an election held in the district at which a proposition to ascertain approval is submitted. An election is not required if the board determines by order that the proceeds from the sale of the real property are required and will be used for constructing or equipping or for paying the principal of, and interest and premium, if any, on bonds issued pursuant to this subchapter for the purpose of constructing or equipping a school building that is to be constructed pursuant to an order or judgment entered by a United States District Judge in any action or cause in which the district is a party.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.210, eff. Sept. 1, 2001.

Sec. 45.083. OTHER LAWS NOT APPLICABLE. Section 272.001, Local Government Code, Chapter 26, Parks and Wildlife Code, and all other general laws pertaining to the sale of public property do not apply to sales of real property pursuant to this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.084. CONTRACTS. The district may execute contracts for constructing or equipping school buildings in the district or for purchasing any necessary sites for school buildings in the manner provided by law. If any contract recites that payments under the contract are to be made either from the proceeds from the sale of real property under an installment sale agreement or any similar method pursuant to this subchapter or from proceeds from the sale of bonds issued pursuant to this subchapter, then the contract may be made payable in installments to correspond with the receipt by the district either of proceeds under the sale agreement or proceeds from the sale of any bonds to be issued and delivered in more than one issue, series, or installment, and the contract is not a prohibited debt or indebtedness of the district if the payments under the contract are required to be made solely from the proceeds from the sale of real property or the bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.085. BOND REQUIREMENTS. (a) In addition to the powers granted by this subchapter, any board, for and on behalf of its district, may issue, sell, and deliver revenue bonds of its district from time to time and in one or more issues, series, or installments, with the principal of and interest and premium, if any, on the bonds to be payable from and secured by liens on and pledges of all or any part of any of the revenue, income, payments, or receipts derived by the district from the sale of real property pursuant to this subchapter, and those amounts may be pledged by the district to the payment of the principal of and interest and premium, if any, on such bonds, subject to this section.

(b) Bonds must be issued by an order of the board.

(c) The bonds must be issued for the purpose of constructing or equipping school buildings in the district or purchasing necessary sites for school buildings.

(d) The bonds shall mature, come due, or be payable serially, in installments, or otherwise, within not to exceed 90 days after the last date on which the final payment is due to the district from the sale of the real property. The bond order may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, under any terms set forth in the bond order.

(e) The bonds may be executed, made redeemable before maturity or due date, and be issued in the form, denominations, and manner and under the terms provided in the bond order. The bonds may be sold in the manner, at the price, and under the terms and may bear interest at the rates provided in the bond order.

(f) If so provided in any bond order, the proceeds from the sale of the bonds may be used for paying interest on the bonds during the period of constructing or equipping any school buildings to be provided through the issuance of the bonds or for creating a reserve fund for the payment of principal and interest on the bonds. The proceeds may be placed on time deposit, in certificates of deposit, or invested, until needed, to the extent and in the manner provided in any bond order. The proceeds also may be used for paying the costs and expenses of issuing the bonds and selling the real property.

(g) The bonds may be payable only from the revenues described by Subsection (a) and may not be payable or paid from any taxes levied and collected in the district.

(h) Chapter 1201, Chapter 1204, and Subchapters A-C, Chapter 1207, Government Code, apply to bonds issued pursuant to this subchapter.

(i) If bonds are issued pursuant to this subchapter, the bonds, along with the appropriate proceedings authorizing their issuance, and the sale agreement the proceeds from which they are payable shall be submitted to the attorney general for examination. If after the initial issuance of any bonds under this subchapter payable from the proceeds of a particular sale agreement, one or more subsequent issues, series, or installments of bonds are issued as additional parity bonds, on a parity with the initial bonds and payable from the proceeds of that sale agreement, then, at the option of the board, the subsequent issues, series, or installments of bonds need not be

submitted to the attorney general or approved by the attorney general or registered by the comptroller, and the subsequent bonds are, on delivery of and payment for the bonds, valid and incontestable in the same manner and with the same effect as if they had been approved by the attorney general and registered by the comptroller as were the initial bonds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.211, eff. Sept. 1, 2001.

Sec. 45.086. LIBERAL CONSTRUCTION. This subchapter shall be construed liberally to accomplish the legislative intent and the purposes of the subchapter, and all powers granted by this subchapter shall be broadly interpreted to accomplish that intent and those purposes and not as a limitation of powers.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.087. OTHER POWERS UNRESTRICTED. This subchapter does not restrict the power of a school district to sell property or issue bonds as provided by other law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER E. MISCELLANEOUS PROVISIONS

Sec. 45.101. USE OF BOND PROCEEDS FOR UTILITY CONNECTIONS. The proceeds of bonds issued by school districts for the construction and equipment of school buildings in the district and the purchase of the necessary sites for school buildings may be used, among other things, to pay the cost of acquiring, laying, and installing pipes or lines to connect with the water, sewer, or gas lines of a municipality or private utility company, whether or not the water, sewer, or gas lines adjoin the school, so that the school district may provide its public school buildings the water, sewer, or gas services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.102. INVESTMENT OF BOND PROCEEDS IN OBLIGATIONS OF UNITED STATES OR INTEREST-BEARING SECURED TIME BANK DEPOSITS. (a) A school district that has on hand proceeds received from the issuance and sale of bonds or certificates of indebtedness of the district that are not immediately needed for the purposes for which the bonds or certificates of indebtedness were issued and sold, may, on order of the board of trustees:

(1) place the proceeds on interest-bearing time deposit, secured in the manner provided by Section 45.208, with a state or national banking corporation in this state the deposits of which are insured by the Federal Deposit Insurance Corporation; or

(2) invest the proceeds in bonds or other obligations of the United States.

(b) Interest-bearing secured time deposits or bonds or other obligations of the United States in which proceeds of bonds or certificates of indebtedness are placed or invested must be of a type that cannot be cashed, sold, or redeemed for an amount less than the sum deposited or invested by the school district.

(c) When the sums placed or invested by a school district are needed for the purposes for which the bonds or certificates of indebtedness of the school district were originally authorized, issued, and sold:

(1) the time deposits or bonds or other obligations of the United States in which the sums have been placed or invested shall be cashed, sold, or redeemed; and

(2) the proceeds shall be used for the purposes for which the bonds or certificates of indebtedness of the school district were originally authorized, issued, and sold.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.103. INTEREST-BEARING TIME WARRANTS. (a) Any school district in need of funds to construct, repair, or renovate school buildings, purchase school buildings and school equipment, or equip school properties with necessary heating, water, sanitation, lunchroom, or electric facilities or in need of funds with which to employ a person who has special skill and experience to compile taxation data and that is financially unable out of available funds to construct, repair, renovate, or purchase school buildings,

purchase school equipment, or equip school properties with necessary heating, water, sanitation, lunchroom, or electric facilities or is unable to pay the person for compiling taxation data, may, subject to this section, issue interest-bearing time warrants, in amounts sufficient to construct, purchase, equip, or improve school buildings and facilities or to pay all or part of the compensation of the person to compile taxation data, any law to the contrary notwithstanding. The warrants shall mature in serial installments of not more than 15 years from their date of issue. The warrants on maturity may be payable out of any available funds of the school district in the order of their maturity dates. Any interest-bearing time warrants may be issued and sold by the district for not less than their face value, and the proceeds used to provide funds required for the purpose for which they are issued. The warrants shall be entitled to first payment out of any available funds of the district as they become due. Included in the purposes for which interest-bearing time warrants may be issued is the payment of any amounts owed by the school district that was incurred in carrying out any of those purposes.

(a-1) A school district may also issue interest-bearing time warrants to refund warrants previously issued under this section if the refunding warrants are coterminous with the refunded obligations.

(b) Interest-bearing time warrants may not be issued or sold by a common school district or rural high school district until they are approved by the county board of school trustees. The board shall, on application of the school district, inquire into the financial conditions and needs of the district, and may not approve the issuance of interest-bearing time warrants unless in its opinion the district:

(1) is in need of constructing, purchasing, repairing, or renovating a school building, obtaining the school equipment, or equipping school properties with necessary heating, water, sanitation, lunchroom, or electric facilities; and

(2) will be able with the resources in prospect to liquidate the warrants at their maturity.

(c) A school district may not issue interest-bearing time warrants in excess of five percent of the assessed valuation of the district for the year in which the warrants are issued. The payment of interest-bearing time warrants in any one year may not exceed the anticipated surplus income of the district for the year in which the

warrants are issued, based on the budget of the district for that year. The anticipated income computed under this section is exclusive of all bond taxes. A school district may not have outstanding at any one time warrants totaling in excess of $1 million under this section.

(d) If interest-bearing time warrants issued under this section are outstanding, the officer in charge of the collection of delinquent taxes shall pay those collections to the legal depository of the district, to be deposited and held in a special fund for the payment of the interest-bearing time warrants, and except as otherwise provided by this section, collections of delinquent taxes may not be applied or used for any other purpose.

(e) Interest and penalties on delinquent taxes are considered a part of those taxes for purposes of this section. If any delinquent taxes, including interest and penalties, are canceled, waived, released, or reduced either by the school district or in any other way, with or without its consent, the amount of the loss sustained shall be paid by the district to the special fund provided for by Subsection (d) out of funds not otherwise pledged to that special fund.

(f) All school districts issuing interest-bearing time warrants may encumber and mortgage any property purchased with the proceeds of the warrants or any property, including teachers' residences, owned by the district to secure the payment of legally incurred obligations, except that a lien may not be placed on any school building in which actual classroom instruction of students is conducted.

(g) In this section, "interest-bearing time warrant" includes a promissory note or other evidence of indebtedness issued under this section.

(h) Taxes levied to pay principal and interest of bonds that are delinquent are not included in the term "delinquent taxes" as used in this section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 1536, Sec. 3, eff. June 19, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1018 (H.B. 2610), Sec. 1, eff. September 1, 2013.

Sec. 45.104. PLEDGE OF DELINQUENT TAXES AS SECURITY FOR LOAN. (a) The board of trustees of any school district may pledge its delinquent taxes levied for maintenance purposes for specific past, current, and future school years as security for a loan, and may evidence any such loan with negotiable notes, and the delinquent taxes pledged shall be applied against the principal and interest of the loan. Negotiable notes issued under this subsection must mature not more than 20 years from their date.

(b) A school district may not pledge delinquent taxes levied for school bonds as security for a loan.

(c) Funds secured through loans secured by delinquent taxes may be employed for any legal maintenance expenditure or purpose of the school district, including all costs incurred in connection with:

(1) environmental cleanup and asbestos removal programs implemented by school districts; or

(2) maintenance, repair, rehabilitation, or replacement of heating, air conditioning, water, sanitation, roofing, flooring, electric, or other building systems of existing school properties.

(d) A loan secured by delinquent taxes may bear interest at a rate not to exceed the maximum rate provided by Section 1204.006, Government Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.34, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 8.212, eff. Sept. 1, 2001.

Sec. 45.105. AUTHORIZED EXPENDITURES. (a) The public school funds may not be spent except as provided by this section.

(b) The state and county available funds may be used only for the payment of teachers' and superintendents' salaries and interest on money borrowed on short time to pay those salaries that become due before the school funds for the current year become available. Loans for the purpose of payment of teachers may not be paid out of funds other than those for the current year.

(c) Local school funds from district taxes, tuition fees of students not entitled to a free education, other local sources, and

state funds not designated for a specific purpose may be used for the purposes listed for state and county available funds and for purchasing appliances and supplies, paying insurance premiums, paying janitors and other employees, buying school sites, buying, building, repairing, and renting school buildings, including acquiring school buildings and sites by leasing through annual payments with an ultimate option to purchase, and for other purposes necessary in the conduct of the public schools determined by the board of trustees. The accounts and vouchers for county districts must be approved by the county superintendent. If the state available school fund in any municipality or district is sufficient to maintain the schools in any year for at least eight months and leave a surplus, the surplus may be spent for the purposes listed in this subsection.

(d) An independent school district that has in its limits a municipality with a population of 150,000 or more or that contains at least 170 square miles, has $850 million or more assessed value of taxable property on the most recent approved tax roll and has a growth in average daily attendance of 11 percent or more for each of the preceding five years as determined by the agency may, in buying school sites or additions to school sites and in building school buildings, issue and deliver negotiable or nonnegotiable notes representing all or part of the cost to the school district of the land or building. The district may secure the notes by a vendor's lien or deed of trust lien against the land or building. By resolution or order of the governing body made at or before the delivery of the notes, the district may set aside and appropriate as a trust fund, and the sole and only fund, for the payment of the principal of and interest on the notes that part of the local school funds, levied and collected by the school district in that year or subsequent years, as the governing body determines. The aggregate amount of local school funds set aside in or for any subsequent year for the retirement of the notes may not exceed, in any one subsequent year, 10 percent of the local school funds collected during that year. The district may issue the notes only if approved by majority vote of the qualified voters voting in an election conducted in the manner provided by Section 45.003 for approval of bonds.

(e) The governing body of an independent school district that governs a junior college district under Subchapter B, Chapter 130, in a county with a population of more than two million may dedicate a specific percentage of the local tax levy to the use of the junior

college district for facilities and equipment or for the maintenance and operating expenses of the junior college district. To be effective, the dedication must be made by the governing body on or before the date on which the governing body adopts its tax rate for a year. The amount of local tax funds derived from the percentage of the local tax levy dedicated to a junior college district from a tax levy may not exceed the amount that would be levied by five percent of the effective tax rate for the tax year calculated as provided by Section 26.04, Tax Code, on all property taxable by the school district. All real property purchased with these funds is the property of the school district, but is subject to the exclusive control of the governing body of the junior college district for as long as the junior college district uses the property for educational purposes.

(f) Funds from a junior college district branch campus maintenance tax levied by a school district board of trustees under Section 130.253 may be used as provided by that section.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 23, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 10, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 3, eff. September 1, 2015.

Sec. 45.106. USE OF COUNTY AVAILABLE FUND APPORTIONMENT FOR AREA SCHOOLS CAREER AND TECHNOLOGY EDUCATION. (a) A school district or accumulation of districts that operates a school designated as an area school for career and technology education purposes or that participates in a designated area career and technology education program shall use its annual county available school fund apportionment, if any, in the operation of the area school or program or in financing facilities for the school, notwithstanding any laws to the contrary.

(b) A school district complying with Subsection (a) may not be held accountable for or charged with county available school funds in determining the district's eligibility for minimum foundation school

program funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.107. INVESTMENT OF GIFTS, DEVISES, AND BEQUESTS. A gift, devise, or bequest made to a school district to provide college scholarships for graduates of the district may be invested by the board of trustees of the district as provided by Section 117.004, Property Code, unless otherwise specifically provided by the terms of the gift, devise, or bequest.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 1103, Sec. 9, eff. Jan. 1, 2004.

Sec. 45.108. BORROWING MONEY FOR CURRENT MAINTENANCE EXPENSES. (a) Independent or consolidated school districts may borrow money for the purpose of paying maintenance expenses and may evidence those loans with negotiable or nonnegotiable notes, except that the loans may not at any time exceed 75 percent of the previous year's income. The notes may be payable from and secured by a lien on and pledge of any available funds of the district, including proceeds of a maintenance tax. The term "maintenance expenses" or "maintenance expenditures" as used in this section means any lawful expenditure of the school district other than payment of principal of and interest on bonds. The term includes expenditures relating to notes issued to refund notes previously issued under this section if the refunding notes are coterminous with the refunded obligation. The term also includes all costs incurred in connection with environmental cleanup and asbestos cleanup and removal programs implemented by school districts or in connection with the maintenance, repair, rehabilitation, or replacement of heating, air conditioning, water, sanitation, roofing, flooring, electric, or other building systems of existing school properties. Notes issued pursuant to this section may be issued to mature in not more than 20 years from their date. Notes issued for a term longer than one year must be treated as "debt" as defined in Section 26.012(7), Tax Code.

(b) Notes may be issued under this section only after a budget has been adopted for the current school year.

(c) Notes issued under this section must be authorized by

resolution adopted by a majority vote of the board of trustees, signed by the president or vice president and attested by the secretary of the board.

(d) A note issued under this section may contain a certification that it is issued pursuant to and in compliance with this section and pursuant to a resolution adopted by the board of trustees. The certification is sufficient evidence that the note is a valid obligation of the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.35, eff. Sept. 1, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1018 (H.B. 2610), Sec. 2, eff. September 1, 2013.

Sec. 45.109. CONTRACTS FOR ATHLETIC FACILITIES. (a) Any independent school district, acting by and through its board of trustees, may contract with any corporation, municipality, or institution of higher education, as defined by Section 61.003, located wholly or partially in its boundaries, for the use of any stadium and other athletic facilities owned by or under the control of the other entity. The contract may be for any period not exceeding 75 years and may contain terms agreed on by the parties.

(a-1) An independent school district and an institution of higher education, as defined by Section 61.003, located wholly or partially in the boundaries of the county in which the district is located may contract for the district to contribute district resources to pay a portion of the costs of the design or construction of an instructional facility or a stadium or other athletic facilities owned by or under the control of the institution of higher education. A district may contribute district resources under this subsection only if the district and the institution of higher education enter into a written agreement authorizing the district to use that facility.

(a-2) One or more independent school districts and an institution of higher education, as defined by Section 61.003, may contract for the district to contribute district resources to pay a portion of the costs of the design, improvement, or construction of

an instructional facility owned by or under the control of the institution of higher education. A district may contribute district resources under this subsection only if the district and the institution of higher education enter into a written agreement authorizing the district to use that facility, including authorizing the enrollment of district students in courses offered at that facility.

(a-3) An independent school district and a municipality, located wholly or partially in the boundaries of a county in which the district is located, may contract for the district to contribute district resources to pay a portion of the costs of the design, improvement, or construction of an instructional facility, stadium, or other athletic facility owned by, on the property of, or under the control of the municipality. A district may contribute district resources under this subsection only if the district and municipality enter into a written agreement authorizing the district to use that facility.

(b) The district may enter into a contract for the use of athletic facilities for any purpose related to sports activities and other physical education programs for the students at the public schools of the district.

(c) The consideration for a contract under this section may be paid from any source available to the independent school district. If voted as provided by this section, the district may pledge to the payment of the contract an annual maintenance tax in an amount sufficient, without limitation, to provide all of the consideration. If voted and pledged, the maintenance tax shall be assessed, levied, and collected annually in the same manner as provided by general law applicable to independent school districts for other maintenance taxes.

(d) A maintenance tax may not be pledged to the payment of any contract under this section or assessed, levied, or collected unless an election is held in the district and the maintenance tax is favorably voted by a majority of the qualified voters of the district voting at the election. The election order for an election under this subsection must include the polling place or places and any other matters considered advisable by the board of trustees.

(e) An agreement entered into before the construction of an instructional facility, stadium, or other athletic facility, as provided by Subsection (a-1), (a-2), or (a-3) does not violate

Section 11.169.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 74, eff. September 1, 2009.
Acts 2015, 84th Leg., R.S., Ch. 196 (S.B. 810), Sec. 2, eff. May 28, 2015.

Sec. 45.110. AUTHORIZED BUT UNISSUED BONDS. (a) This section applies to any independent school district that has previously voted or authorized school bonds for a specific purpose or purposes and the purpose or purposes have been accomplished by other means or have been abandoned and all or a portion of the bonds authorized remain unissued.

(b) The board of trustees of the district may, on its own motion, order an election to submit to the qualified voters of the district the proposition of whether or not the authorized but unissued bonds may be issued, sold, and delivered for other and different purposes specified in the election order and the election notice. The election shall be ordered, held, and conducted in the same form and manner as that at which the bonds were originally authorized.

(c) If a majority of those voting at the election vote in favor of the sale and delivery of the unissued bonds and the use of the proceeds of the bonds for the purpose or purposes specified in the election order and the election notice, the board of trustees may issue, sell, and deliver the bonds and use the proceeds of the bonds for the purpose or purposes authorized at the election.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.111. CERTIFICATES OF INDEBTEDNESS; ISSUANCE BY CERTAIN SCHOOL AND JUNIOR COLLEGE DISTRICTS. (a) Any school district, including a junior college district, situated in a county with a population of 200,000 or more may issue interest-bearing certificates of indebtedness to provide funds for erecting or equipping school buildings in the boundaries of the district or refinancing outstanding certificates as provided by this section. The term

"certificates," as used in this section, includes all obligations authorized to be issued under this section and the interest on those obligations.

(b) The governing body of the district shall provide for the payment of the certificates issued under this section by appropriating and pledging local school funds derived from maintenance taxes levied and assessed under Sections 45.002 and 130.122; Chapter 273, Acts of the 53rd Legislature, Regular Session, 1953 (Article 2784g, Vernon's Texas Civil Statutes); or other similar law that limits the amount of tax that may be levied for maintenance purposes, as distinguished from bond requirements. The appropriation and pledge may be in the nature of a continuing irrevocable pledge to apply the first moneys collected annually from the tax levy to the payment of the obligations or by the irrevocable present levy and appropriation of the amount of the maintenance tax required to meet the annual debt service requirements of the obligations, in which event the governing body shall covenant to annually set aside the amount in the annual tax levy, showing the same is a portion of the maintenance tax. The governing body shall annually budget the amount required to pay the principal and interest of the obligations that may be scheduled to become due in any fiscal year. This section may not be construed as permitting the levy of a maintenance tax in excess of the amount approved by the qualified voters of the district.

(c) A district may not at any one time have certificates outstanding and unpaid in principal amount in excess of $250,000, unless the excessive amount becomes the obligation of the district by assumption under Subsection (k) or the new certificates are being issued to refund or refinance outstanding obligations under Subsection (i).

(d) The principal amount of certificates that may be authorized at any one time and the scheduling of their principal maturity are further restricted as follows:

(1) if the assessed valuation is more than $1 million and less than $15 million, the limiting factor is 25 cents;

(2) if the assessed valuation is $15 million or more but less than $35 million, the limiting factor is 15 cents; and

(3) if the assessed valuation is $35 million or more, the limiting factor is 5 cents.

(e) Assessed valuation means the valuation for school district

purposes on the tax rolls of the district most recently approved before the authorization of the certificates. The limiting factor for a particular district, as prescribed by Subsection (d), is multiplied by the assessed valuation of the district, and the product is the maximum amount of debt service requirements on the certificates that may be scheduled to become due in any fiscal year on a cumulative basis. A district that has an assessed valuation less than $1 million may not issue certificates under this section.

(f) Certificates authorized to be issued under this section shall be payable at the times and be in such form and denomination or denominations either in coupon form or registered as to principal, interest, or both. The certificates may contain options for redemption before the scheduled maturity and may be payable at the place and may contain other provisions as the governing body of the district determines. A certificate may not mature over a period in excess of 25 years from the date of the certificate or bear interest at a rate in excess of seven percent per annum.

(g) Except if issued in exchange for certificates outstanding as provided by Subsection (i), the certificates shall be sold for cash at not less than the face or par value plus accrued interest. The proceeds shall be applied for the purpose for which the certificates were issued, except that all accrued interest and premium received, if any, shall be deposited in the interest and sinking fund established for the payment of the obligations. The cost of issuing the obligations, including attorneys', printing, and fiscal fees, may be paid from the proceeds, except if certificates are sold under Subsection (i).

(h) The certificates, including interest whether issued in coupon or registered form, are securities within the meaning of Chapter 8, Business & Commerce Code, and that chapter applies to the certificates after their approval by the attorney general and registration by the comptroller.

(i) Each governing body may refund or refinance outstanding certificates by issuing new interest-bearing certificates within the limitations and conditions provided in this section. The new certificates shall be issued and delivered in lieu of and on surrender to the comptroller and the cancellation of the obligations being refunded, and the comptroller shall register the new certificates and deliver them in accordance with the order authorizing their issuance. The new certificates may be issued in

accordance with Subchapter A, Chapter 1207, Government Code, and delivered in accordance with Subchapter B or C of that chapter.

(j) A certified copy of all proceedings relating to the authorization of the certificates shall be submitted to the attorney general.

(k) Certificates issued under this section are an indebtedness of the school district issuing them, but the holder of a certificate does not have the right to demand payment out of any fund other than those pledged to its payment. If the boundary lines of any issuing district are changed while the certificates remain outstanding, the indebtedness shall be adjusted or assumed as provided under general law for the adjustment of bond indebtedness payable from taxation.

(l) For purposes of this section, the governing body of a common school district is the commissioners court of the county having administrative jurisdiction. The governing body of an independent school district, a rural high school district, or a junior college district is its board of trustees, and the governing body of a municipally controlled school district is the city or town council or commission. Certificates shall be authorized by order of the governing body of the district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.213, eff. Sept. 1, 2001.

Sec. 45.112. CONTRACTS FOR INVESTMENT OF DEBT SERVICE FUNDS. (a) A school district, including a junior college district or community college district, may enter into a contract with a term not to exceed seven years to purchase investments with the proceeds of taxes levied or to be levied by the district for the purpose of paying debt service on bonds issued by the district.

(b) A contract under this section may provide for the purchase of investments at a stated yield or yields.

(c) Before entering a contract under this section, a school district must solicit and receive bids from at least three separate providers. The district must accept the qualifying bid that provides for the highest yield investments over the term of the contract.

(d) A contract under this section may provide only for the purchase of an obligation described by Section 2256.009(a)(1),

Government Code, other than an obligation described by Section 2256.009(b) of that code.

Added by Acts 1999, 76th Leg., ch. 1535, Sec. 1, eff. June 19, 1999.

Sec. 45.113. TRUST FOR COUNTY PERMANENT SCHOOL FUND. (a) Notwithstanding former Subchapter E, Chapter 17, as that subchapter existed on May 1, 1995, the commissioners court of a county may:

(1) sell or otherwise dispose of county school lands in the manner determined by the court;

(2) establish an irrevocable trust for the proceeds of a sale or other disposition under Subdivision (1); and

(3) invest the principal of a trust created under Subdivision (2) in any investment permitted for other county funds under Chapter 2256, Government Code.

(b) The members of the commissioners court and their successors in office must be the sole trustees of a trust established under Subsection (a)(2). The trustees may not delegate the authority to manage or invest the trust but may contract with qualified persons for investment advice.

(c) The principal of a trust established under Subsection (a)(2) constitutes a portion of the county permanent school fund and must be held in perpetuity for the benefit of the public schools in the county. The income of a trust established under Subsection (a)(2) constitutes a portion of the county available school fund and may be distributed as permitted by law.

Added by Acts 2007, 80th Leg., R.S., Ch. 641 (H.B. 890), Sec. 1, eff. June 15, 2007.

SUBCHAPTER F. ATHLETIC STADIUM AUTHORITIES

Sec. 45.151. DEFINITIONS. In this subchapter:

(1) "District" means any independent school district.

(2) "Stadium" means the structural and associated facilities designed for staging and holding athletic contests and other events.

(3) "Authority" means an athletic stadium authority created under this subchapter.

(4) "Board of directors" means the board of directors of

the authority.

(5) "Bond resolution" means the resolution authorizing the issuance of revenue bonds.

(6) "Trust indenture" means the mortgage, deed of trust, or other instrument pledging revenues of or creating a mortgage lien on properties, or both, to secure the revenue bonds issued by the authority.

(7) "Trustee" means the trustee under the trust indenture.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.152. CREATION OF AUTHORITY. (a) If the boards of trustees of two districts find that it is to the best interest of the districts to create an athletic stadium authority to include the districts, each board of trustees shall adopt a resolution creating an authority and designating the name by which it shall be known.

(b) An authority is a body politic and corporate. It must have a seal, may sue and be sued, and may make, amend, and repeal its bylaws.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.153. BOARD OF DIRECTORS. (a) An authority is governed by a board of directors consisting of seven members. The members of the board serve terms ending May 1. A member's term may not exceed two years. The board of trustees of each district shall each appoint three directors, and the appointees shall by majority vote appoint a seventh director.

(b) The board of directors shall elect from among the directors a president and vice president. The board shall elect a secretary and a treasurer who may or may not be directors and may elect other officers as authorized by the authority's bylaws. The offices of secretary and treasurer may be combined. The president has the same right to vote on all matters as other members of the board.

(c) A majority of the members of the board constitutes a quorum, and when a quorum is present, action may be taken by a majority vote of directors present.

(d) The board may employ a manager and other employees, experts, and agents or may delegate to the manager the power to

employ and discharge employees. The board may employ legal counsel.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.154. CONSTRUCTION, ACQUISITION, AND OPERATION OF STADIUM. An authority may construct, enlarge, furnish, and equip stadia, purchase existing stadia, furnishings, and equipment for its stadia, and operate and maintain stadia. A stadium need not be located inside a district creating the authority.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.155. BONDS. (a) An authority may issue revenue bonds to provide funds for any of its purposes. The bonds shall be payable from and secured by a pledge of all or any part of the revenue to be derived from the operation of the stadium or stadia and any other revenues resulting from the ownership of stadium properties. The bonds may be additionally secured by a mortgage or deed of trust on property of the authority.

(b) The bonds must be authorized by resolution adopted by a majority vote of a quorum of the board of directors. The bonds shall be signed by the president or vice president and countersigned by the secretary, or either or both of their facsimile signatures may be printed on the bonds. The seal of the authority shall be impressed or printed on the bonds.

(c) The bonds shall mature serially or otherwise in not to exceed 40 years. Appropriate provisions may be inserted in the resolution authorizing the execution and delivery of bonds for the conversion of registered bonds into bearer bonds and vice versa.

(d) Provisions may be made in the bond resolution or trust indenture for the substitution of new bonds for those lost or mutilated. When bonds are approved by the attorney general and registered by the comptroller, it is not necessary to obtain the approval of the attorney general or registration by the comptroller as to converted or substituted bonds.

(e) Bonds constituting a junior lien on the revenue or properties may be issued unless prohibited by the bond resolution or trust indenture. Parity bonds may be issued under conditions specified in the bond resolution or trust indenture.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.156. CONTRACTS WITH SCHOOL DISTRICTS. (a) Any district, acting by and through its board of trustees, may contract with any athletic stadium authority organized under this subchapter for the use of any stadium owned by the authority. The contract may be for any period not exceeding 75 years and may contain terms agreed on by the parties.

(b) The district may enter into a contract for the use of the stadium for any purpose related to sports activities and other physical education programs for the students at the public schools operated and maintained by the district.

(c) The consideration payable by the district under a contract may be paid from any source available to the district. If voted, the district may pledge to the payment of the contract an annual maintenance tax in an amount sufficient, without limitation, to provide all or part of the consideration. If voted and pledged, the maintenance tax shall be assessed, levied, and collected annually in the same manner as provided by general law applicable to independent school districts for other maintenance taxes. A maintenance tax may not be pledged to the payment of any contract or assessed, levied, or collected unless an election is held in the district, and the maintenance tax for that purpose is favorably voted by a majority of the qualified voters of the district. The election order for an election under this subsection must include the polling place or places and any other matters considered advisable by the board of trustees.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.157. EXAMINATION OF BONDS BY ATTORNEY GENERAL. Bonds issued under this subchapter and the record relating to their issuance shall be submitted to the attorney general.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.158. CHARGES FOR USE OF STADIUM. (a) The board of directors shall charge sufficient rates for services rendered by the

stadium and shall use other sources of its revenues so that revenues will be produced sufficient to:

(1) pay all expenses in connection with the ownership, operation, and upkeep of the stadium;

(2) pay the interest on the bonds as it becomes due;

(3) create a sinking fund to pay the bonds as they become due; and

(4) create and maintain a bond reserve fund and other funds as provided in the bond resolution or trust indenture.

(b) The bond resolution or trust indenture may prescribe systems, methods, routines, and procedures under which the stadium shall be operated.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.159. DEPOSITORY. An authority may select a depository according to the procedures provided by law for the selection of independent school district depositories.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.160. TAX EXEMPTION. Recognizing the fact that the property owned by an authority will be held for public purposes only and will be devoted exclusively to the use and benefit of the public, it is exempt from taxation of every character.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.161. EMINENT DOMAIN. For the purpose of carrying out any power conferred by this subchapter, an authority may acquire the fee simple title to land and other property and easements by condemnation in the manner provided by Chapter 21, Property Code. An authority is a municipal corporation within the meaning of Section 21.021(c), Property Code. The amount of and character or interest in land, other property, and easements to be acquired shall be determined by the board of directors.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.162. INVESTMENT OF BOND PROCEEDS. In addition to other powers, an authority may invest the proceeds of its bonds, until that money is needed, in the direct obligations of or obligations unconditionally guaranteed by the United States, to the extent authorized in the bond resolution or trust indenture or in both.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.163. ACCEPTANCE OF GIFTS. The board of directors may accept donations, gifts, and endowments to be held and administered as may be required by the respective donors, to the extent that those requirements do not contravene law.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER G. SCHOOL DISTRICT DEPOSITORIES

Sec. 45.201. DEFINITIONS. In this subchapter:

(1) "School district" means any independent school district.

(2) "Bank" means a bank, a savings and loan association, or a savings bank organized under the laws of this state, another state, or federal law that has its main office or a branch office in this state. The term does not include any bank the deposits of which are not insured by the Federal Deposit Insurance Corporation.

(3) "Time deposit," "time certificate," "certificate of deposit," and "time deposit-open account" have the definitions adopted for those terms by the Board of Governors of the Federal Reserve System.

(4) "Approved securities" means:

(A) bonds of this state or any agency or political subdivision of this state;

(B) all evidences of indebtedness legally issued by the board of trustees of the depositing school district;

(C) all debt securities that are a direct obligation of the treasury of the United States;

(D) reducing principal balance securities, the principal and interest of which are unconditionally guaranteed or

insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities;

(E) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and

(F) those securities provided for by Article 842, Revised Statutes, and Section 1, Chapter 160, General Laws, Acts of the 43rd Legislature, 1933 (Article 842a, Vernon's Texas Civil Statutes).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1999, 76th Leg., ch. 62, Sec. 7.49, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 344, Sec. 5.002, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 201, Sec. 39, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 417 (S.B. 1693), Sec. 1, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 417 (S.B. 1693), Sec. 2, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 1199 (H.B. 573), Sec. 1, eff. June 18, 2005.

Acts 2005, 79th Leg., Ch. 1199 (H.B. 573), Sec. 2, eff. June 18, 2005.

Sec. 45.202. SELECTION OF DEPOSITORY. The school depository or depositories of every independent school district may be selected only as provided by this subchapter.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.203. DEPOSITORY MUST BE A BANK. A school depository must be a bank located in this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.204. CONFLICT OF INTEREST. (a) If a member of the board of trustees of a school district is a stockholder, officer,

director, or employee of a bank, the bank is not disqualified from bidding, submitting a proposal, or becoming the depository of the district if the bank is selected by a majority vote of the board of trustees of the district or a majority vote of a quorum when only a quorum is present.

(b) If a member of the board of trustees of a school district is a stockholder, officer, director, or employee of a bank that has bid or submitted a proposal to become a depository for the district, the member may not vote on awarding a depository contract to the bank, and the contract must be awarded by a majority vote of the trustees as provided by Subsection (a) who are not either a stockholder, officer, director, or employee of a bank receiving a district depository contract.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 1, eff. June 15, 2007.

Sec. 45.205. TERM OF CONTRACT. (a) Except as provided by Subsection (b), the depository bank when selected shall serve for a term of two years and until its successor is selected and has qualified.

(b) A school district and the district's depository bank may agree to extend a depository contract for two additional two-year terms. An extension under this subsection is not subject to the requirements of Section 45.206.

(c) The contract term and any extension must coincide with the school district's fiscal year.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by Acts 1997, 75th Leg., ch. 1308, Sec. 1, eff. June 20, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 2, eff. June 15, 2007.

Sec. 45.206. BID OR REQUEST FOR PROPOSAL NOTICES; BID AND PROPOSAL FORMS. (a) Not later than the 60th day before the date a

school district's current depository contract expires, the district shall choose whether to select a depository through competitive bidding or through requests for proposals.

(a-1) If a school district chooses under Subsection (a) to use competitive bidding, the district shall, not later than the 30th day before the date the current depository contract expires, mail to each bank located in the district and, if desired, to other banks, a notice stating the time and place in which bid applications will be received for selecting a depository or depositories. The notice must include a uniform bid blank in the form prescribed by State Board of Education rule.

(a-2) If a school district chooses under Subsection (a) to use requests for proposals, the district shall, not later than the 30th day before the date the current depository contract expires, mail to each bank located in the district and, if desired, to other banks, a notice stating the time and place in which proposals will be received for selecting a depository or depositories. The notice must include a uniform proposal blank in the form prescribed by State Board of Education rule.

(b) The school district may add to the uniform bid or proposal blank other terms that do not unfairly restrict competition between banks in or near the territory of the district.

(c) Interest rates may be stated in the bid or proposal either as a fixed rate, as a percentage of a stated base rate, in relation to a stated prevailing rate varying from time to time, or in any other manner, but in every case in a uniform manner, that will permit comparison with other bids or proposals received.

(d) If the school district chooses under Subsection (a) to use requests for proposals, the district shall state the selection criteria, including the factors specified under Section 45.207(c), in the request for proposals and shall select the proposal that offers the best value to the district based on the evaluation and ranking of each submitted proposal in relation to the stated selection criteria. A district may negotiate with the bank that submits the highest-ranked proposal to determine any terms of the proposed depository contract other than the interest rates proposed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 3, eff.

June 15, 2007.

Sec. 45.207. AWARD OF CONTRACT. (a) A school district shall award the depository contract to the bank that submits the highest bid or the highest-ranked proposal, as determined under Subsection (c), except that the district may award the contract as provided by Subsection (a-1) if:

(1) the district:

(A) receives tying bids for the contract; or

(B) after evaluating the proposals for the contract, ranks two or more proposals equally;

(2) each bank submitting a tying bid or proposal has bid or proposed to pay the district the maximum interest rates allowed by law by the Board of Governors of the Federal Reserve System and the Board of Directors of the Federal Deposit Insurance Corporation; and

(3) the tying bids or proposals are otherwise equal in the judgment and discretion of the board of trustees of the district.

(a-1) In the case of tying bids or proposals, the board of trustees may award the depository contract by:

(1) determining by lot which of the banks submitting the tying bids or proposals will receive the contract; or

(2) awarding a contract to each of the banks submitting the tying bids or proposals.

(b) The board of trustees may, during the period of the contract, determine the amount of funds to be deposited in each depository bank and determine the account services offered in the bid or proposal form that are to be provided by each bank in its capacity as school district depository. All funds received by the district from or through the agency shall be deposited, at the district's option, in one depository bank or invested in a public funds investment pool created under Chapter 791, Government Code, to be designated by the district.

(c) The board of trustees of the school district shall at a regular or special meeting consider in accordance with this subsection each bid or proposal received. In determining the highest and best bid or the highest-ranked proposal, or in case of tying bids or proposals the highest and best tying bids or proposals, the board of trustees shall consider:

(1) the interest rate bid or proposed on time deposits;

(2) charges for keeping district accounts, records, and reports and furnishing checks;

(3) the ability of the bank submitting the bid or proposal to provide the necessary services and perform the duties as school district depository; and

(4) any other matter that in the judgment of the board of trustees would be to the best interest of the school district.

(d) The board of trustees of the school district has the right to reject any and all bids or proposals.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 3, eff. June 15, 2007.

Sec. 45.208. DEPOSITORY CONTRACT; BOND. (a) The bank or banks selected as the depository or depositories and the school district shall enter into a depository contract or contracts, bond or bonds, or other necessary instruments setting forth the duties and agreements pertaining to the depository, in a form and with the content prescribed by the State Board of Education. The parties shall attach to the contract and incorporate by reference the bid or proposal of the depository.

(b) The depository bank shall attach to the contract and file with the school district a bond in an initial amount equal to the estimated highest daily balance, determined by the board of trustees of the district, of all deposits that the school district will have in the depository during the term of the contract, less any applicable Federal Deposit Insurance Corporation insurance. The bond must be payable to the school district and must be signed by the depository bank and by some surety company authorized to do business in this state. The depository bank shall increase the amount of the bond if the board of trustees determines it to be necessary to adequately protect the funds of the school district deposited with the depository bank.

(c) The bond shall be conditioned on:

(1) the faithful performance of all duties and obligations devolving by law on the depository;

(2) the payment on presentation of all checks or drafts on

order of the board of trustees of the school district, in accordance with its orders entered by the board of trustees according to law;

(3) the payment on demand of any demand deposit in the depository;

(4) the payment, after the expiration of the period of notice required, of any time deposit in the depository;

(5) the faithful keeping of school funds by the depository and the accounting for the funds according to law; and

(6) the faithful paying over to the successor depository all balances remaining in the accounts.

(d) The bond and the surety on the bond must be approved by the board of trustees of the school district. A premium on the depository bond may not be paid out of school district funds.

(e) A copy of the depository contract and bond shall be filed with the agency.

(f) In lieu of the bond required under Subsection (b), the depository bank may deposit or pledge, with the school district or with a trustee designated by the school district, approved securities in an amount sufficient to adequately protect the funds of the school district deposited with depository bank. A depository bank may give a bond and deposit or pledge approved securities in an aggregate amount sufficient to adequately protect the funds of the school district deposited with the depository bank. The school district shall designate from time to time the amount of approved securities or the aggregate amount of the bond and approved securities to adequately protect the district. The district may not designate an amount less than the balance of school district funds on deposit with the depository bank from day to day, less any applicable Federal Deposit Insurance Corporation insurance. The depository bank may substitute approved securities on obtaining the approval of the school district. For purposes of this subsection, the approved securities are valued at their market value.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 4, eff. June 15, 2007.

Sec. 45.209. INVESTMENT OF DISTRICT FUNDS. The school district

may provide in its bid or proposal blank for the right to place on time deposits with savings and loan institutions located in this state only funds that are fully insured by the Federal Deposit Insurance Corporation. A district may not place on deposit with any savings and loan institution any bond or certificate of indebtedness proceeds as provided by Section 45.102. A depository bank may not be compelled without its consent to accept on time deposit any bond proceeds under Section 45.102, but a depository bank may offer a bid or proposal of interest equaling the highest bid or proposal of interest for the time deposit of the bond proceeds tendered by another bank. If the depository bank equals the bid or proposal, it is entitled to receive the bond proceeds on time deposit.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 322 (H.B. 2411), Sec. 5, eff. June 15, 2007.

SUBCHAPTER H. ASSESSMENT AND COLLECTION OF TAXES

Sec. 45.231. EMPLOYMENT OF ASSESSOR AND COLLECTOR. (a) The board of trustees of an independent school district may employ a person to assess or collect the school district's taxes and may compensate the person as the board of trustees considers appropriate.

(b) This section does not prohibit an independent school district from providing for the assessment or collection of the school district's taxes under a method authorized by Subchapter B, Chapter 6, Tax Code.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

Sec. 45.232. ALTERNATE METHODS OF SELECTION UNDER FORMER LAW. An independent school district that used a method of selecting the assessor or collector of the school district's taxes for the 1994 tax year that was authorized by former Subchapter F, Chapter 23, as that subchapter existed on January 1, 1994, but that is not authorized by Section 45.231 or by Subchapter B, Chapter 6, Tax Code, may continue to use that method of selection until the school district uses another method authorized by Section 45.231 or by Subchapter B, Chapter 6, Tax Code, to determine how the assessment or collection is

performed.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995.

SUBCHAPTER I. INTERCEPT PROGRAM TO PROVIDE CREDIT ENHANCEMENT FOR BONDS

Sec. 45.251. DEFINITIONS. In this subchapter:

(1) "Board" means the State Board of Education.

(2) "Foundation School Program" means the program established under Chapters 41, 42, and 46, or any successor program of state appropriated funding for school districts in this state.

(3) "Paying agent" means the financial institution that is designated by a school district as the district's agent for the payment of the principal of and interest on bonds for which credit enhancement is provided under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.252. INTERCEPT CREDIT ENHANCEMENT PROGRAM. (a) If a school district's application for guarantee of district bonds by the corpus and income of the permanent school fund as provided by Subchapter C is rejected, the district may apply under this subchapter for credit enhancement of bonds described by Section 45.054 by money appropriated for the Foundation School Program, other than money that is appropriated to school districts specifically:

(1) as required under the Texas Constitution; or

(2) for assistance in paying debt service.

(b) The same school district bonds may not benefit under both Subchapter C and this subchapter.

(c) Notwithstanding any amendment of this subchapter or other law, the credit enhancement provided under this subchapter for school district bonds remains in effect until the date those bonds mature or are defeased in accordance with state law.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.253. LIMITATION ON INTERCEPT CREDIT ENHANCEMENT. (a) In each month of each fiscal year, the commissioner shall determine the amount of funds available to make payments under this subchapter from the Foundation School Program through the end of the fiscal year and the amounts due under this code to public schools from the Foundation School Program through the end of the fiscal year. The commissioner may revise a determination under this subsection during the fiscal year as appropriate.

(b) The commissioner may not endorse particular bonds for credit enhancement under this subchapter until the commissioner has:

(1) made the determinations required under Subsection (a); and

(2) determined that the endorsement will not cause the projected debt service coming due during the remainder of the fiscal year for bonds provided credit enhancement under this subchapter to exceed the lesser of:

(A) one-half of the amount of funds due to public schools from the Foundation School Program for the remainder of the fiscal year; or

(B) one-half of the amount of funds anticipated to be on hand in the Foundation School Program to make payments for the remainder of the fiscal year.

(c) The commissioner may not endorse particular bonds for credit enhancement under this subchapter unless the commissioner has determined that the maximum annual debt service on the bonds during any state fiscal year will not exceed the lesser of:

(1) one-half of the amount of funds due to public schools from the Foundation School Program for the current fiscal year; or

(2) one-half of the amount of funds anticipated to be on hand in the Foundation School Program to make payments for the current fiscal year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.254. ELIGIBILITY. To be eligible for approval by the commissioner for credit enhancement under this subchapter:

(1) bonds must be issued in the manner provided by Section 45.054; and

(2) payments of all of the principal of the bonds must be scheduled during the first six months of the state fiscal year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.2541. INTERCEPT OF FOUNDATION SCHOOL PROGRAM APPROPRIATIONS AS CREDIT ENHANCEMENT. (a) Money appropriated for the Foundation School Program that may be used for the purpose under this subchapter and under any other law, rule, or regulation shall be used to provide credit enhancement for eligible bonds as provided by this subchapter, the General Appropriations Act, and board rule if using the permanent school fund to guarantee particular bonds would result in:

(1) a total amount of outstanding bonds guaranteed by the permanent school fund exceeding the amount authorized under:

(A) Section 45.053; or

(B) federal law or regulations; or

(2) the use of a portion of the cost value of the permanent school fund reserved under Section 45.0531, as determined by the board.

(b) If Foundation School Program appropriations are not sufficient in any year to pay principal or interest that becomes due on bonds for which credit enhancement is provided under this subchapter, the payment shall be made from the following year's Foundation School Program appropriations that may be used for the purpose under this subchapter before those appropriations are used for any other Foundation School Program purpose.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.255. APPLICATION FOR CREDIT ENHANCEMENT. (a) A school district seeking credit enhancement of eligible bonds under this subchapter shall apply to the commissioner using a form adopted by the commissioner for the purpose. The commissioner may adopt a single form on which a district seeking guarantee or credit enhancement of eligible bonds may apply simultaneously first for a guarantee under Subchapter C and then, if that guarantee is rejected,

for credit enhancement under this subchapter.

(b) An application under Subsection (a) must:

(1) include the information required by Section 45.055(b); and

(2) be accompanied by a fee set by board rule in an amount designed to cover the costs of administering the programs to provide the guarantee or credit enhancement of eligible bonds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.256. INVESTIGATION. (a) Following receipt of an application under Section 45.255, the commissioner shall conduct an investigation of the applicant school district as provided for an investigation under Section 45.056(a).

(b) If following the investigation under Subsection (a) the commissioner is satisfied that the school district's bonds should be guaranteed under Subchapter C or provided credit enhancement under this subchapter, as applicable, the commissioner shall endorse the bonds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.257. CREDIT ENHANCEMENT ENDORSEMENT. (a) The commissioner shall endorse bonds approved for credit enhancement under this subchapter in substantially the same manner provided under Section 45.057 for endorsing bonds approved under Subchapter C.

(b) The credit enhancement is not effective unless the attorney general approves the bonds under Section 45.005.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.258. NOTICE OF FAILURE OR INABILITY TO PAY. Immediately following a determination that a school district will be or is unable to pay maturing or matured principal or interest on a bond for which credit enhancement is provided under this subchapter,

but not later than the 10th day before maturity date, the school district shall notify the commissioner.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.259. PAYMENT FROM INTERCEPTED FUNDS. (a) Immediately following receipt of notice under Section 45.258, the commissioner shall instruct the comptroller to transfer to the district's paying agent from appropriations to the Foundation School Program that may be used for the purpose under Section 45.252 and other law the amount necessary to pay the maturing or matured principal or interest.

(b) Immediately following receipt of the funds for payment of the principal or interest, the paying agent shall pay the amount due.

(c) The procedures prescribed by Subsections (a) and (b) apply to each payment of principal or interest on bonds as the payment becomes due until the bonds mature or are defeased in accordance with state law.

(d) If money appropriated for the Foundation School Program is used for purposes of this subchapter and as a result there is insufficient money to fully fund the Foundation School Program, the commissioner shall, to the extent necessary, reduce each school district's foundation school fund allocations, other than any portion appropriated from the available school fund, in the same manner provided by Section 42.253(h) for a case in which school district entitlements exceed the amount appropriated. The following fiscal year, a district's entitlement under Section 42.253 is increased by an amount equal to the reduction under this subsection.

(e) A payment made under this section by the state on behalf of a school district of funds the district owes on bonds for which credit enhancement is provided under this subchapter creates a repayment obligation of the district to the state regardless of the maturity date of, or any payment of interest on, the bonds.

(f) This section does not create a debt of the state under the Texas Constitution or, except to the extent provided by this subchapter, create a payment obligation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.260. BONDS NOT ACCELERATED ON FAILURE TO PAY. If a school district fails to pay principal or interest on a bond for which credit enhancement is provided under this subchapter when the amount matures, other amounts not yet mature are not accelerated and do not become due by virtue of the district's failure to pay amounts matured.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.261. REIMBURSEMENT OF FOUNDATION SCHOOL PROGRAM. (a) If the commissioner orders payment from the money appropriated to the Foundation School Program on behalf of a school district that is not required to reduce its wealth per student under Chapter 41, the commissioner shall direct the comptroller to withhold the amount paid from the first state money payable to the district. If the commissioner orders payment from the money appropriated to the Foundation School Program on behalf of a school district that is required to reduce its wealth per student under Chapter 41, the commissioner shall increase amounts due from the district under that chapter in a total amount equal to the amount of payments made on behalf of the district under this subchapter. Amounts withheld or received under this subsection shall be used for the Foundation School Program.

(b) In accordance with commissioner rules, the commissioner may authorize reimbursement of the Foundation School Program in a manner other than that provided by this section.

(c) The commissioner may order a school district to set an ad valorem tax rate capable of producing an amount of revenue sufficient to enable the district to:

(1) provide reimbursement under this section; and

(2) pay the remaining principal of and interest on the bonds as the principal and interest become due.

(d) If a school district fails to comply with the commissioner's order under Subsection (c), the commissioner may impose any sanction on the district authorized to be imposed on a district under Subchapter E, Chapter 39, including appointment of a board of managers or annexation to another district, regardless of the district's accreditation status or the duration of a particular

accreditation status.

(e) Any part of a school district's tax rate attributable to producing revenue for purposes of Subsection (c)(1) is considered part of the district's:

(1) current debt rate for purposes of computing a rollback tax rate under Section 26.08, Tax Code; and

(2) interest and sinking fund tax rate.

(f) On reimbursement by a school district as required by this section, the commissioner shall pay to the district any amount withheld under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.013, eff. September 1, 2011.

Sec. 45.262. REPEATED FAILURE TO PAY. (a) If a total of two or more payments are made under Subchapter C or this subchapter on the bonds of a school district and the commissioner determines that the district is acting in bad faith under the guarantee program under Subchapter C or the credit enhancement program under this subchapter, the commissioner may request the attorney general to institute appropriate legal action to compel the district and the district's officers, agents, and employees to comply with the duties required of them by law in regard to the bonds.

(b) Jurisdiction of proceedings under this section is in district court in Travis County.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.263. RULES. (a) The commissioner shall adopt rules necessary for the administration of the bond credit enhancement program under this subchapter.

(b) In adopting rules under Subsection (a), the commissioner shall establish an annual deadline by which a school district must pay the debt service on bonds for which credit enhancement is provided under this subchapter. The deadline established may not be

later than the 10th day before the date specified under Section 42.259 for payment to school districts of the final Foundation School Program installment for a state fiscal year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

SUBCHAPTER J. OPEN-ENROLLMENT CHARTER SCHOOL FACILITIES CREDIT ENHANCEMENT PROGRAM

Sec. 45.301. DEFINITIONS. In this subchapter:

(1) "Charter holder" has the meaning assigned by Section 12.1012.

(2) "Program" means the open-enrollment charter school facilities credit enhancement program established under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.302. ESTABLISHMENT OF PROGRAM. (a) The commissioner by rule may establish an open-enrollment charter school facilities credit enhancement program to assist charter holders in obtaining financing for the purchase, repair, or renovation of real property, including improvements to real property, for facilities of open-enrollment charter schools.

(b) The commissioner may adopt a structure and procedures for the program that are substantially similar to the structure and procedures for the credit enhancement program for school district bonds under Subchapter I.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.303. LIMITATION ON PARTICIPATION; MINIMUM REQUIREMENTS FOR DEBT SERVICE RESERVE. In adopting rules under Section 45.302, the commissioner may:

(1) limit participation in the program to charter holders who hold charters for open-enrollment charter schools that meet

standards established by the commissioner, including standards for financial stability, compliance with applicable state and federal program requirements, and student academic performance; and

(2) impose minimum requirements for a debt service reserve to secure repayment of obligations for which credit enhancement is provided under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.304. ALLOCATION OF PORTION OF FOUNDATION SCHOOL PROGRAM FUNDS FOR CREDIT ENHANCEMENT. (a) The commissioner may allocate not more than one percent of the amount appropriated for the Foundation School Program for purposes of the program under this subchapter.

(b) The funds allocated under this section may not be considered available for purposes of any other credit enhancement program.

(c) Only those Foundation School Program funds allocated under this section may be committed to the program under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.305. PRIVATE MATCHING FUNDS REQUIRED; USE OF OTHER STATE FUNDS. (a) The commissioner may not implement the program unless private funds in an amount at least equal to the amount of state funds allocated under Section 45.304 are obligated to the program for at least the first 10 years of the term of obligations for which credit enhancement is provided under the program.

(b) The commissioner may use state funds allocated under Section 45.304 to pay any amount due for credit enhancement under the program and, subject to the terms of the applicable private credit obligation agreement, provide for payment of private funds to the Foundation School Program in an amount equal to at least one-half of the amount of the state funds paid. The commissioner may also use any other state funds available for the purpose to make payments under this subchapter or to reimburse the Foundation School Program for payments made under this subchapter from Foundation School Program funds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.306. REPAYMENT; LIEN. (a) If a charter holder on behalf of which the state makes a payment under the program does not immediately repay the Foundation School Program the amount of the payment, the commissioner shall withhold any funds due from the state to the charter holder as necessary to recover the total amount of state and private funds paid on behalf of the charter holder under the program.

(b) If a charter holder is for any reason, including revocation or surrender of a charter or bankruptcy, unable to repay any amount due under this subchapter, any loss of funds shall be shared equally between the Foundation School Program and the person providing the private funds obligated for credit enhancement under this subchapter.

(c) A charter holder for which credit enhancement is provided under this subchapter to purchase, repair, or renovate real property for open-enrollment charter school facilities must agree to execute a lien on that real property in a form prescribed by the commissioner and approved by the attorney general to secure repayment of all amounts due to the state from the charter holder, including reimbursement of any private funds paid on behalf of an open-enrollment charter school under this subchapter.

(d) A lien under this section must be filed in the real property records of each county in which the real property is located. A lien under this section has priority over any other claim against the real property except a lien granted to the holders of obligations issued to finance the acquisition of the real property and any security interest or lien existing before credit enhancement is provided under this subchapter.

(e) The commissioner shall notify a charter holder of any amount determined to be due to the state, including federal funds. If the full amount due to the state has not been repaid or recovered by the commissioner from other funds due to the charter holder within the current and subsequent school year, the commissioner may request the attorney general to file an action to foreclose on a lien under this section. Funds recovered from foreclosure of a lien under this section shall be credited first to any security interest or lien with priority over the lien under this section, then to the charter

holder's obligation under this section, and then to any other program to which the funds are due.

(f) Venue for a suit under this section is in Travis County.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.307. STATUS OF PROGRAM. (a) The program is separate from and does not create any claim to the credit enhancement program for school district bonds under Subchapter I.

(b) This subchapter does not create a debt of the state under the Texas Constitution or, except to the extent provided by this subchapter, create a payment obligation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

Sec. 45.308. RULES. If the commissioner establishes a program under this subchapter, the commissioner shall adopt rules to administer the program.

Added by Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 75, eff. September 1, 2009.

CHAPTER 46. ASSISTANCE WITH INSTRUCTIONAL FACILITIES AND PAYMENT OF EXISTING DEBT

SUBCHAPTER A. INSTRUCTIONAL FACILITIES ALLOTMENT

Sec. 46.001. DEFINITION. In this subchapter, "instructional facility" means real property, an improvement to real property, or a necessary fixture of an improvement to real property that is used predominantly for teaching the curriculum required under Section 28.002.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.23, eff. Sept. 1, 1999.

Sec. 46.002. RULES. (a) The commissioner may adopt rules for the administration of this subchapter.

(b) The commissioner's rules may limit the amount of an allotment under this subchapter that is to be used to construct, acquire, renovate, or improve an instructional facility that may also be used for noninstructional or extracurricular activities.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.23, eff. Sept. 1, 1999.

Sec. 46.003. SCHOOL FACILITIES ALLOTMENT. (a) For each year, except as provided by Sections 46.005 and 46.006, a school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort, up to the maximum rate under Subsection (b), to pay the principal of and interest on eligible bonds issued to construct, acquire, renovate, or improve an instructional facility. The amount of state support is determined by the formula:

FYA = (FYL X ADA X BTR X 100) - (BTR X (DPV/100))

where:

"FYA" is the guaranteed facilities yield amount of state funds allocated to the district for the year;

"FYL" is the dollar amount guaranteed level of state and local funds per student per cent of tax effort, which is $35 or a greater amount for any year provided by appropriation;

"ADA" is the greater of the number of students in average daily attendance, as determined under Section 42.005, in the district or 400;

"BTR" is the district's bond tax rate for the current year, which is determined by dividing the amount budgeted by the district for payment of eligible bonds by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, Section 42.2521, divided by 100; and

"DPV" is the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, Section 42.2521.

(b) The bond tax rate under Subsection (a) may not exceed the rate that would be necessary for the current year, using state funds

under Subsection (a), to make payments of principal and interest on the bonds for which the tax is pledged.

(c) To enable the district to collect local funds sufficient to pay the district's share of the debt service, a district may levy a bond tax at a rate higher than the maximum rate for which it may receive state assistance.

(d) The amount budgeted by a district for payment of eligible bonds may include:

(1) bond taxes collected in the current school year;

(2) bond taxes collected in a preceding school year in excess of the amount necessary to pay the district's share of actual debt service on bonds in that year, provided that the taxes were not used to generate other state financial assistance for the district; or

(3) maintenance and operations taxes collected in the current school year or a preceding school year in excess of the amount eligible to be used to generate other state financial assistance for the district.

(e) Bonds are eligible to be paid with state and local funds under this section if:

(1) taxes to pay the principal of and interest on the bonds were first levied in the 1997-1998 school year or a later school year; and

(2) the bonds do not have a weighted average maturity of less than eight years.

(f) A district may use state funds received under this section only to pay the principal of and interest on the bonds for which the district received the funds.

(g) The board of trustees and voters of a school district shall determine district needs concerning construction, acquisition, renovation, or improvement of instructional facilities.

(h) To receive state assistance under this subchapter, a school district must apply to the commissioner in accordance with rules adopted by the commissioner before issuing bonds that will be paid with state assistance. Until the bonds are fully paid or the instructional facility is sold:

(1) a school district is entitled to continue receiving state assistance without reapplying to the commissioner; and

(2) the guaranteed level of state and local funds per student per cent of tax effort applicable to the bonds may not be

reduced below the level provided for the year in which the bonds were issued.

(i) Notwithstanding any other provision of this chapter, in computing a district's bond tax rate ("BTR") and taxable value of property ("DPV") for the 2015-2016 school year, a school district's taxable value of property under Subchapter M, Chapter 403, Government Code, is determined as if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article in effect for the 2015 tax year as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had been in effect for the 2014 tax year. This subsection expires September 1, 2016.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.24, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1156, Sec. 6, eff. Sept. 1, 2001.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 21, eff. November 3, 2015.

Sec. 46.004. LEASE-PURCHASE AGREEMENTS. (a) A district may receive state assistance in connection with a lease-purchase agreement concerning an instructional facility. For purposes of this subchapter:

(1) taxes levied for purposes of maintenance and operations that are necessary to pay a district's share of the payments under a lease-purchase agreement for which the district receives state assistance under this subchapter are considered to be bond taxes; and

(2) payments under a lease-purchase agreement are considered to be payments of principal of and interest on bonds.

(b) Section 46.003(b) applies to taxes levied to pay a district's share of the payments under a lease-purchase agreement for which the district receives state assistance under this subchapter.

(c) A lease-purchase agreement must be for a term of at least eight years to be eligible to be paid with state and local funds under this subchapter.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1,

1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.25, eff. Sept. 1, 1999.

Sec. 46.005. LIMITATION ON GUARANTEED AMOUNT. The guaranteed amount of state and local funds for a new project that a district may be awarded in any state fiscal biennium under Section 46.003 for a school district may not exceed the lesser of:

(1) the amount the actual debt service payments the district makes in the biennium in which the bonds are issued; or

(2) the greater of:

(A) $100,000; or

(B) the product of the number of students in average daily attendance in the district multiplied by $250.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997.

Sec. 46.006. SHORTAGE OR EXCESS OF FUNDS APPROPRIATED FOR NEW PROJECTS. (a) If the total amount appropriated for a year for new projects is less than the amount of money to which school districts applying for state assistance are entitled for that year, the commissioner shall rank each school district applying by wealth per student. For purposes of this section, a district's wealth per student is reduced by 10 percent for each state fiscal biennium in which the district did not receive assistance under this subchapter.

(b) A district's wealth per student is reduced for purposes of this section if a district has had substantial student enrollment growth in the preceding five-year period. The reduction is in addition to any reduction under Subsection (a) and is computed before the district's wealth per student is reduced under that subsection, if applicable. A district's wealth per student is reduced:

(1) by five percent, if the district has an enrollment growth rate in that period that is 10 percent or more but less than 15 percent;

(2) by 10 percent, if the district has an enrollment growth rate in that period that is 15 percent or more but less than 30 percent; or

(3) by 15 percent, if the district has an enrollment growth

rate in that period that is 30 percent or more.

(c) A district's wealth per student is reduced by 10 percent for purposes of this section if the district does not have any outstanding debt at the time the district applies for assistance under this subchapter. The reduction is in addition to any reduction under Subsection (a) or (b) and is computed before the district's wealth per student is reduced under those subsections, if applicable.

(d) The commissioner shall adjust the rankings after making the reductions in wealth per student required by Subsections (a), (b), and (c).

(e) Beginning with the district with the lowest adjusted wealth per student that has applied for state assistance for the year, the commissioner shall award state assistance to districts that have applied for state assistance in ascending order of adjusted wealth per student. The commissioner shall award the full amount of state assistance to which a district is entitled under this subchapter, except that the commissioner may award less than the full amount to the last district for which any funds are available.

(f) Any amount appropriated for the first year of a fiscal biennium that is not awarded to a school district may be used to provide assistance in the following fiscal year.

(g) In this section, "wealth per student" means a school district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, Section 42.2521, divided by the district's average daily attendance as determined under Section 42.005.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.26, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1309 (S.B. 962), Sec. 1, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1309 (S.B. 962), Sec. 2, eff. September 1, 2012.

Sec. 46.007. REFUNDING BONDS. A school district may use state funds received under this subchapter to pay the principal of and interest on refunding bonds that:

(1) are issued to refund bonds eligible under Section 46.003;

(2) do not have a final maturity date later than the final maturity date of the bonds being refunded;

(3) may not be called for redemption earlier than the earliest call date of the bonds being refunded; and

(4) result in a present value savings, which is determined by computing the net present value of the difference between each scheduled payment on the original bonds and each scheduled payment on the refunding bonds. The present value savings shall be computed at the true interest cost of the refunding bonds.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.27, eff. Sept. 1, 1999.

Sec. 46.008. STANDARDS. (a) The commissioner shall establish standards for adequacy of school facilities. The standards must include requirements related to space, educational adequacy, and construction quality. All new facilities constructed after September 1, 1998, must meet the standards to be eligible to be financed with state or local tax funds.

(b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 698, Sec. 5, eff. December 31, 2009.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1213 (H.B. 1886), Sec. 10, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 698 (H.B. 2763), Sec. 5, eff. December 31, 2009.

Sec. 46.0081. SECURITY CRITERIA IN DESIGN OF INSTRUCTIONAL FACILITIES. A school district that constructs a new instructional facility or conducts a major renovation of an existing instructional facility using funds allotted to the district under this subchapter shall consider, in the design of the instructional facility, appropriate security criteria.

Added by Acts 2005, 79th Leg., Ch. 780 (S.B. 11), Sec. 7, eff. September 1, 2005.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 620 (S.B. 1556), Sec. 2, eff. June 14, 2013.

Sec. 46.009. PAYMENT OF SCHOOL FACILITIES ALLOTMENTS. (a) For each school year, the commissioner shall determine the amount of money to which each school district is entitled under this subchapter.

(b) If the amount appropriated for purposes of this subchapter for a year is less than the total amount determined under Subsection (a) for that year, the commissioner shall:

(1) transfer from the Foundation School Program to the instructional facilities program the amount by which the total amount determined under Subsection (a) exceeds the amount appropriated; and

(2) reduce each district's foundation school fund allocations in the manner provided by Section 42.253(h).

(c) Warrants for payments under this subchapter shall be approved and transmitted to school district treasurers or depositories in the same manner as warrants for payments under Chapter 42.

(d) As soon as practicable after September 1 of each year, the commissioner shall distribute to each school district the amount of state assistance under this subchapter to which the commissioner has determined the district is entitled for the school year. The district shall deposit the money in the interest and sinking fund for the bonds for which the assistance is received and shall adopt a tax rate for purposes of debt service that takes into account the balance of the interest and sinking fund.

(e) Section 42.258 applies to payments under this subchapter.

(f) If a school district would have received a greater amount under this subchapter for the applicable school year using the adjusted value determined under Section 42.257, the commissioner shall add the difference between the adjusted value and the amount the district received under this subchapter to subsequent distributions to the district under this subchapter.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1,

1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.27, eff. Sept. 1, 1999.

Sec. 46.010. PROJECTS BY MORE THAN ONE DISTRICT. If two or more districts apply for state assistance in connection with a joint project at a single location, each district is entitled to a guaranteed facilities yield amount of state and local funds that is 20 percent higher than the amount to which the district would otherwise be entitled under Section 46.005.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997.

Sec. 46.011. SALE OF INSTRUCTIONAL FACILITY FINANCED WITH INSTRUCTIONAL FACILITIES ALLOTMENT. (a) If an instructional facility financed by bonds paid with state and local funds under this subchapter is sold before the bonds are fully paid, the school district shall send to the comptroller an amount equal to the district's net proceeds from the sale multiplied by a percentage determined by dividing the amount of state funds under this subchapter used to pay the principal of and interest on the bonds by the total amount of principal and interest paid on the bonds with funds other than the proceeds of the sale.

(b) In this section, "net proceeds" means the difference between the total amount received from the sale less:

(1) the amount necessary to fully pay the outstanding principal of and interest on the bonds; and

(2) the school district's costs of the sale, as approved by the commissioner.

Added by Acts 1997, 75th Leg., ch. 592, Sec. 1.04, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 396, Sec. 1.28, eff. Sept. 1, 1999.

Sec. 46.0111. ACTIONS BROUGHT FOR DEFECTIVE DESIGN, CONSTRUCTION, RENOVATION, OR IMPROVEMENT OF INSTRUCTIONAL FACILITY. (a) In this section:

(1) "Net proceeds" means the difference between the amount

recovered by or on behalf of a school district in an action, by settlement or otherwise, and the legal fees and litigation costs incurred by the district in prosecuting the action.

(2) "State's share" means an amount equal to the district's net proceeds from the recovery multiplied by a percentage determined by dividing the amount of state assistance under this subchapter used to pay the principal of and interest on bonds issued in connection with the instructional facility that is the subject of the action by the total amount of principal and interest paid on the bonds as of the date of the judgment or settlement.

(b) A school district that brings an action for recovery of damages for the defective design, construction, renovation, or improvement of an instructional facility financed by bonds for which the district receives state assistance under this subchapter shall provide the commissioner with written notice of the action.

(c) The commissioner may join in the action on behalf of the state to protect the state's share in the action.

(d) A school district shall use the net proceeds from an action brought by the district for the defective design, construction, renovation, or improvement of an instructional facility financed by bonds for which the district receives state assistance under this subchapter to repair the defective design, construction, renovation, or improvement of the instructional facility on which the action is brought or to replace the facility. Section 46.008 applies to the repair.

(e) The state's share is state property. The school district shall send to the comptroller any portion of the state's share not used by the school district to repair the defective design, construction, renovation, or improvement of the instructional facility on which the action is brought or to replace the facility. Section 42.258 applies to the state's share under this subsection.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 2.05, eff. September 1, 2011.

Sec. 46.012. APPLICABILITY TO OPEN-ENROLLMENT CHARTER SCHOOLS. An open-enrollment charter school is not entitled to an allotment under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 30, eff. Sept. 1, 2001.

Sec. 46.013. MULTIPLE ALLOTMENTS PROHIBITED. A school district is not entitled to state assistance under this subchapter based on taxes with respect to which the district receives state assistance under Subchapter F, Chapter 42.

Added by Acts 2001, 77th Leg., ch. 1156, Sec. 7, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 46.012 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(22), eff. Sept. 1, 2003.

SUBCHAPTER B. ASSISTANCE WITH PAYMENT OF EXISTING DEBT

Sec. 46.031. RULES. The commissioner may adopt rules for the administration of this subchapter.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999.

Sec. 46.032. ALLOTMENT. (a) Each school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort to pay the principal of and interest on eligible bonds. The amount of state support, subject only to the maximum amount under Section 46.034, is determined by the formula:

EDA = (EDGL X ADA X EDTR X 100) - (EDTR X (DPV/100))

where:

"EDA" is the amount of state funds to be allocated to the district for assistance with existing debt;

"EDGL" is the dollar amount guaranteed level of state and local funds per student per cent of tax effort, which is $35 or a greater amount for any year provided by appropriation;

"ADA" is the number of students in average daily attendance, as determined under Section 42.005, in the district;

"EDTR" is the existing debt tax rate of the district, which is determined by dividing the amount budgeted by the district for payment of eligible bonds by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100; and

"DPV" is the district's taxable value of property as determined

under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521.

(b) The existing debt tax rate of the district under Subsection (a) may not exceed the rate that would be necessary for the current year, using state funds under Subsection (a), to make payments of principal and interest on the bonds for which the tax is pledged.

(c) The amount budgeted by a district for payment of eligible bonds may include:

(1) bond taxes collected in the current school year;

(2) bond taxes collected in a preceding school year in excess of the amount necessary to pay the district's share of actual debt service on bonds in that year, provided that the taxes were not used to generate other state financial assistance for the district; or

(3) maintenance and operations taxes collected in the current school year or a preceding school year in excess of the amount eligible to be used to generate other state financial assistance for the district.

(d) Notwithstanding any other provision of this chapter, in computing a district's existing debt tax rate ("EDTR") and taxable value of property ("DPV") for the 2015-2016 school year, a school district's taxable value of property under Subchapter M, Chapter 403, Government Code, is determined as if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article in effect for the 2015 tax year as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had been in effect for the 2014 tax year. This subsection expires September 1, 2016.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1156, Sec. 8, eff. Sept. 1, 2001.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 22, eff. November 3, 2015.

Sec. 46.033. ELIGIBLE BONDS. Bonds, including bonds issued under Section 45.006, are eligible to be paid with state and local

funds under this subchapter if:

(1) the district made payments on the bonds during the final school year of the preceding state fiscal biennium or taxes levied to pay the principal of and interest on the bonds were included in the district's audited debt service collections for that school year; and

(2) the district does not receive state assistance under Subchapter A for payment of the principal and interest on the bonds.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1156, Sec. 9, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 40, eff. Sept. 1, 2003. Amended by:

Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 12.01, eff. August 29, 2005.

Acts 2007, 80th Leg., R.S., Ch. 235 (H.B. 1922), Sec. 2, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 76, eff. September 1, 2009.

Sec. 46.034. LIMITS ON ASSISTANCE. (a) The existing debt tax rate ("EDTR") under Section 46.032 may not exceed $0.29 per $100 of valuation, or a greater amount for any year provided by appropriation.

(b) The amount of state assistance to which a district is entitled under this subchapter may not exceed the amount to which the district would be entitled at the district's tax rate for the payment of eligible bonds for the final year of the preceding state fiscal biennium.

(b-1) Notwithstanding Subsection (b), a school district is entitled to state assistance under this subchapter based on the district's tax rate for the current school year if the district demonstrates to the commissioner's satisfaction that the district meets the criteria under Section 46.006(c-2).

(c) If the amount required to pay the principal of and interest on eligible bonds in a school year is less than the amount of payments made by the district on the bonds during the final school year of the preceding state fiscal biennium or the district's audited debt service collections for that school year, the district may not

receive aid in excess of the amount that, when added to the district's local revenue for the school year, equals the amount required to pay the principal of and interest on the bonds.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1156, Sec. 10, 12, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 201, Sec. 41, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 899 (S.B. 1863), Sec. 12.02, eff. August 29, 2005.
Acts 2007, 80th Leg., R.S., Ch. 235 (H.B. 1922), Sec. 3, eff. September 1, 2007.
Acts 2007, 80th Leg., R.S., Ch. 1309 (S.B. 962), Sec. 3, eff. September 1, 2007.
Acts 2009, 81st Leg., R.S., Ch. 1328 (H.B. 3646), Sec. 77, eff. September 1, 2009.

Sec. 46.035. PAYMENT OF ASSISTANCE. Section 46.009 applies to the payment of assistance under this subchapter.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999.

Sec. 46.036. APPLICABILITY TO OPEN-ENROLLMENT CHARTER SCHOOLS. An open-enrollment charter school is not entitled to an allotment under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 31, eff. Sept. 1, 2001.

Sec. 46.037. MULTIPLE ALLOTMENTS PROHIBITED. A school district is not entitled to state assistance under this subchapter based on taxes with respect to which the district receives state assistance under Subchapter F, Chapter 42.

Added by Acts 2001, 77th Leg., ch. 1156, Sec. 11, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 46.036 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(23), eff. Sept. 1, 2003.

SUBCHAPTER C. REFINANCING

Sec. 46.061. STATE ASSISTANCE FOR REFINANCING. (a) The commissioner by rule may provide for the payment of state assistance under this chapter to refinance school district debt. A refinancing may not increase the cost to the state of providing the assistance.

(b) The commissioner may allocate state assistance provided for a refinancing to Subchapter A, Subchapter B, or both, as appropriate.

Added by Acts 1999, 76th Leg., ch. 396, Sec. 1.29, eff. Sept. 1, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.007, eff. September 1, 2009.

SUBCHAPTER D. STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES

Sec. 46.071. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2015-2016 school year, a school district is entitled to additional state aid under this subchapter to the extent that state and local revenue used to service debt eligible under this chapter is less than the state and local revenue that would have been available to the district under this chapter as it existed on September 1, 2015, if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had not occurred.

(b) Subject to Subsections (c)-(e), additional state aid under this section is equal to the amount by which the loss of local interest and sinking revenue for debt service attributable to the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, is not offset by a gain in state aid under this chapter.

(c) For the purpose of determining state aid under this section, local interest and sinking revenue for debt service is

limited to revenue required to service debt eligible under this chapter as of September 1, 2015, including refunding of that debt, subject to Section 46.061. The limitation imposed by Section 46.034(a) does not apply for the purpose of determining state aid under this section.

(d) If the amount required to pay debt service eligible under this section is less than the sum of state and local assistance provided under this chapter, including the amount of additional aid provided under this section, the district may not receive aid under this section in excess of the amount that, when added to the district's local interest and sinking revenue for debt service for the school year, as defined by this section, and state aid under Subchapters A and B, equals the amount required to pay the eligible debt service.

(e) The commissioner, using information provided by the comptroller and other information as necessary, shall compute the amount of additional state aid to which a district is entitled under this section. A determination by the commissioner under this section is final and may not be appealed.

Added by Acts 2015, 84th Leg., R.S., Ch. 465 (S.B. 1), Sec. 23, eff. November 3, 2015.

TITLE 3. HIGHER EDUCATION
SUBTITLE A. HIGHER EDUCATION IN GENERAL
CHAPTER 51. PROVISIONS GENERALLY APPLICABLE TO HIGHER EDUCATION
SUBCHAPTER A. CONTROL OF FUNDS

Sec. 51.001. INSTITUTIONS TO WHICH APPLICABLE. The provisions of this subchapter apply to each institution of higher education, as that term is defined by Section 61.003 of this code, including each public junior college to the extent possible.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1656, ch. 601, Sec. 1, eff. June 15, 1973; Acts 1975, 64th Leg., p. 813, ch. 317, Sec. 2, eff. Sept. 1, 1975; Acts 1987, 70th Leg., ch. 823, Sec. 3.05, eff. June 20, 1987; Acts 1987, 70th Leg., ch. 1070, Sec. 2, eff. May 15, 1988.

Sec. 51.002. FUNDS SUBJECT TO CONTROL. (a) The governing board of each institution listed in Section 51.001 of this code may retain control of the following sums of money collected at the institution, subject to Section 51.008 of this code:

(1) student fees of all kinds;

(2) charges for use of rooms and dormitories;

(3) receipts from meals, cafes, and cafeterias;

(4) fees on deposit refundable to students under certain conditions;

(5) receipts from school athletic activities;

(6) income from student publications and other student activities;

(7) receipts from the sale of publication products and miscellaneous supplies and equipment;

(8) students' voluntary deposits of money for safekeeping;

(9) all other fees and local or institutional funds arising out of and by virtue of the educational activities, research, or demonstrations carried on by the institution; and

(10) donations and gifts to the institution.

(b) The provisions of this subchapter do not apply to any income derived from the permanent university fund.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 481, Sec. 1, eff. June 8, 1991.

Sec. 51.003. DEPOSITORIES. (a) The governing board of each institution may select one or more depositories as places of deposit for the funds enumerated in Section 51.002 of this code. Depositories shall be selected on the basis of competitive bids. If bids are taken orally, the bids shall be tabulated by the person taking the bids and made a part of the permanent records of the institution.

(b) The funds shall either be deposited in the depository bank or banks or invested as authorized by Chapter 2256, Government Code (Public Funds Investment Act). Funds that are to be deposited in the depository bank or banks must be deposited within seven days from the date of receipt by the institution.

(c) The governing board shall require adequate surety bonds or

securities to be posted to secure the deposits and may require additional security at any time it deems the deposits inadequately secured. The depository banks selected may pledge their securities to protect the funds.

(d) A depository shall pay interest on the deposits at a rate agreed on by the depository and the governing board.

(e) Any surety bond furnished under the provisions of this section shall be payable to the governor and his successors in office. Venue for a suit to recover an amount claimed by the state to be due on a surety bond is in Travis County.

(f) Notwithstanding any other provision of this section, the governing board of each institution may maintain unsecured deposits in a foreign bank as necessary to support the institution's academic and research operations in the foreign country in which the bank is located, provided that no appropriated or tuition funds other than those collected from students enrolled in the affected programs are deposited. The foreign bank must:

(1) be licensed and supervised by a central bank;

(2) be audited annually by an accounting firm that follows international financial reporting standards; and

(3) maintain a capital to total assets ratio that is not less than the greater of four percent or the minimum tier 1 capital to total assets ratio required for depository institutions insured by the Federal Deposit Insurance Corporation.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 823, Sec. 4.03, eff. June 20, 1987; Acts 1987, 70th Leg., ch. 889, Sec. 8, eff. Aug. 31, 1987; Acts 1995, 74th Leg., ch. 402, Sec. 2, eff. Sept. 1, 1995. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.01, eff. June 17, 2011.

Sec. 51.0031. DEPOSITS AND INVESTMENTS. (a) A governing board may deposit funds under its control as provided in Section 51.003 of this code, may invest funds under its control in accordance with Chapter 2256, Government Code and, with regard to donations, gifts, and trusts, may establish endowment funds that operate as trusts and are managed under prudent person standards.

(b) Funds described in this section may also be invested in cash management and fixed income funds held by organizations exempt from federal taxation under Section 501(f) of the Internal Revenue Code of 1986 (26 U.S.C. Section 501(f)), as that section may be amended.

(c) If a governing board has under its control at least $25 million in book value of endowment funds, such governing board may invest all funds described in this section under prudent person standards.

(c-1) If a governing board does not have under its control at least $25 million in book value of endowment funds, the governing board may contract to pool its funds described in this section with another institution that meets the $25 million in book value of endowment funds threshold established under Subsection (c), and have its funds invested by that governing board under prudent person standards.

(d) As used in this section, "prudent person standard" is the standard of care described in Article VII, Section 11b, of the Texas Constitution, and means that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 4.04, eff. June 20, 1987. Amended by Acts 1993, 73rd Leg., ch. 240, Sec. 4, eff. May 22, 1993; Acts 1995, 74th Leg., ch. 402, Sec. 3, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1158, Sec. 4, eff. June 15, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 111 (S.B. 1019), Sec. 1, eff. September 1, 2013.

Sec. 51.0032. INVESTMENT REPORTS AND POLICIES. (a) A governing board shall adopt by rule or resolution a written investment policy for the investment of its institutional funds.

(b) Not less than quarterly, an institution of higher education shall prepare and submit to the governing board of the institution a written report of the institution's institutional funds investment

transactions for the preceding reporting period.

(c) In addition to other information that may be required by the governing board, the report must contain:

(1) a summary statement of each pooled fund group that states the beginning market value for the reporting period, additions and changes to the market value during the period, and the ending market value for the period; and

(2) the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type invested.

(d) In this section:

(1) "Governing board" means a governing board described in Section 51.0031(c).

(2) "Institution of higher education" means an institution of higher education under the governance of a governing board to which this section applies.

(3) "Pooled fund group" means an internally created fund of an institution of higher education in which one or more institutional accounts are invested.

(4) "Separately invested asset" means an account of an institution of higher education that is not invested in a pooled fund group.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 4, eff. Sept. 1, 1995.

Sec. 51.004. SEPARATE ACCOUNTS; TRUST FUNDS; INTEREST. (a) Separate accounts shall be kept on the books of the institution showing the sources of all sums collected and the purposes for which disbursements are made.

(b) All trust funds, including gifts, grants, and bequests received, establishing or adding to endowment funds, loan and scholarship funds, and funds for other current restricted purposes, shall be credited to separate accounts and shall not be commingled with other local or institutional funds.

(c) If the governing board so elects, deposits of all funds not specifically required to be deposited to special accounts may be deposited in a single bank account if the records of the institution clearly reflect the balances attributable to general funds and various categories of trust funds.

(d) Interest received from depository banks for funds on deposit may be credited to an appropriate account in either general funds or trust funds in relation to the sources of temporary investments in time deposits, if the disposition of the earnings was not specified by the grantor. Interest received from the trust funds time deposits shall be available for loans, scholarships, fellowships, institutional research, faculty aid, and other lawful purposes.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 481, Sec. 2, eff. June 8, 1991.

Sec. 51.005. REPORTS. Each institution of higher education shall prepare a complete annual financial report as prescribed by Section 2101.011, Government Code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 568, ch. 227, Sec. 1, eff. May 20, 1975; Acts 1977, 65th Leg., p. 1187, ch. 455, Sec. 1, eff. Aug. 29, 1977; Acts 1979, 66th Leg., p. 1053, ch. 484, Sec. 1, eff. Aug. 27, 1979; Acts 1987, 70th Leg., ch. 823, Sec. 3.06, eff. June 20, 1987; Acts 1989, 71st Leg., ch. 584, Sec. 98, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 449, Sec. 19, eff. Sept. 1, 1993. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.02, eff. June 17, 2011.

Sec. 51.0051. ANNUAL OPERATING BUDGETS. The governing board of each institution shall approve on or before September 1 of each year an itemized budget covering the operation of the institution for the fiscal year beginning on September 1 of each year. The budget shall be prepared within the limits of legislatively appropriated general revenue and estimated educational and general funds. The budget shall also include estimated institutional funds. Copies of each such budget shall be furnished to the Texas Higher Education Coordinating Board for distribution to the Governor's Budget and Planning Office, Legislative Budget Board, and Legislative Reference Library. Additional copies shall be delivered to the Texas Higher

Education Coordinating Board as required. The governing board of the institution shall retain five copies of the budget for distribution to legislators or other state officials on request.

Added by Acts 1991, 72nd Leg., ch. 481, Sec. 3, eff. June 8, 1991.
Amended by Acts 1995, 74th Leg., ch. 823, Sec. 4, eff. Aug. 28, 1995.

Sec. 51.0052. REPORT TO SECRETARY OF STATE. (a) In this section, "colonia" means a geographic area that:

(1) is an economically distressed area as defined by Section 17.921, Water Code;

(2) is located in a county any part of which is within 62 miles of an international border; and

(3) consists of 11 or more dwellings that are located in close proximity to each other in an area that may be described as a community or neighborhood.

(b) To assist the secretary of state in preparing the report required under Section 405.021, Government Code, an institution of higher education on a quarterly basis shall provide a report to the secretary of state detailing any projects funded by the institution of higher education that provide assistance to colonias.

(c) The report must include:

(1) a description of any relevant projects;

(2) the location of each project;

(3) the number of colonia residents served by each project;

(4) the exact amount spent or the anticipated amount to be spent on each colonia served by each project;

(5) a statement of whether each project is completed and, if not, the expected completion date of the project; and

(6) any other information, as determined appropriate by the secretary of state.

(d) The institution of higher education shall require an applicant for funds administered by the institution to submit to the institution a colonia classification number, if one exists, for each colonia that may be served by the project proposed in the application. If a colonia does not have a classification number, the institution of higher education may contact the secretary of state or the secretary of state's representative to obtain the classification number. On request of the institution, the secretary of state or the

secretary of state's representative shall assign a classification number to the colonia.

Added by Acts 2007, 80th Leg., R.S., Ch. 341 (S.B. 99), Sec. 10, eff. June 15, 2007.

Sec. 51.006. FUNDS NOT TO BE USED TO INCREASE SALARIES. No part of any of the funds listed in Section 51.002 of this code shall ever be used to increase any salary beyond the sum fixed by the legislature in the general appropriations act; provided, however, that the use of such funds by an institution for this purpose may be specifically authorized by the legislature in general law or the general appropriations act.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 481, Sec. 4, eff. June 8, 1991.

Sec. 51.0065. APPLICABILITY OF ACROSS-THE-BOARD SALARY INCREASE. An institution of higher education that has adopted a pay-for-performance program that is in effect when an across-the-board salary increase for state employees made by an appropriation act of the legislature takes effect is entitled to receive any appropriation made for purposes of the across-the-board salary increase, and may use the amount appropriated for an across-the-board salary increase or for increases in compensation under the institution's pay-for-performance program.

Added by Acts 2003, 78th Leg., ch. 1266, Sec. 2.07, eff. June 20, 2003.

Sec. 51.007. PENALTY. Any state officer, agent, employee, or member of a governing board of any of the above named institutions, or any other person who violates any provision of this subchapter shall be deemed guilty of a misdemeanor and shall be punished by a fine of not less than $50 nor more than $500, and in addition may be sentenced to not less than 15 days nor more than three months in the county jail. Failure to print and furnish to the officers above

named, the reports above specified, shall subject all of the members of the governing board of the institutions above mentioned to the penalties provided for in this section. Every day in excess of the number of days hereinabove provided for that any sum of money belonging to any of the funds enumerated in this subchapter, whether depositable in special depositories or whether those that should be deposited in the state treasury, shall be withheld from deposit at its proper place of deposit, shall constitute a separate offense and each day of such withholding shall subject the officer, agent, employee, or person so withholding said sum to the penalties herein provided for.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.008. CERTAIN RECEIPTS TO BE DEPOSITED IN STATE TREASURY. (a) The governing board of every state institution of higher education is directed to designate special depository banks, subject to the approval of the comptroller, for the purpose of receiving and keeping certain receipts of the institution separate and apart from funds now deposited in the state treasury. The receipts here referred to are described in Subsection (b) of this section. The comptroller is directed to deposit the receipts, or funds representing such receipts, enumerated herein, in the special depository bank or banks nearest the institution credited with the receipts, so far as is practicable, and is authorized to withdraw such funds on drafts or checks prescribed by the comptroller. The comptroller is authorized to promulgate rules and regulations to require collateral security for the protection of such funds pursuant to the provisions of Chapter 404, Government Code. For the purpose of facilitating the clearance and collection of the receipts herein enumerated, the comptroller is hereby authorized to deposit such receipts in any state depository bank and transfer funds representing such receipts enumerated herein to the respective special depository banks. Banks so designated as special depository banks are hereby authorized to pledge their securities to protect such funds.

(b) The governing board of every state institution of higher education shall deposit in the state treasury all cash receipts accruing to any college or university under its control that may be

derived from all sources except auxiliary enterprises, noninstructional services, agency, designated, and restricted funds, endowment and other gift funds, student loan funds, funds retained under Chapter 145 of this code, and Constitutional College Building Amendment funds. The comptroller is directed to credit such receipts deposited by each such institution to a separate fund account for the institution depositing the receipts, but he shall not be required to keep separate accounts of types of funds deposited by each institution. For the purpose of facilitating the transferring of such institutional receipts to the state treasury, each institution shall open in a local depository bank a clearing account to which it shall deposit daily all such receipts, and shall, not less often than every seven days, make remittances therefrom to the comptroller of all except $500 of the total balance in said clearing account, such remittances to be in the form of checks drawn on the clearing account by the duly authorized officers of the institution, and no disbursements other than remittances to the state treasury shall be made from such clearing account. All money so deposited in the state treasury shall be paid out on warrants drawn by the comptroller as provided by law.

(c) The legislature is authorized to create revolving funds for the handling of funds of institutions of higher education, as enumerated herein, by making provision in each biennial appropriation bill enacted by the legislature.

(d) Nothing in this section affects the provisions of Title 47, Revised Civil Statutes of Texas, 1925, usually referred to as the State Depository Law. However, the limitation of deposits contained in Article 2532, Revised Civil Statutes of Texas, 1925, as amended, shall not apply insofar as the specific funds enumerated in this section are concerned.

(e) This section prevails over Sections 51.001-51.007 of this code to the extent of any conflict.

(f) Interest earned on the receipts deposited under this section to an institution's separate fund account in the state treasury shall be credited to that separate fund account.

(g) Revenues collected at institutions of higher education and deposited in the state treasury pursuant to this section and Section 34.017, Natural Resources Code, and the interest earned thereon, are dedicated to the institution which collected and deposited the funds irrespective of the year the funds were collected, deposited, or

earned. These funds may be only used for the support, maintenance, and operation of the institution as provided for by law. Section 403.094(h), Government Code, does not apply to funds described in this section.

(h) Tuition revenues and revenue collected under Section 34.017, Natural Resources Code, that are deposited in the treasury pursuant to this section, and the interest earned on those revenues, shall be treated as designated funds in the general revenue fund. Notwithstanding a pledge of those revenues made or to be made in the proceedings approved by the governing board of an institution of higher education authorizing the issuance or incurrence of bonds, the deposit of those revenues in the treasury to the credit of an account in the general revenue fund does not:

(1) affect in any manner the pledge of the revenues or the governing board's ability to pledge the revenues to secure and pay bonds issued or incurred by the governing board in accordance with law;

(2) cause the bonds to constitute a debt of the state or be payable from the full faith and credit of the state;

(3) change the character of the revenues as separate revenue of the institution collecting the revenue; or

(4) cause the revenue to be considered general revenue for purposes of Sections 17 and 18, Article VII, Texas Constitution.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 4650, ch. 804, Sec. 1, 2, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 823, Sec. 3.09, eff. June 20, 1987; Acts 1993, 73rd Leg., ch. 399, Sec. 1, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 1423, Sec. 5.08, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1432, Sec. 1, eff. Sept. 1, 2001.

Sec. 51.009. DEFINING AND ACCOUNTING FOR CERTAIN INCOME. (a) "Local funds" are the items to be accounted for as "educational and general funds" as described in Subsection (c) of this section, but do not include general revenue funds. These funds shall be accounted for in a manner recommended by the National Association of College and University Business Officers and approved by the comptroller of public accounts and the Texas Higher Education Coordinating Board.

(b) "Institutional funds" means all funds collected at the

institution that are not "educational and general funds" as described in Subsection (c) of this section. These funds shall be accounted for in a manner recommended by the National Association of College and University Business Officers and approved by the comptroller of public accounts and the Texas Higher Education Coordinating Board.

(c) Each of the following shall be accounted for as educational and general funds:

(1) net tuition, special course fees charged under Sections 54.051(e) and (l), lab fees, student teaching fees, organized activity fees, and proceeds from the sale of educational and general equipment; and

(2) hospital and clinic fees received by a state-owned clinical care facility that is operated using general revenue fund appropriations for patient care.

Added by Acts 1987, 70th Leg., ch. 901, Sec. 36, eff. Aug. 31, 1987.
Amended by Acts 1991, 72nd Leg., ch. 481, Sec. 5, eff. June 8, 1991.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 1, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1324 (S.B. 1446), Sec. 1, eff. June 15, 2007.

Sec. 51.010. COLLECTION OF DELINQUENT OBLIGATIONS. If under the rules adopted by the attorney general under Chapter 2107, Government Code, an institution of higher education is not required to refer a delinquent obligation for collection to the attorney general, the institution is not required to expend resources for further collection efforts if, considering the amount, security, likelihood of collection, expense, and available resources, the institution determines that further collection should not be actively pursued.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.02, eff. June 17, 2011.

Sec. 51.011. DISPOSITION OF SMALL CREDIT BALANCES. (a) This section applies to a credit balance of less than $25 held by an institution of higher education that is presumed abandoned under

Chapter 72, Property Code.

(b) An institution of higher education may maintain an unclaimed money fund and transfer to that fund a credit balance to which this section applies. A deposit to the unclaimed money fund does not affect the ownership of the amount deposited. The institution shall:

(1) adopt procedures for owners to make and receive payments of claims against the fund; and

(2) maintain a database that permits members of the public to search for ownership of unclaimed funds.

(c) The institution of higher education shall use the fund to pay the claims of persons establishing ownership of amounts transferred to the fund and shall hold and account for the unclaimed money fund as educational and general funds of the institution. If the fund balance is insufficient to pay a valid claim, the institution shall pay the claim from the institution's other educational and general funds.

(d) Each fiscal year, after deducting funds sufficient to pay anticipated expenses of and claims against the unclaimed money fund, the institution shall use the balance of the fund as other educational and general funds of the institution.

(e) In consultation with institutions of higher education, the comptroller by rule may establish minimum requirements for notice to owners of unclaimed money deposited in the unclaimed money fund and for charges for that notice. The rules may not provide stricter requirements than the comptroller applies for amounts of less than $25 in the custody of the comptroller under Chapter 74, Property Code.

(f) If an institution of higher education maintains an unclaimed money fund under this section, Chapter 74, Property Code, does not apply to a credit balance to which this section applies.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.02, eff. June 17, 2011.

Sec. 51.012. PAYMENTS BY ELECTRONIC FUNDS TRANSFER OR ELECTRONIC PAY CARD. An institution of higher education may make any payment through electronic funds transfer or by electronic pay card.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.02,

eff. June 17, 2011.

SUBCHAPTER C. FACULTY DEVELOPMENT LEAVES OF ABSENCE

Sec. 51.101. DEFINITIONS. In this subchapter:

(1) "Institution of higher education" has the meaning assigned to it in Section 61.003 of this code, except that Texas State Technical College System is included and the Rodent and Predatory Animal Control Service is excluded for the purposes of this subchapter.

(2) "Governing board" means the body charged with policy direction of an institution of higher education.

(3) "Faculty member" means a person who is employed by an institution of higher education on a full-time basis as a member of the faculty or staff and whose duties include teaching, research, administration, including professional librarians, or the performance of professional services. However, the term does not include a person employed in a position which is in the institution's classified personnel system or a person employed in a similar type of position if the institution does not have a classified personnel system.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 25, eff. Sept. 1, 1991.

Sec. 51.102. LEGISLATIVE FINDINGS AND PURPOSE. The legislature finds that higher education is vitally important to the welfare, if not the survival, of Texas and the United States at this stage in history and that the quality of higher education is dependent upon the quality of college and university faculties. The legislature finds, therefore, that money spent on recognized means for producing an excellent system of public higher education is money spent to serve a public purpose of great importance. The legislature finds further that a sound program of faculty development leaves of absence designed to enable the faculty member to engage in study, research, writing, and similar projects for the purpose of adding to the knowledge available to himself, his students, his institution, and society generally is a well-recognized means for improving a state's

program of public higher education. The legislature's purpose in establishing the faculty development leave program provided for by this subchapter is to improve further the higher education available to the youth at the state-supported colleges and universities and to establish this program of faculty development leaves as part of the plan of compensation for the faculty of these colleges and universities.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.103. GRANTING LEAVES OF ABSENCE; PROCEDURES. (a) On the application of a faculty member, the governing board of an institution of higher education may grant a faculty development leave of absence for study, research, writing, field observations, or other suitable purpose, to a faculty member if it finds that he is eligible by reason of service, that the purpose for which he seeks a faculty development leave is one for which a faculty development leave may be granted, and that granting leave to him will not place on faculty development leave a greater number of faculty members than that authorized.

(b) The governing board by regulation shall establish a procedure whereby the applications for faculty development leaves of absence are received by a committee elected by the general faculty for evaluation and whereby this faculty committee then makes recommendations to the chief administrative officer of the institution of higher education, who shall then make recommendations to the governing board as to which applications should be granted.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.104. SERVICE REQUIRED. A faculty member is eligible by reason of service to be considered for a faculty development leave when he has served as a member of the faculty of the same institution of higher education for at least two consecutive academic years. This service may be as an instructor or as an assistant, associate, or full professor, or an equivalent rank, and must be full-time academic duty but need not include teaching.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.105. DURATION AND COMPENSATION. (a) The governing board may grant to a faculty member a faculty development leave either for one academic year at one-half of his regular salary or for one-half academic year at his full regular salary. Payment of salary to the faculty member on faculty development leave may be made from the funds appropriated by the legislature specifically for that purpose, or from such other funds as might be available to the institution.

(b) A faculty member on faculty development leave may accept a grant for study, research, or travel from any institution of higher education, from a charitable, religious, or educational corporation or foundation, from any business enterprise, or from any federal, state, or local governmental agency. An accounting of all grants shall be made to the governing board of the institution by the faculty member. A faculty member on faculty development leave may not accept employment from any other person, corporation, or government, unless the governing board determines that it would be in the public interest to do so and expressly approves the employment.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3351, ch. 1024, art. 2, Sec. 27, eff. Sept. 1, 1971; Acts 1973, 63rd Leg., p. 1640, ch. 597, Sec. 1, eff. Aug. 27, 1973; Acts 1981, 67th Leg., p. 890, ch. 316, Sec. 1, eff. Aug. 31, 1981.

Sec. 51.106. NUMBER ON LEAVE AT ONE TIME. Not more than six percent of the faculty members of any institution of higher education may be on faculty development leave at any one time.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.107. RIGHTS RETAINED. (a) A faculty member on faculty development leave shall continue to be a member of the Teacher Retirement System of Texas or of the Optional Retirement Program of

the institution of higher education, or of both, just as any other member of the faculty on full-time duty.

(b) The institution of higher education shall cause to be deducted from the compensation paid to a member of the faculty on faculty development leave the deposit and membership dues required to be paid by him to the Teacher Retirement System of Texas or to the Optional Retirement Program, or both, the contribution for Old Age and Survivors Insurance, and any other amounts required or authorized to be deducted from the compensation paid any faculty member.

(c) A member of the faculty on faculty development leave is a faculty member for purposes of participating in the programs and of receiving the benefits made available by or through the institution of higher education or the state to faculty members.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.108. REGULATIONS CONCERNING ABSENCE. (a) The governing board of each college or university supported in whole or in part by state funds shall issue regulations concerning the authorized and unauthorized absence from duty of faculty members, including teaching assistants and research assistants.

(b) Each governing board shall file a copy of these regulations with the Coordinating Board, Texas College and University System. Each governing board shall file any amendment to its regulations with the coordinating board not later than 30 days after the effective date of the amendment.

Added by Acts 1971, 62nd Leg., p. 3352, ch. 1024, art. 2, Sec. 28, eff. Sept. 1, 1971.

SUBCHAPTER D. INFORMATION NETWORK ASSOCIATIONS

Sec. 51.151. DEFINITIONS. In this subchapter:

(1) "Association" means the Western Information Network Association or any other regional network association created and named by the Coordinating Board, Texas College and University System.

(2) "Member" means one of the institutions of higher education which compose an association.

(3) "Associate member" means an organization other than an

institution of higher education admitted to associate membership in an association.

(4) "Board" means the board of directors of an association.

(5) "Director" means a member of a board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.152. PURPOSE. The purpose of this subchapter is to promote the educational programs of state-supported institutions of higher education in Texas by authorizing the establishment and operation of a cooperative system for communication and information retrieval and transfer between the institutions and between the institutions and private educational institutions, industry, and the public. The system, employing two-way, closed-circuit television and other electronic communication facilities, is to provide a means of effecting the interchange of ideas, talents, faculties, libraries, and data processing equipment and a means of carrying out an approved program of instructional television.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.1521. INTERAGENCY CONTRACTS FOR NETWORKS. Any institution of higher education may enter into an interagency contract with one or more other institutions of higher education for the establishment and operation of a telecommunications network for the transmission of audio or video signals or electronic data, but only to the extent that the telecommunications services are not available through a system of telecommunications services established for state agencies generally. Each of those interagency contracts shall be reviewed by the Texas Higher Education Coordinating Board.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 4.05, eff. June 20, 1987.

Sec. 51.153. WESTERN INFORMATION NETWORK ASSOCIATION. (a) The Western Information Network Association is an agency of the state

composed of the following state-supported member institutions of higher education: Amarillo College, Angelo State University, Clarendon Junior College, Frank Phillips College, Howard County Junior College, Midwestern University, Odessa College, South Plains College, Sul Ross State University, Texas Tech University, The University of Texas at El Paso, and West Texas State University.

(b) The board by a majority vote may admit other state-supported institutions of higher education to membership in the association on the approval of the Coordinating Board, Texas College and University System.

(c) The board by unanimous vote may admit private institutions of higher education to membership in the association on the approval of the Coordinating Board, Texas College and University System.

(d) The board by unanimous vote may admit other organizations to associate membership in the association.

(e) The Western Information Network Association is subject to the Texas Sunset Act (Chapter 325, Government Code). Unless continued in existence as provided by that Act, the association is abolished September 1, 1989.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1977, 65th Leg., p. 1854, ch. 735, Sec. 2.157, eff. Aug. 29, 1977; Acts 1985, 69th Leg., ch. 479, Sec. 197, eff. Sept. 1, 1985.

Sec. 51.154. BOARD OF DIRECTORS. The association is governed by a board of directors. The chief administrative officer, or a person designated by the chief administrative officer, of each institution of higher education holding membership in the association shall serve as a director of the board. Service on the board is an additional duty of employment of the chief administrative officers or the persons designated by the chief administrative officers of state-supported institutions and is not an additional position of honor, trust, or profit. The legislature finds that this service is necessary in accomplishing the purpose of this subchapter; is compatible with their employment; and will benefit the educational program of the institution and of the state.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.155. DIRECTOR'S EXPENSES. A director is entitled to receive reimbursement for actual expenses incurred in attending meetings of the board and in attending to the business of the association which is authorized by a resolution of the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.156. MEETINGS OF THE BOARD; QUORUM; ACTION BY BOARD. (a) The board shall hold a meeting at least once each quarter and may hold meetings at other times at the call of the chairman of the board or at the request of a majority of the other directors.

(b) A majority of the membership of the board constitutes a quorum at a meeting of the board.

(c) Action may be taken by the board by the affirmative vote of the majority of the directors present at a meeting at which a quorum is present.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.157. CHAIRMAN, VICE CHAIRMAN. The board shall select a director to serve as chairman and a director to serve as vice chairman of the board. The chairman shall preside at meetings of the board. If the chairman is not present, or is unable to act, the vice chairman shall preside at the meeting.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.158. GENERAL MANAGER, EMPLOYEES. The board may employ a general manager who shall serve as the chief executive officer of the association. The board may employ other employees it considers necessary in carrying on the association's duties and functions.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 51.159. DELEGATION OF AUTHORITY. The board may delegate any of the powers, duties, or functions of the association to the general manager or to any other employee.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.160. BOND OF OFFICER, AGENT, OR EMPLOYEE. (a) The general manager and every agent or employee of the association charged with the collection, custody, or payment of any money of the association shall execute a bond conditioned on the faithful performance of his duties.

(b) The board shall approve the form, amount, and surety of the bond.

(c) The surety may be a surety company authorized to do business in this state.

(d) The association shall pay the premium on the bond.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.161. POWERS AND DUTIES OF ASSOCIATION. (a) The association may acquire, operate, and maintain, or obtain by contracting with any communications common carrier in accordance with its tariffs, a multichannel, two-way communications system, including closed-circuit television, linking classrooms, libraries, computer facilities, information retrieval systems, and communications facilities located at the member institutions.

(b) The association may lease, acquire, operate, and maintain, or obtain by contracting with any communications common carrier in accordance with its tariffs, any facilities in addition to those described in Subsection (a) of this section, which the board considers necessary or desirable in carrying out the purposes of this subchapter.

(c) The association is authorized to lease, as lessor or lessee, acquire, operate, maintain, and equip a dormitory or

dormitories located on or near the campus of any member institution of the association that is a state-supported institution of higher education, and to issue its revenue bonds therefor as provided in this subchapter.

(d) The association may interchange educational information with private educational institutions, school districts, the United States government, and other parties engaged in education or participating in educational projects, and use the facilities of the association only in the exchange, retrieval, and transfer of information and the interchange of approval course offering and instruction between member-institutions and other parties engaged in education or participating in educational projects. Any dormitories leased, acquired, operated, and maintained by the association shall not be subject to the use limitation of this subsection that applies to all other facilities of the association.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.162. GIFTS AND GRANTS. The association may accept gifts, grants, or donations of real or personal property from any individual, group, association, or corporation. It may accept grants from the United States government subject to the limitations or conditions provided by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.163. INFORMATION NETWORK ASSOCIATION FUND. The Information Network Association Fund is a special fund in the state treasury. All money deposited in the treasury by the Western Information Network Association or any other regional network association created by the Coordinating Board, Texas College and University System, shall be credited to the special fund and disbursed as provided by legislative appropriation.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.164. RULES AND REGULATIONS. The association shall adopt and publish rules to govern the conduct of its business.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.165. PRINCIPAL OFFICE. The board for Western Information Network Association shall maintain its principal office in Lubbock, at or near Texas Tech University. The boards for other regional information network associations created by the Coordinating Board, Texas College and University System, shall maintain their principal offices at locations designated by the Coordinating Board, Texas College and University System.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.166. FACILITIES. Each member institution shall furnish suitable space to the association for a classroom-studio, a lecture studio, and a control room. It may also furnish any additional physical plant facility needed by the association in carrying on its functions at the institution. The facilities may with the approval of the association board and the governing body of the state-supported member institutions be located in a dormitory owned and operated by the association.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.167. DESIGNATION OF REGIONS FOR ADDITIONAL ASSOCIATIONS. (a) In addition to the Western Information Network Association, the Coordinating Board, Texas College and University System, shall at such times as the board shall determine, divide the state into information network association regions consisting of state-supported institutions of higher education located within geographical boundaries prescribed by the coordinating board.

(b) The coordinating board shall give due consideration to the geographical proximity and number of institutions of higher education

to be included within a proposed region.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.168. CREATION OF ADDITIONAL ASSOCIATIONS. (a) The coordinating board shall create and name an information network association within an information network region if:

(1) a majority of the institutions of higher education within a region apply to create an association; and

(2) the institutions applying show good cause for creating an association.

(b) The coordinating board may not create more than one information network association in an information network region.

(c) Each information network association created is an agency of the state.

(d) An information network association created under this section is subject to the Texas Sunset Act (Chapter 325, Government Code). Unless continued in existence as provided by that Act, the association is abolished September 1, 1989.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1977, 65th Leg., p. 1854, ch. 735, Sec. 2.158, eff. Aug. 29, 1977; Acts 1985, 69th Leg., ch. 479, Sec. 198, eff. Sept. 1, 1985.

Sec. 51.169. PROVISIONS APPLICABLE TO ADDITIONAL ASSOCIATIONS. Except for Subsection (a), Section 51.153 of this Code, the provisions of this subchapter apply to any additional information network association created by the coordinating board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.170. REVENUE BONDS. (a) The board may issue its revenue bonds for the purpose of providing funds to lease, as lessor or lessee, acquire, purchase, construct, improve, enlarge, or equip any property, buildings, structures, or other facilities, including

but not limited to dormitories, for and on behalf of the association.

(b) The bonds shall be payable from and secured by liens on and pledges of all or any part of the revenues from any lease rentals, rentals, charges, fees, or other resources of the board or association.

(c) The bonds may be issued to mature serially or otherwise within not more than 40 years from their date. The board may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, under the terms and conditions set forth in the resolution authorizing the issuance of the bonds.

(d) The bonds, and any interest coupons appertaining to them, are negotiable instruments. The bonds may be issued registrable as to principal alone or as to both principal and interest. They shall be executed, and may be made redeemable prior to maturity, may be issued in the form, denominations, and manner, and under the terms, conditions, and details, may be sold in the manner, at the price, and under the terms, and shall bear interest at the rate or rates, as is determined and provided by the board in the resolution authorizing the issuance of the bonds.

(e) Proceeds from the sale of the bonds may be used for paying interest on the bonds during the period of the acquisition or construction of any facilities to be provided through the issuance of the bonds and for providing a reserve for the payment of the principal of and interest on the bonds. The proceeds may be placed on time deposit or invested until needed to the extent and in the manner provided in the bond resolution.

(f) The board shall fix and collect lease rentals, rentals, rates, charges, and fees, or any combination of them, from students or others for the occupancy, use, or availability of all or any of its property, buildings, structures, or other facilities in amounts which will be sufficient, together with any other pledged resources, to provide for all payments of principal, interest, and any other amounts required in connection with any bonds issued under this section, and, to the extent required by the resolution authorizing the issuance of the bonds, to provide for the payment of expenses in connection with the issuance of the bonds and for the payment of operation, maintenance, and other expenses in connection with the property, buildings, structures, or facilities.

(g) Fees for the use or availability of all or any property, buildings, structures, or facilities may be pledged to the payment of

the bonds, and shall be fixed and collected in the manner determined and provided by the board in the resolution authorizing the issuance of the bonds. The board may pledge to the payment of the bonds all or any part of any resources of the board or association to the extent that the resources are permitted to be pledged to the payment of the revenue bonds. Each board may pledge to the payment of the bonds all or any part of any grant, donation, or income received or to be received from the United States government or any other public or private source, whether pursuant to an agreement or otherwise.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.171. REVENUE REFUNDING BONDS. Any revenue bonds issued by the board under this subchapter may be refunded, and in that case all pertinent and appropriate provisions of this subchapter are applicable to the refunding bonds. In refunding any of the bonds the board may, in the same authorizing proceedings, refund bonds issued under this subchapter and may combine all the refunding bonds with any other additional new bonds to be issued under this subchapter into one or more issues or series of bonds, and may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, under terms and conditions set forth in the authorizing proceedings.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.172. APPROVAL OF BONDS; REGISTRATION. All bonds issued under this subchapter shall be submitted to the attorney general for examination. If he finds that the bonds have been authorized in accordance with law, he shall approve them, and thereupon they shall be registered by the comptroller of public accounts. After the approval and registration the bonds are incontestable for any reason and are valid and binding obligations in accordance with their terms for all purposes. If the bonds recite that they are secured partially or otherwise by a pledge of the proceeds of a contract or lease made between the board and another party or parties, public agencies, or otherwise, a copy of the

contract or lease and of the proceedings authorizing it may or may not be submitted to the attorney general along with the bond records. If submitted, then the approval by the attorney general of the bonds shall constitute an approval of the contract or lease, and thereafter the contract or lease shall be incontestable.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.173. BONDS AS LEGAL INVESTMENTS. All bonds issued under this subchapter are legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas, and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic. The bonds are eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, when accompanied by any unmatured interest coupons appurtenant to them.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER E. PROTECTION OF BUILDINGS AND GROUNDS

Sec. 51.201. APPLICABILITY OF CRIMINAL LAWS. All the general and criminal laws of the state are declared to be in full force and effect within the areas under the control and jurisdiction of the state institutions of higher education of this state.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.202. RULES AND REGULATIONS. (a) The governing board of each state institution of higher education, including public junior colleges, may promulgate rules and regulations for the safety and welfare of students, employees, and property, and other rules and regulations it may deem necessary to carry out the provisions of this subchapter and the governance of the institution, providing for the operation and parking of vehicles on the grounds, streets, drives, alleys, and any other institutional property under its control, including but not limited to the following:

(1) limiting the rate of speed;

(2) assigning parking spaces and designating parking areas and their use and assessing a charge for parking;

(3) prohibiting parking as it deems necessary;

(4) removing vehicles parked in violation of institutional rules and regulations or law at the expense of the violator; and

(5) instituting a system of registration for vehicle identification, including a reasonable charge.

(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 787 , Sec. 5, eff. September 1, 2015.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 787 (H.B. 2629), Sec. 1, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 787 (H.B. 2629), Sec. 5, eff. September 1, 2015.

Sec. 51.203. CAMPUS PEACE OFFICERS. (a) The governing boards of each state institution of higher education and public technical institute may employ and commission peace officers for the purpose of carrying out the provisions of this subchapter. The primary jurisdiction of a peace officer commissioned under this section includes all counties in which property is owned, leased, rented, or otherwise under the control of the institution of higher education or public technical institute that employs the peace officer.

(b) Within a peace officer's primary jurisdiction, a peace officer commissioned under this section:

(1) is vested with all the powers, privileges, and

immunities of peace officers;

(2) may, in accordance with Chapter 14, Code of Criminal Procedure, arrest without a warrant any person who violates a law of the state; and

(3) may enforce all traffic laws on streets and highways.

(c) Outside a peace officer's primary jurisdiction a peace officer commissioned under this section is vested with all the powers, privileges, and immunities of peace officers and may arrest any person who violates any law of the state if the peace officer:

(1) is summoned by another law enforcement agency to provide assistance;

(2) is assisting another law enforcement agency; or

(3) is otherwise performing his duties as a peace officer for the institution of higher education or public technical institute that employs the peace officer.

(d) Any officer assigned to duty and commissioned shall take and file the oath required of peace officers.

(e) Any person commissioned under this Act must be a certified police officer under the requirements of the Texas Commission on Law Enforcement.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 468, Sec. 1, eff. Aug. 31, 1987; Acts 2003, 78th Leg., ch. 285, Sec. 5, eff. Sept. 1, 2003. Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.12, eff. May 18, 2013.

Sec. 51.204. TRESPASS, DAMAGE, DEFACEMENT. (a) In this section, "institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) It is unlawful for any person to:

(1) trespass on the grounds of an institution of higher education or of a private or independent institution of higher education; or

(2) damage or deface any of the buildings, statues, monuments, memorials, trees, shrubs, grasses, or flowers on the grounds of an institution of higher education or of a private or

independent institution of higher education.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 787 (H.B. 2629), Sec. 2, eff. September 1, 2015.

Sec. 51.205. PARKING; BLOCKING OR IMPEDING TRAFFIC. It is unlawful for any person to park a vehicle on any property under the control and jurisdiction of a state institution of higher education of this state except in the manner designated by the institution and in the spaces marked and designated by the governing board, or to block or impede traffic through any driveway of that property. All laws regulating traffic on highways and streets apply to the operation of vehicles within the property of the institution, except as may be modified in this subchapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.206. PARKING AND TRAFFIC TICKETS; SUMMONS; ARREST WARRANTS. In connection with traffic and parking violations, only the officers authorized to enforce the provisions of this subchapter have the authority to issue and use traffic tickets and summons of the type used by the Texas Highway Patrol, with any changes that are necessitated by reason of this subchapter. On the issuance of any parking or traffic ticket or summons, the same procedures shall be followed as prevail in connection with the use of parking and traffic violation tickets by the cities of this state and the Texas Highway Patrol. Nothing in this subchapter restricts the application and use of regular arrest warrants.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.207. VEHICLE IDENTIFICATION INSIGNIA; VEHICLE PERMITS. (a) Each public institution of higher education may provide for the

issuance and use of suitable vehicle identification insignia. The institution may bar or suspend the permit of any vehicle from driving or parking on any institutional property for the violation of any rule or regulation promulgated by the board as well as for any violation of this subchapter. Reinstatement of the privileges may be permitted and a reasonable fee assessed.

(b) This subsection applies only to a public institution of higher education campus that is located in whole or part in an area in which a motor vehicle registered in the area is required to undergo a vehicle emissions inspection under Subchapter F, Chapter 548, Transportation Code. The institution may not issue a permit to a student enrolled at the institution to park or drive a motor vehicle that is not registered in this state on institutional property unless the institution has provided written notice to the student concerning requirements for vehicle emissions inspections pursuant to Subchapter F, Chapter 548, Transportation Code.

(c) The Public Safety Commission shall adopt rules providing for the inspection under Subchapter F, Chapter 548, Transportation Code, of motor vehicles not registered in this state for purposes of Subsection (b).

(d) This subsection applies only to a public institution of higher education campus that is not covered by Subsection (b). The institution may not issue a permit to a student of the institution for driving or parking a motor vehicle on institutional property unless the institution provides written notice to the student that failure to register the vehicle in this state may violate state law if the owner of the vehicle resides in this state.

(e) Each institution of higher education that maintains a campus police force shall adopt procedures for enforcing State of Texas vehicle inspection laws for vehicles parking or driving on the campus of the institution.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 1147, Sec. 1.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1291 (H.B. 2305), Sec. 3, eff. March 1, 2015.

Sec. 51.208. PENALTY; COURTS HAVING JURISDICTION. (a) In this

section, "institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) A person who violates any provision of this subchapter or any rule or regulation promulgated under this subchapter commits an offense. An offense under this subsection is a misdemeanor punishable by a fine of not more than $200.

(c) The judge of a municipal court or any justice of the peace of any city or county where property under the control and jurisdiction of an institution of higher education or of a private or independent institution of higher education is located is each separately vested with all jurisdiction necessary to hear and determine criminal cases involving violations of this subchapter or rules or regulations promulgated under this subchapter for which the punishment does not exceed a fine of $200.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 787 (H.B. 2629), Sec. 3, eff. September 1, 2015.

Sec. 51.209. UNAUTHORIZED PERSONS; REFUSAL OF ENTRY, EJECTION, IDENTIFICATION. (a) In this section, "institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) The governing board of an institution of higher education or a private or independent institution of higher education or the governing board's authorized representatives may refuse to allow persons having no legitimate business to enter on property under the board's control, and may eject any undesirable person from the property on the person's refusal to leave peaceably on request. Identification may be required of any person on the property, and the person must provide that identification on request.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 787 (H.B. 2629), Sec. 4, eff. September 1, 2015.

Sec. 51.210. ENFORCEMENT OF RULES AND REGULATIONS. Notwithstanding any of the provisions of this subchapter, all officers commissioned by the governing board of a state institution of higher education may be empowered by the board to enforce rules and regulations promulgated by the board. Nothing in this subchapter is intended to limit or restrict the authority of each institution to promulgate and enforce appropriate rules and regulations for the orderly conduct of the institution in carrying out its purposes and objectives or the right of separate jurisdiction relating to the conduct of its students and personnel.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.211. CUMULATIVE EFFECT. The provisions of this subchapter are cumulative of all other laws.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.212. PEACE OFFICERS AT PRIVATE INSTITUTIONS. (a) The governing boards of private institutions of higher education, including private junior colleges, are authorized to employ and commission peace officers for the purpose of enforcing:

(1) state law on the campuses of private institutions of higher education; and

(2) state and local law, including applicable municipal ordinances, at other locations, as permitted by Subsection (b) or Section 51.2125.

(b) Any officer commissioned under the provisions of this section is vested with all the powers, privileges, and immunities of peace officers if the officer:

(1) is on the property under the control and jurisdiction of the respective private institution of higher education or is otherwise performing duties assigned to the officer by the institution, regardless of whether the officer is on property under the control and jurisdiction of the institution, but provided these

duties are being performed within a county in which the institution has land; or

(2) to the extent authorized by Section 51.2125, is:

(A) requested by another law enforcement agency to provide assistance in enforcing state or local law, including a municipal ordinance, and is acting in response to that request; or

(B) otherwise assisting another law enforcement agency in enforcing a law described by Paragraph (A).

(c) Any officer assigned to duty and commissioned shall take and file the oath required of peace officers, and shall execute and file a good and sufficient bond in the sum of $1,000, payable to the governor, with two or more good and sufficient sureties, conditioned that the officer will fairly, impartially, and faithfully perform the duties as may be required of the officer by law. The bond may be sued on from time to time in the name of the person injured until the whole amount is recovered.

(d) The governing boards of private institutions of higher education are authorized to hire and pay on a regular basis peace officers commissioned by an incorporated city. The officers shall be under the supervision of the hiring institution, but shall be subject to dismissal and disciplinary action by the city. An incorporated city is authorized to contract with a private institution of higher education for the use and employment of its commissioned officers in any manner agreed to, provided that there is no expense incurred by the city.

(e) In this section, "private institution of higher education" means a private or independent institution of higher education as defined by Section 61.003.

(f) A campus police department of a private institution of higher education is a law enforcement agency and a governmental body for purposes of Chapter 552, Government Code, only with respect to information relating solely to law enforcement activities.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 516, Sec. 1, eff. Sept. 1, 1993.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 15.01, eff. September 1, 2007.

Acts 2015, 84th Leg., R.S., Ch. 300 (S.B. 308), Sec. 1, eff.

September 1, 2015.

Sec. 51.2125. PRIVATE INSTITUTIONS: AUTHORITY TO ENTER INTO MUTUAL ASSISTANCE AGREEMENT. (a) This section applies only to a private institution of higher education that has under its control and jurisdiction property that is contiguous to, or located in any part within the boundaries of, a home-rule municipality that has a population of 1.18 million or more and is located predominantly in a county that has a total area of less than 1,000 square miles. For purposes of this section, a private institution of higher education is a private or independent institution of higher education as defined by Section 61.003.

(b) In addition to exercising the authority provided under Section 51.212(d), the governing board of a private institution of higher education to which this section applies and the governing body of each municipality, regardless of the municipality's population, that is contiguous to, or the boundaries of which contain any part of, property under the control and jurisdiction of the private institution of higher education may enter into a written mutual assistance agreement in which peace officers commissioned by the institution or the applicable municipality serve the public interest by assisting, without any form of additional compensation or other financial benefit, the peace officers of the other party to the agreement in enforcing state or local law, including applicable municipal ordinances. The agreement must be reviewed at least annually by the institution and the municipality and may be modified at that time by a written agreement signed by each party. The agreement may be terminated at any time by a party to the agreement on the provision of reasonable notice to the other party to the agreement.

(c) A mutual assistance agreement authorized by this section may designate the geographic area in which the campus peace officers are authorized to provide assistance to the peace officers of the municipality, except that if the agreement is entered into with a municipality described by Subsection (a) that elects all or part of the municipality's governing body from election districts, the designated geographic area consists of each of the election districts of the municipality's governing body that contains any part of the campus of the institution and each of the election districts of the

governing body that is contiguous to another municipality that contains any part of the campus of the institution.

(d) This section does not affect a municipality's duty to provide law enforcement services to any location within the boundaries of the municipality.

(e) A peace officer providing assistance under a mutual assistance agreement authorized by this section may make arrests and exercise all other authority given to peace officers under other state law. The municipal law enforcement agency has exclusive authority to supervise any campus peace officer operating under the agreement to assist the peace officers of the municipality. A municipal peace officer operating under the agreement to assist the campus peace officers remains under the supervision of the municipal law enforcement agency.

(f) In the same manner and to the same extent as a municipality is liable for an act or omission of a peace officer employed by the municipality, a private institution of higher education is liable for an act or omission of a campus peace officer operating under a mutual assistance agreement authorized by this section at a location other than property under the control and jurisdiction of the institution.

(g) This section does not limit the authority of a campus peace officer to make a warrantless arrest outside the officer's jurisdiction as described by Article 14.03(d), Code of Criminal Procedure.

Added by Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 15.02, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1229 (S.B. 1735), Sec. 1, eff. June 19, 2009.

Sec. 51.2126. APPEAL BY CAMPUS PEACE OFFICER OF DISCIPLINARY ACTION OR PROMOTIONAL BYPASS RELATED TO PROVISION OF ASSISTANCE UNDER MUTUAL ASSISTANCE AGREEMENT. (a) A campus peace officer acting under a mutual assistance agreement authorized by Section 51.2125 who is demoted, suspended, or terminated by the applicable private institution of higher education or who experiences a promotional bypass by the institution may elect to appeal the institution's action to an independent third party hearing examiner under this

section.

(b) To elect to appeal to an independent third party hearing examiner under this section, the campus peace officer must submit to the head of the institution's law enforcement agency not later than the 30th day after the date of the action being appealed a written request stating the officer's decision to appeal to such a hearing examiner.

(c) The hearing examiner's decision is final and binding on all parties. If a campus peace officer elects to appeal the institution's action to an independent third party hearing examiner under this section, the officer or institution may appeal the examiner's decision to a district court only as provided by Subsection (j).

(d) If a campus peace officer elects to appeal to a hearing examiner, the officer and the head of the institution's law enforcement agency or their designees shall attempt to agree on the selection of an impartial hearing examiner. If the parties do not agree on the selection of a hearing examiner before the 10th day after the date the appeal is filed, the parties immediately shall request a list of seven qualified neutral arbitrators from the American Arbitration Association or the Federal Mediation and Conciliation Service, or their successors in function. The officer and the agency head or their designees may agree on one of the seven neutral arbitrators on the list. If the parties do not agree before the fifth business day after the date the parties receive the list, the parties or their designees shall alternate striking a name from the list, and the single name remaining after all other names have been struck is selected as the hearing examiner. The parties or their designees shall agree on a date for the hearing.

(e) The appeal hearing must begin as soon as an appearance by the hearing examiner can be scheduled. If the hearing examiner cannot begin the hearing before the 45th day after the date of selection, the campus peace officer may, within 48 hours after learning of that fact, call for the selection of a new hearing examiner using the procedure prescribed by Subsection (d).

(f) In a hearing conducted under this section, the hearing examiner has the same duties and powers that a civil service commission has in conducting a hearing or hearing an appeal under Chapter 143, Local Government Code, including the right to issue subpoenas. The hearing examiner may:

(1) order that the campus peace officer be reinstated to the same position or status in which the officer was employed immediately before the demotion, suspension, or termination or, in the case of a promotional bypass, to the position or status with respect to which the officer experienced the bypass; and

(2) award the officer lost wages and any other compensation lost as a result of the disciplinary action or promotional bypass, as applicable.

(g) In a hearing conducted under this section, the parties may agree to an expedited hearing procedure. Unless otherwise agreed by the parties, in an expedited procedure the hearing examiner shall issue a decision on the appeal not later than the 10th day after the date the hearing is completed.

(h) In an appeal that does not involve an expedited hearing procedure, the hearing examiner shall make a reasonable effort to issue a decision on the appeal not later than the 30th day after the later of the date the hearing is completed or the briefs are filed. The hearing examiner's inability to meet the time requirements imposed by this section does not affect the hearing examiner's jurisdiction, the validity of the disciplinary action or promotional bypass, or the hearing examiner's final decision.

(i) The hearing examiner's fees and expenses shall be paid in equal amounts by the parties. The costs of a witness shall be paid by the party who calls the witness.

(j) A district court may hear an appeal of a hearing examiner's decision only on the grounds that the hearing examiner was without jurisdiction or exceeded the examiner's jurisdiction or that the decision was procured by fraud, collusion, or other unlawful means. An appeal must be brought in the district court having jurisdiction in the municipality in which the institution is located.

Added by Acts 2007, 80th Leg., R.S., Ch. 258 (S.B. 11), Sec. 15.02, eff. September 1, 2007.

Sec. 51.213. ABANDONED PERSONAL PROPERTY. (a) The governing board of each state institution of higher education, including public junior colleges, is authorized to promulgate rules and regulations providing for the disposition of abandoned and unclaimed personal property coming into the possession of the campus security personnel

where the personal property is not being held as evidence to be used in any pending criminal case.

(b) The authority granted to governing boards under Subsection (a) may also be exercised by governing boards of private institutions of higher education, including private junior colleges.

(c) In this section, "private institution of higher education" has the meaning assigned by Section 61.003(15).

Added by Acts 1977, 65th Leg., p. 1712, ch. 680, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1995, 74th Leg., ch. 72, Sec. 1, eff. Aug. 28, 1995.

Sec. 51.214. SECURITY OFFICERS FOR MEDICAL CORPORATIONS IN CERTAIN MUNICIPALITIES. (a) In any municipality with a population of 1.18 million or more located primarily in a county with a population of 2 million or more, the governing board of a private, nonprofit medical corporation, or of the parent corporation of such medical corporation, that provides police or security services for an institution of higher education or a private postsecondary educational institution located within one of the medical corporation's or parent corporation's medical complexes, or that provides police or security services for another medical complex legally affiliated with or owned, leased, managed, or controlled by the medical corporation or parent corporation, may employ and commission police or security personnel to enforce the law of this state within the jurisdiction designated by Subsection (c).

(b) An officer commissioned under this section may make arrests and has all the powers, privileges, and immunities of a peace officer while performing the officer's assigned duties within the jurisdiction designated by Subsection (c). An officer assigned to duty and commissioned shall take and file the oath required of peace officers and shall execute and file a good and sufficient bond in the sum of $1,000, payable to the governor, with two or more good and sufficient sureties, conditioned that the officer will fairly, impartially, and faithfully perform the duties required of the officer by law. The bond may be sued on from time to time in the name of the person injured until the whole amount is recovered.

(c) The jurisdiction of an officer commissioned under this section is limited to:

(1) property under the control and jurisdiction of the private, nonprofit medical corporation or its parent corporation or any entity legally affiliated with or owned, leased, managed, or controlled by the medical corporation or its parent corporation;

(2) a street or alley that abuts the property or an easement in or a right-of-way over or through the property described by Subdivision (1); and

(3) any other location in which the officer is performing duties assigned to the officer by the private, nonprofit medical corporation or its parent corporation, regardless of whether the officer is on property under the control and jurisdiction of the medical corporation or its parent corporation, provided that the assigned duties are consistent with the mission of the medical corporation or its parent corporation and are being performed within a county in which the medical corporation or its parent corporation owns real property.

(d) An officer commissioned under this section is not entitled to compensation or benefits provided by this state or a political subdivision of this state.

(e) The state or a political subdivision of this state is not liable for an act or omission of an officer commissioned under this section during the performance of the officer's assigned duties.

(f) A person may not be commissioned under this section unless the person obtains a peace officer license issued by the Texas Commission on Law Enforcement. The employing medical corporation or parent corporation shall pay to the Texas Commission on Law Enforcement on behalf of an employee any fees that are necessary to obtain a required license.

(g) A person's commission and any authority to act as an officer under this section are automatically revoked if the person's employment is terminated for any reason.

Added by Acts 1981, 67th Leg., p. 1810, ch. 399, Sec. 1, eff. June 11, 1981. Amended by Acts 1995, 74th Leg., ch. 8, Sec. 1, eff. March 31, 1995; Acts 2001, 77th Leg., ch. 669, Sec. 10, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1266, Sec. 9.01(a), eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1229 (S.B. 1735), Sec. 2, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 11, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.13, eff. May 18, 2013.

Sec. 51.215. ACCESS TO POLICE RECORDS OF EMPLOYMENT APPLICANTS. (a) An institution of higher education is entitled to obtain criminal history record information pertaining to an applicant for employment for a security-sensitive position. The institution of higher education may deny employment to an applicant for a security-sensitive position who fails to provide a complete set of fingerprints upon request.

(b) Repealed by Acts 1993, 73rd Leg., ch. 790, Sec. 46(6), eff. Sept. 1, 1993.

(c) An institution of higher education may use information obtained under this section only for the purpose of evaluating applicants for employment in security-sensitive positions. Security-sensitive positions shall be restricted to employees who handle currency, have access to a computer terminal, have access to a master key, or who work in an area of the institution which has been designated as a security-sensitive area. A security-sensitive position shall be so identified in the job description and advertisement for the position.

(d) Repealed by Acts 1993, 73rd Leg., ch. 790, Sec. 46(6), eff. Sept. 1, 1993.

(e) In this section, "institution of higher education" means:

(1) an institution of higher education, as defined by Section 61.003(8) of this code; and

(2) a private institution of higher education, as defined by Section 61.003(15) of this code.

Added by Acts 1983, 68th Leg., p. 5011, ch. 901, Sec. 1, eff. Aug. 29, 1983. Amended by Acts 1987, 70th Leg., ch. 356, Sec. 1, eff. June 11, 1987; Acts 1989, 71st Leg., ch. 941, Sec. 1, eff. June 15, 1989; Acts 1993, 73rd Leg., ch. 516, Sec. 2, eff. Sept. 1, 1993; Acts 1993, 73rd Leg., ch. 790, Sec. 46(6), eff. Sept. 1, 1993.

Sec. 51.217. MULTIHAZARD EMERGENCY OPERATIONS PLAN; SAFETY AND

SECURITY AUDIT. (a) In this section, "institution" means a general academic teaching institution, a medical and dental unit, or other agency of higher education, as those terms are defined by Section 61.003.

(b) An institution shall adopt and implement a multihazard emergency operations plan for use at the institution. The plan must address mitigation, preparedness, response, and recovery. The plan must provide for:

(1) employee training in responding to an emergency;

(2) mandatory drills to prepare students, faculty, and employees for responding to an emergency;

(3) measures to ensure coordination with the Department of State Health Services, local emergency management agencies, law enforcement, health departments, and fire departments in the event of an emergency; and

(4) the implementation of a safety and security audit as required by Subsection (c).

(c) At least once every three years, an institution shall conduct a safety and security audit of the institution's facilities. To the extent possible, an institution shall follow safety and security audit procedures developed in consultation with the division of emergency management of the office of the governor.

(d) An institution shall report the results of the safety and security audit conducted under Subsection (c) to the institution's board of regents and the division of emergency management of the office of the governor.

(e) Except as provided by Subsection (f), any document or information collected, developed, or produced during a safety and security audit conducted under Subsection (c) is not subject to disclosure under Chapter 552, Government Code.

(f) A document relating to an institution's multihazard emergency operations plan is subject to disclosure if the document enables a person to:

(1) verify that the institution has established a plan and determine the agencies involved in the development of the plan and the agencies coordinating with the institution to respond to an emergency, including the Department of State Health Services, local emergency services agencies, law enforcement agencies, health departments, and fire departments;

(2) verify that the institution's plan was reviewed within

the last 12 months and determine the specific review dates;

(3) verify that the plan addresses the four phases of emergency management under Subsection (b);

(4) verify that institution employees have been trained to respond to an emergency and determine the types of training, the number of employees trained, and the person conducting the training;

(5) verify that each campus has conducted mandatory emergency drills and exercises in accordance with the plan and determine the frequency of the drills;

(6) verify that the institution has completed a safety and security audit under Subsection (c) and determine the date the audit was conducted, the person conducting the audit, and the date the institution presented the results of the audit to the board of regents; and

(7) verify that the institution has addressed any recommendations by the board of regents for improvement of the plan and determine the institution's progress within the last 12 months.

(g) The personal information of an individual maintained in an institution's emergency notification system is confidential and is not subject to disclosure under Chapter 552, Government Code. In this subsection, "personal information" includes an e-mail address or telephone number maintained in order to notify an individual of an emergency.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1229 (S.B. 602), Sec. 1, eff. September 1, 2011.

Sec. 51.218. EMERGENCY ALERT SYSTEM. (a) In this section, "institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) Each institution of higher education and private or independent institution of higher education shall establish an emergency alert system for the institution's students and staff, including faculty. The emergency alert system must use e-mail or telephone notifications in addition to any other alert method the

institution considers appropriate to provide timely notification of emergencies affecting the institution or its students and staff.

(c) At the time a student initially enrolls or registers for courses or a staff member begins employment, the institution shall:

(1) obtain a personal telephone number or e-mail address from the student or staff member to be used to notify the individual in the event of an emergency; and

(2) register the student or staff member in the institution's emergency alert system.

(d) A student or staff member may elect not to participate in an emergency alert system established under this section. An election under this subsection may be submitted electronically or in writing, as chosen by the institution, and must be renewed at the start of each academic year.

(e) The personal identifying information obtained from an individual for the purpose of the emergency alert system of an institution of higher education, including an e-mail address or telephone number, is confidential and not subject to disclosure under Section 552.021, Government Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 547 (H.B. 2758), Sec. 1, eff. June 17, 2011.

Sec. 51.219. NOTIFICATION OF PENALTY FOR FALSE ALARM OR REPORT. (a) In this section, "institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) Each institution of higher education and private or independent institution of higher education shall notify all incoming students, as soon as practicable, of the penalty for the offense under Section 42.06, Penal Code, of making a false alarm or report involving a public or private institution of higher education.

Added by Acts 2013, 83rd Leg., R.S., Ch. 910 (H.B. 1284), Sec. 1, eff. June 14, 2013.

Sec. 51.220. PUBLIC JUNIOR COLLEGE SCHOOL MARSHALS. (a) In this section, "public junior college" has the meaning assigned by Section 61.003.

(b) The governing board of a public junior college may appoint one or more school marshals.

(c) The governing board of a public junior college may select for appointment as a school marshal under this section an applicant who is an employee of the public junior college and certified as eligible for appointment under Section 1701.260, Occupations Code. The governing board may, but shall not be required to, reimburse the amount paid by the applicant to participate in the training program under that section.

(d) A school marshal appointed by the governing board of a public junior college may carry or possess a handgun on the physical premises of a public junior college campus, but only:

(1) in the manner provided by written regulations adopted by the governing board; and

(2) at a specific public junior college campus as specified by the governing board.

(e) Any written regulations adopted for purposes of Subsection (d) must provide that a school marshal may carry a concealed handgun as described by Subsection (d), except that if the primary duty of the school marshal involves regular, direct contact with students, the marshal may not carry a concealed handgun but may possess a handgun on the physical premises of a public junior college campus in a locked and secured safe within the marshal's immediate reach when conducting the marshal's primary duty. The written regulations must also require that a handgun carried by or within access of a school marshal may be loaded only with frangible ammunition designed to disintegrate on impact for maximum safety and minimal danger to others.

(f) A school marshal may access a handgun under this section only under circumstances that would justify the use of deadly force under Section 9.32 or 9.33, Penal Code.

(g) A public junior college employee's status as a school marshal becomes inactive on:

(1) expiration of the employee's school marshal license under Section 1701.260, Occupations Code;

(2) suspension or revocation of the employee's license to carry a concealed handgun issued under Subchapter H, Chapter 411, Government Code;

(3) termination of the employee's employment with the public junior college; or

(4) notice from the governing board of the public junior college that the employee's services as school marshal are no longer required.

(h) The identity of a school marshal appointed under this section is confidential, except as provided by Section 1701.260(j), Occupations Code, and is not subject to a request under Chapter 552, Government Code.

(i) If a parent or guardian of a student enrolled at a public junior college inquires in writing, the governing board of the public junior college shall provide the parent or guardian written notice indicating whether any employee of the public junior college is currently appointed a school marshal. The notice may not disclose information that is confidential under Subsection (h).

Added by Acts 2015, 84th Leg., R.S., Ch. 1144 (S.B. 386), Sec. 2, eff. September 1, 2015.

SUBCHAPTER E-1. MAINTAINING CAMPUS ORDER DURING PERIODS OF DISRUPTION

Sec. 51.231. DEFINITION OF PERIODS OF DISRUPTION. For purposes of this subchapter a period of disruption is any period in which it reasonably appears that there is a threat of destruction to institutional property, injury to human life on the campus or facility, or a threat of willful disruption of the orderly operation of the campus or facility.

Added by Acts 1973, 63rd Leg., p. 84, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.232. IDENTIFICATION OF PERSONS ON CAMPUS. (a) During periods of disruption, as determined by the chief administrative officer of a state-supported institution of higher education, the chief administrative officer, or an officer or employee of the institution designated by him to maintain order on the campus or facility of the institution, may require that any person on the campus or facility present evidence of his identification, or if the person is a student or employee of the institution, his student or employee official institutional identification card, or other evidence of his relationship with the institution.

(b) If any person refuses or fails upon request to present

evidence of his identification, or if the person is a student or employee of the institution, his student or employee official identification card, or other evidence of his relationship with the institution, and if it reasonably appears that the person has no legitimate reason to be on the campus or facility, the person may be ejected from the campus or facility.

Added by Acts 1973, 63rd Leg., p. 84, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.233. WITHDRAWAL OF CONSENT TO REMAIN ON CAMPUS. (a) During periods of disruption, the chief administrative officer of a campus or other facility of a state-supported institution of higher education, or an officer or employee of the institution designated by him to maintain order on the campus or facility, may notify a person that consent to remain on the campus or facility under the control of the chief administrative officer has been withdrawn whenever there is reasonable cause to believe that the person has willfully disrupted the orderly operation of the campus or facility and that his presence on the campus or facility will constitute a substantial and material threat to the orderly operation of the campus or facility.

(b) In no case shall consent be withdrawn for longer than 14 days from the date on which consent was initially withdrawn.

(c) Notification shall be in accordance with procedures set out in Section 51.234 of this code.

Added by Acts 1973, 63rd Leg., p. 84, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.234. NOTICE OF WITHDRAWAL OF CONSENT. When the chief administrative officer of a campus or other facility of a state-supported institution of higher education, or an officer or employee of the institution designated by him to maintain order on the campus or facility, decides to withdraw consent for any person to remain on the campus or facility, he shall notify that person in writing that consent to remain is withdrawn. The written notice must contain all of the following:

(1) that consent to remain on the campus has been withdrawn and the number of days for which consent has been withdrawn, not to

exceed 14;

(2) the name and job title of the person withdrawing consent, along with an address where the person withdrawing consent can be contacted during regular working hours;

(3) a brief statement of the activity or activities resulting in the withdrawal of consent; and

(4) notification that the person from whom consent has been withdrawn is entitled to a hearing on the withdrawal not later than three days from the date of receipt by the chief administrative officer of a request for a hearing.

Added by Acts 1973, 63rd Leg., p. 85, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.235. REPORT TO CHIEF ADMINISTRATIVE OFFICER. Whenever consent is withdrawn by any authorized officer or employee other than the chief administrative officer, the officer or employee shall submit a written report to the chief administrative officer within 24 hours, unless the authorized officer or employee has reinstated consent for the person to remain on the campus. The report must contain all of the following:

(1) the description of the person from whom consent was withdrawn, including, if available, the person's name, address, and phone number; and

(2) a statement of the facts giving rise to the withdrawal of consent.

Added by Acts 1973, 63rd Leg., p. 85, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.236. CONFIRMATION OF WITHDRAWAL OF CONSENT. (a) If the chief administrative officer or, in his absence, a person designated by him for this purpose, upon reviewing the written report described in Section 51.235, finds that there was reasonable cause to believe that the person has willfully disrupted the orderly operation of the campus or facility, and that his presence on the campus or facility will constitute a substantial and material threat to the orderly operation of the campus or facility, he may enter written confirmation upon the report of the action taken by the officer or

employee.

(b) If the chief administrative officer, or in his absence, the person designated by him, does not confirm the action of the officer or employee within 24 hours after the time that consent was withdrawn, the action of the officer or employee shall be deemed void and of no force or effect, except that any arrest made during the period shall not for this reason be deemed not to have been made for probable cause.

Added by Acts 1973, 63rd Leg., p. 85, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.237. REQUEST FOR HEARING. (a) A person from whom consent has been withdrawn may submit a written request for a hearing on the withdrawal to the chief administrative officer within the 14-day period. The written request must state the address to which notice of hearing is to be sent. The chief administrative officer shall grant a hearing not later than three days from the date of receipt of the request and shall immediately mail a written notice of the time, place, and date of the hearing to the person.

(b) The hearing shall be held before a duly designated discipline committee or authorized hearing officer of the institution in accordance with Section 51.243. In no instance shall the person issuing the withdrawal notice or causing it to be issued serve on any committee where the validity of his order of withdrawal is in question.

Added by Acts 1973, 63rd Leg., p. 85, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.238. REINSTATEMENT OF CONSENT TO REMAIN ON CAMPUS. The chief administrative officer shall reinstate consent whenever he has reason to believe that the presence of the person from whom consent was withdrawn will not constitute a substantial and material threat to the orderly operation of the campus or facility.

Added by Acts 1973, 63rd Leg., p. 86, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.239. ENTERING OR REMAINING ON CAMPUS AFTER WITHDRAWAL OF CONSENT. (a) Any person who has been notified by the chief administrative officer of a campus or facility of a state-supported institution of higher education, or by an officer or employee designated by the chief administrative officer to maintain order on the campus or facility, that consent to remain on the campus or facility has been withdrawn pursuant to Section 51.233, who has not had consent reinstated, and who willfully and knowingly enters or remains upon the campus or facility during the period for which consent has been withdrawn, is guilty of a misdemeanor, and is subject to punishment as set out in Section 51.244.

(b) This section does not apply to any person who enters or remains on the campus or facility for the sole purpose of applying to the chief administrative officer or authorized officer or employee for the reinstatement of consent or for the sole purpose of attending a hearing on the withdrawal.

Added by Acts 1973, 63rd Leg., p. 86, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.240. AUTHORITY TO SUSPEND, DISMISS, OR EXPEL STUDENTS OR EMPLOYEES NOT AFFECTED. This subchapter does not affect the power of the duly constituted authorities of a state-supported institution of higher education to suspend, dismiss, or expel any student or employee at the university or college.

Added by Acts 1973, 63rd Leg., p. 86, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.241. STUDENTS AND EMPLOYEES BARRED FROM CAMPUS AFTER SUSPENSION OR DISMISSAL. (a) Every student or employee who has been suspended or dismissed from a state-supported institution of higher education after a hearing, in accordance with procedures established by the institution, for disrupting the orderly operation of the campus or facility of the institution, as a condition of the suspension or dismissal, may be denied access to the campus or facility, or both, of the institution for the period of suspension, and in the case of dismissal, for a period not to exceed one year.

(b) A person who has been notified by personal service of the

suspension or dismissal and condition and who willfully and knowingly enters upon the campus or facility of the institution to which he has been denied access, without the express written permission of the chief administrative officer of the campus or facility, is guilty of a misdemeanor and is subject to punishment as set out in Section 51.244.

(c) Knowledge shall be presumed if personal service has been given as prescribed in Subsection (b) of this section.

Added by Acts 1973, 63rd Leg., p. 86, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.242. REFUSING OR FAILING TO LEAVE BUILDING CLOSED TO PUBLIC. No person may refuse or fail to leave a building under the control and management of a public agency, including a state-supported institution of higher education, during those hours of the day or night when the building is regularly closed to the public, upon being requested to do so by a guard, watchman, or other employee of a public agency, including a state-supported institution of higher education, controlling and managing the building or property, if the surrounding circumstances are such as to indicate to a reasonable person that the individual or individuals have no apparent lawful business to pursue.

Added by Acts 1973, 63rd Leg., p. 87, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.243. REQUIRED HEARING PROCEDURES. A person from whom consent to remain on the campus of a state-supported institution of higher education has been withdrawn in accordance with Section 51.233 is entitled, in addition to the procedures set out in Section 51.234, to the following:

(1) to be represented by counsel;

(2) to the right to call and examine witnesses and to cross-examine adverse witnesses;

(3) to have all matters upon which the decision may be based introduced into evidence at the hearing in his presence;

(4) to have the decision based solely on the evidence presented at the hearing;

(5) to prohibit the introduction of statements made against him unless he has been advised of their content and the names of the persons who made them, and has been given the opportunity to rebut unfavorable inferences that might otherwise be drawn; and

(6) to have all findings made at the hearing be final, subject only to his right to appeal to the president and the governing board of the institution.

Added by Acts 1973, 63rd Leg., p. 87, ch. 51, Sec. 6, eff. Aug. 27, 1973.

Sec. 51.244. PENALTIES. A person who violates Section 51.239, 51.241, or 51.242 of this code is guilty of a misdemeanor and upon conviction is subject to a fine of not more than $500 or imprisonment in the county jail for not more than six months, or both.

Added by Acts 1973, 63rd Leg., p. 87, ch. 51, Sec. 6, eff. Aug. 27, 1973.

SUBCHAPTER F. REQUIRED AND ELECTIVE COURSES

Sec. 51.301. GOVERNMENT OR POLITICAL SCIENCE. (a) Every college and university receiving state support or state aid from public funds shall give a course of instruction in government or political science which includes consideration of the Constitution of the United States and the constitutions of the states, with special emphasis on that of Texas. This course shall have a credit value of not less than six semester hours or its equivalent. Except as provided by Subsection (c), a college or university receiving state support or state aid from public funds may not grant a baccalaureate degree or a lesser degree or academic certificate to any person unless the person has credit for such a course. The college or university may determine that a student has satisfied this requirement in whole or in part on the basis of credit granted to the student by the college or university for a substantially equivalent course completed at another accredited college or university or on the basis of the student's successful completion of an advanced standing examination administered on the conditions and under the circumstances common for the college or university's advanced standing examinations. The college or university may grant as much

as three semester hours of credit or its equivalent toward satisfaction of this requirement for substantially equivalent work completed by the student in the program of an approved senior R.O.T.C. unit.

(b) The requirement of Subsection (a) that the required course must include special emphasis on the Texas Constitution does not apply to a degree granted on completion of an academic program offered by a medical and dental unit, as that term is defined by Section 61.003, to a student who is a member of the armed forces of the United States, including the reserves or national guard, if:

(1) the program is operated by the medical and dental unit under contract with the United States Army;

(2) the program requires less than two years of residency in this state; and

(3) the principal participants in the program are military personnel stationed outside this state.

(c) The governing board of a general academic teaching institution that offers a joint baccalaureate degree program under a contract with a foreign college or university may exempt a student enrolled in the joint degree program from the course requirement prescribed by Subsection (a) if the student:

(1) enrolled in the foreign college or university before enrolling in the joint degree program or is otherwise considered to be primarily a student of the foreign college or university; and

(2) successfully completes the American Way course described by Subsection (d) at the institution the student attends or, with the approval of that institution, at another general academic teaching institution that offers the course.

(d) The American Way course authorized by Subsection (c)(2) must be designed to provide a foreign student with a familiarity and understanding of United States government and civic life and their sources, development, and character. The course must concentrate on important texts, including the United States Constitution and the Declaration of Independence, on the works and contributions of influential authors, political and cultural leaders, and other important figures, and on important events and developments in United States history. The course must cover important developments in human and civil rights, including the civil rights movement and the history of women's rights. The course must cover the history and development of the State of Texas and its place in United States

history and culture. The course must consist of four semester credit hours, with one semester credit hour in practicum activities intended to provide the student with experience in the three branches of government through participation at the federal, state, or local level. The course may not be taken for course credit by a student other than a student described by Subsection (c).

(e) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003.

Amended by Acts 1995, 74th Leg., ch. 5, Sec. 1, eff. March 23, 1995; Acts 1995, 74th Leg., ch. 17, Sec. 1, eff. Aug. 28, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 539 (S.B. 1051), Sec. 1, eff. June 16, 2007.

Sec. 51.302. AMERICAN OR TEXAS HISTORY. (a) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003.

(b) Except as provided by Subsection (c), a college or university receiving state support or state aid from public funds may not grant a baccalaureate degree or a lesser degree or academic certificate to any person unless the person has credit for six semester hours or its equivalent in American History. A student is entitled to submit as much as three semester hours of credit or its equivalent in Texas History in partial satisfaction of this requirement. The college or university may determine that a student has satisfied this requirement in whole or part on the basis of credit granted to the student by the college or university for a substantially equivalent course completed at another accredited college or university, or on the basis of the student's successful completion of an advanced standing examination administered on the conditions and under the circumstances common for the college or university's advanced standing examinations. The college or university may grant as much as three semester hours of credit or its equivalent toward satisfaction of this requirement for substantially equivalent work completed by a student in the program of an approved senior R.O.T.C. unit.

(c) The governing board of a general academic teaching institution that offers a joint baccalaureate degree program under a

contract with a foreign college or university may exempt a student enrolled in the joint degree program from the course requirement prescribed by Subsection (b) if the student:

(1) enrolled in the foreign college or university before enrolling in the joint degree program or is otherwise considered to be primarily a student of the foreign college or university; and

(2) successfully completes the American Way course described by Section 51.301(d) at the institution the student attends or, with the approval of that institution, at another general academic teaching institution that offers the course.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 5, Sec. 1, eff. March 23, 1995.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 539 (S.B. 1051), Sec. 2, eff. June 16, 2007.

Sec. 51.303. ELECTIVE COURSES IN DACTYLOLOGY. (a) In this section, "dactylology" means the art of communicating ideas by signs made with the fingers, as in the manual alphabets of deaf-mutes.

(b) Any state college or university offering a fully accredited program for teachers of the deaf may offer a three-hour elective course in dactylology.

(c) American Sign Language is recognized as a language, and any state institute of higher education may offer an elective course in American Sign Language. A student is entitled to count credit received for a course in American Sign Language toward satisfaction of a foreign language requirement of the institution of higher education where it is offered.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 735, ch. 327, Sec. 2, eff. Aug. 27, 1979.

Sec. 51.304. COURSES IN MILITARY AND NAVAL TRAINING. The governing board of any state-supported institution of higher education may request the United States Department of Defense to establish and maintain courses in military and naval training

qualifying men student graduates of the courses for reserve commission awards as a part of its curriculum. The board may enter into mutually agreeable contracts for that purpose. The work of the students enrolling in the courses may be credited toward degree requirements under regulations prescribed by the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.3041. AWARD OF COURSE CREDIT FOR MILITARY TRAINING. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) An institution of higher education shall consider, in determining whether to award to a student course credit toward a degree offered by the institution for the student's completion of certain military training:

(1) any official military record presented to the institution by the student that:

(A) describes the substance of the training completed by the student; and

(B) verifies the student's successful completion of that training; and

(2) whether the substance of that training satisfies the purpose of the course for which the student seeks credit as described in the institution's course catalog.

(c) This section applies to a student who has completed certain military training and is admitted to the institution, including a student who is readmitted under Section 51.9242.

Added by Acts 2005, 79th Leg., Ch. 549 (H.B. 1170), Sec. 1, eff. June 17, 2005.
Added by Acts 2005, 79th Leg., Ch. 907 (H.B. 133), Sec. 1, eff. June 18, 2005.

Sec. 51.3042. AWARD OF COURSE CREDIT FOR MILITARY SERVICE. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) An institution of higher education shall award to an undergraduate student who is admitted to the institution, including a

student who is readmitted under Section 51.9242, course credit for all physical education courses required by the institution for an undergraduate degree and for additional semester credit hours, not to exceed 12, that may be applied to satisfy any elective course requirements for the student's degree program for courses outside the student's major or minor if the student:

(1) graduated from a public or private high school accredited by a generally recognized accrediting organization or from a high school operated by the United States Department of Defense; and

(2) is an honorably discharged former member of the armed forces of the United States who:

(A) completed at least two years of service in the armed forces; or

(B) was discharged because of a disability.

(c) This section does not prohibit an institution of higher education from awarding additional course credit for a student's military service as the institution considers appropriate.

(d) An institution of higher education may adopt rules requiring reasonable proof from a student of the fact and duration of the student's military service and of the student's military discharge status.

Added by Acts 2009, 81st Leg., R.S., Ch. 597 (H.B. 269), Sec. 1, eff. June 19, 2009.

Sec. 51.305. PERSONAL FINANCIAL LITERACY TRAINING. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003.

(b) The coordinating board by rule shall:

(1) require a general academic teaching institution to offer training in personal financial literacy to provide students of the institution with the knowledge and skills necessary as self-supporting adults to make critical decisions relating to personal financial matters; and

(2) determine the topics to be covered by the training,

which may include budgeting, credit cards, spending, saving, loan repayment and consolidation, taxes, retirement planning, insurance, and financing of health care and other benefits.

(c) The coordinating board by rule may provide for the training required under this section to be offered in an online course.

Added by Acts 2011, 82nd Leg., R.S., Ch. 230 (H.B. 399), Sec. 1, eff. June 17, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1221 (S.B. 1590), Sec. 1, eff. June 14, 2013.

Sec. 51.3062. SUCCESS INITIATIVE. (a) The definitions provided by Section 61.003 apply to this section.

(a-1) In this section:

(1) "Basic academic skills education" means non-course competency-based developmental education programs and interventions designed for students whose performance falls significantly below college readiness standards.

(2) "Program evaluation" means a systematic method of collecting, analyzing, and using information to answer questions about developmental education courses, interventions, and policies, particularly about their effectiveness and cost-efficiency.

(b) An institution of higher education shall assess the academic skills of each entering undergraduate student to determine the student's readiness to enroll in freshman-level academic coursework. An institution may not use the assessment or the results of the assessment as a condition of admission to the institution.

(c) The board shall designate one or more instruments for use by institutions of higher education in assessing students under this section.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 965, Sec. 3, eff. June 17, 2011.

(f) Each assessment instrument designated by the board for use under this section must be diagnostic in nature and designed to assess a student's readiness to perform freshman-level academic coursework. The board shall prescribe a single standard or set of standards for each assessment instrument to effectively measure student readiness as demonstrated by current research.

(f-1) For each assessment instrument designated by the board for use under this section, the board shall prescribe a score below which a student is eligible for basic academic skills education.

(g) Each institution of higher education shall establish a program to advise students regarding coursework and other means by which students can develop the academic skills required to successfully complete college-level work.

(h) If a student fails to meet the assessment standards described by Subsection (f), the institution of higher education shall work with the student to develop a plan to assist the student in becoming ready to perform freshman-level academic coursework. The plan must be designed on an individual basis to provide the best opportunity for each student to attain that readiness.

(i) The institution of higher education may refer a student to developmental coursework, including basic academic skills education, as considered necessary by the institution to address a student's deficiencies in the student's readiness to perform freshman-level academic coursework, except that the institution may not require enrollment in developmental coursework with respect to a student previously determined under Subsection (q-1) or determined by any institution of higher education to have met college-readiness standards. An institution that requires a student to enroll in developmental coursework must offer a range of developmental coursework, including online coursework, or instructional support that includes the integration of technology to efficiently address the particular developmental needs of the student.

(i-1) The commissioner of higher education may by rule require an institution of higher education to adopt uniform standards for the placement of a student under this section.

(i-2) An institution of higher education must base developmental coursework on research-based best practices that include the following components:

(1) assessment;

(2) differentiated placement and instruction;

(3) faculty development;

(4) support services;

(5) program evaluation;

(6) integration of technology with an emphasis on instructional support programs;

(7) non-course-based developmental education interventions;

and

(8) course pairing of developmental education courses with credit-bearing courses.

(i-3) The board shall adopt rules for the implementation of Subsection (i-2).

(i-4) The board, in consultation with institutions of higher education, shall develop and provide professional development programs, including instruction in differentiated instruction methods designed to address students' diverse learning needs, to faculty and staff who provide developmental coursework, including basic academic skills education, to students.

(j) A student may retake an assessment instrument at any time to determine readiness to perform freshman-level academic coursework.

(k) An institution of higher education shall determine when a student is ready to perform freshman-level academic coursework. The institution must make its determination using learning outcomes for developmental education courses developed by the board based on established college and career readiness standards and student performance on one or more appropriate assessments.

(l) The legislature shall appropriate money for approved non-degree-credit developmental courses, including basic academic skills education, except that legislative appropriations may not be used for developmental coursework taken by a student in excess of:

(1) 18 semester credit hours, for a general academic teaching institution; and

(2) 27 semester credit hours, for a public junior college, public technical institute, or public state college.

(m) The board may develop formulas to supplement the funding of developmental academic programs by institutions of higher education, including formulas for supplementing the funding of non-course-based programs. The board may develop a performance funding formula by which institutions may receive additional funding for each student who completes the Success Initiative established under this section and then successfully completes college coursework. The legislature may appropriate the money required to provide the additional funding under those formulas.

(n) Each institution of higher education, other than a medical and dental unit, shall report annually to the board on the success of its students and the effectiveness of its Success Initiative.

(o) The board shall evaluate the effectiveness of the Success

Initiative on a statewide basis and with respect to each institution of higher education.

(p) A student who has achieved a score set by the board on the Scholastic Assessment Test (SAT) or the American College Test (ACT) is exempt from the requirements of this section. An exemption under this subsection is effective for the five-year period following the date a student takes the test and achieves the standard set by the board.

(q) A student who has achieved scores set by the board on the questions developed for end-of-course assessment instruments under Section 39.0233(a) is exempt from the requirements of this section. The exemption is effective for the three-year period following the date a student takes the last assessment instrument for purposes of this section and achieves the standard set by the board. This subsection does not apply during any period for which the board designates the questions developed for end-of-course assessment instruments under Section 39.0233(a) as the primary assessment instrument under this section, except that the three-year period described by this subsection remains in effect for students who qualify for an exemption under this subsection before that period.

(q-1) A student who has demonstrated the performance standard for college readiness as provided by Section 28.008 on the postsecondary readiness assessment instruments adopted under Section 39.0238 for Algebra II and English III is exempt from the requirements of this section with respect to those content areas. The commissioner of higher education by rule shall establish the period for which an exemption under this subsection is valid.

(q-2) A student who successfully completes a college preparatory course under Section 28.014 is exempt from the requirements of this section with respect to the content area of the course. The exemption is effective for the two-year period following the date the student graduates from high school, and the student must enroll in the student's first college-level course in the exempted content area in the student's first year of enrollment in an institution of higher education. If the student earns less than a C in the student's first college-level course in the exempted content area, the institution shall advise the student of non-course-based options for becoming college ready, such as tutoring or accelerated learning. The exemption applies only at the institution of higher education that partners with the school district in which the student

is enrolled to provide the course, except that the commissioner by rule may determine the manner in which the exemption may be applied to institutions of higher education other than the partnering institution. The Texas Higher Education Coordinating Board shall collect and analyze data regarding the effectiveness of college preparatory courses as measured by students' successful completion of the first college-level course in the exempted content area. The board shall report its findings to all partnering institutions of higher education and independent school districts of each college preparatory course evaluated, as well as the governor, lieutenant governor, speaker of the house of representatives, and the members of the House and Senate Committees on Higher Education.

(r) This section does not apply to:

(1) a student who has graduated with an associate or baccalaureate degree from an institution of higher education;

(2) a student who transfers to an institution of higher education from a private or independent institution of higher education or an accredited out-of-state institution of higher education and who has satisfactorily completed college-level coursework;

(3) a student who is enrolled in a certificate program of one year or less at a public junior college, a public technical institute, or a public state college;

(4) a student who is serving on active duty as a member of:

(A) the armed forces of the United States; or

(B) the Texas National Guard;

(5) a student who is currently serving as and, for at least the three-year period preceding enrollment, has served as a member of a reserve component of the armed forces of the United States; or

(6) a student who on or after August 1, 1990, was honorably discharged, retired, or released from:

(A) active duty as a member of the armed forces of the United States or the Texas National Guard; or

(B) service as a member of a reserve component of the armed forces of the United States.

(s) An institution of higher education may exempt a non-degree-seeking or non-certificate-seeking student from the requirements of this section.

(t) To allow a student to complete any necessary developmental coursework in the most efficient and cost-effective manner, the board

shall encourage institutions of higher education to offer various types of developmental coursework that address various levels of deficiency in readiness to perform college coursework for which course credit may be earned, as determined on the basis of assessments as described by Subsection (f). The types of developmental coursework may include:

(1) course-based programs;

(2) non-course-based programs, such as advising programs;

(3) module format programs;

(4) competency-based education programs;

(5) basic academic skills education, if applicable to the student; and

(6) programs under which the student is pairing or taking concurrently a developmental education course and another course in the same subject area for which course credit may be earned.

(t-1) The board may adopt rules as necessary to implement this section.

(u) An institution of higher education that administers an assessment instrument to students under this section shall report to each school district from which assessed students graduated high school all available information regarding student scores and performance on the assessment instrument and student demographics. The board shall adopt rules as necessary to implement this subsection, including rules for implementing this subsection in a manner that complies with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information.

Acts 2003, 78th Leg., ch. 820, Sec. 37(b), eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1312 (S.B. 1031), Sec. 17, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 61, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 965 (H.B. 1244), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 965 (H.B. 1244), Sec. 3, eff.

June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 6.01, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1183 (H.B. 3468), Sec. 3, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 62(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 63(a), eff. June 10, 2013.

Acts 2015, 84th Leg., R.S., Ch. 518 (H.B. 1054), Sec. 1, eff. June 16, 2015.

Acts 2015, 84th Leg., R.S., Ch. 638 (S.B. 1776), Sec. 1, eff. June 16, 2015.

Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 6(a), eff. June 19, 2015.

Sec. 51.307. RULES. The Texas Higher Education Coordinating Board shall adopt rules necessary for the administration of this subchapter.

Added by Acts 1993, 73rd Leg., ch. 273, Sec. 1, eff. May 24, 1993. Redesignated from Sec. 51.306(n) and amended by Acts 1995, 74th Leg., ch. 76, Sec. 4.02, eff. Sept. 1, 1995.

Sec. 51.308. DRIVER EDUCATION. A driver education course for the purpose of preparing students to obtain a driver's license may be offered by an institution of higher education, as defined by Section 61.003, with the approval of the Texas Department of Licensing and Regulation.

Added by Acts 1995, 74th Leg., ch. 1009, Sec. 2, eff. Sept. 1, 1995. Renumbered from Education Code Sec. 51.307 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(19), eff. Sept. 1, 1997.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 2, eff. September 1, 2015.

Sec. 51.309. PAIN TREATMENT MEDICAL EDUCATION COURSE WORK. (a)

Each medical school shall determine the extent to which pain treatment medical education course work is meeting the instructional elements described in Subsection (b) and is offered to all students enrolled in medical schools.

(b) Pain treatment medical education course work should include instruction in:

(1) pain assessment in adults, children, and special populations, including elderly and impaired individuals;

(2) pain anatomy, physiology and pathophysiology, and pharmacology of opioid and nonopioid analgesic drugs, including pharmacokinetics and pharmacodynamics;

(3) the advantages and disadvantages of various methods of drug administration, side effects, treatment outcome, and the outcome of behavioral and other psychological therapy for pain;

(4) the psychological, social, economic, and emotional impact of malignant and nonmalignant acute and chronic pain on patients;

(5) indications for and outcomes of anesthetic and neurosurgical pain-relieving techniques, including nerve blocks and neuroaugmentative and neuroablative techniques; and

(6) the outcome of treatment of pain emanating from a damaged nervous system and neuropathic pain.

Added by Acts 1995, 74th Leg., ch. 174, Sec. 3, eff. Sept. 1, 1995. Renumbered from Education Code Sec. 61.785 by Acts 2001, ch. 1420, Sec. 4.012, eff. Sept. 1, 2001.

SUBCHAPTER G. RESPONSIBILITIES OF GOVERNING BOARDS, SYSTEM ADMINISTRATIONS, AND INSTITUTIONS

Sec. 51.351. DEFINITIONS. In this subchapter:

(1) "General academic teaching institution," "governing board," "institution of higher education," "medical and dental unit," "public junior college," and "university system" have the meanings assigned by Section 61.003.

(2) "System administration" means the administrative officers and employees of a university system who are assigned responsibility in relation to administration of two or more component institutions and are under the supervision of the chancellor or other chief executive officer of the university system.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.09, eff. June 20, 1987. Amended by Acts 1991, 72nd Leg., ch. 526, Sec. 1, eff. Sept. 1, 1991.
Amended by:
Acts 2005, 79th Leg., Ch. 292 (S.B. 34), Sec. 1, eff. June 17, 2005.
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 2, eff. September 1, 2005.

Sec. 51.352. RESPONSIBILITY OF GOVERNING BOARDS. (a) It is the policy of this state that the governing boards of institutions of higher education, being composed of lay members, shall exercise the traditional and time-honored role for such boards as their role has evolved in the United States and shall constitute the keystone of the governance structure. In this regard each governing board:

(1) is expected to preserve institutional independence and to defend its right to manage its own affairs through its chosen administrators and employees;

(2) shall enhance the public image of each institution under its governance;

(3) shall interpret the community to the campus and interpret the campus to the community;

(4) shall nurture each institution under its governance to the end that each institution achieves its full potential within its role and mission; and

(5) shall insist on clarity of focus and mission of each institution under its governance.

(b) The governing board of an institution of higher education shall provide the policy direction for each institution of higher education under its management and control.

(c) In making or confirming appointments to a governing board, the governor and senate shall ensure that the appointee has the background and experience suitable for performing the statutory responsibility of a member of the governing board.

(d) In addition to powers and duties specifically granted by this code or other law, each governing board shall:

(1) establish, for each institution under its control and management, goals consistent with the role and mission of the institution;

(2) appoint the chancellor or other chief executive officer of the system, if the board governs a university system;

(3) appoint the president or other chief executive officer of each institution under the board's control and management and evaluate the chief executive officer of each component institution and assist the officer in the achievement of performance goals;

(4) set campus admission standards consistent with the role and mission of the institution and considering the admission standards of similar institutions nationwide having a similar role and mission, as determined by the coordinating board; and

(5) ensure that its formal position on matters of importance to the institutions under its governance is made clear to the coordinating board when such matters are under consideration by the coordinating board.

(e) Each member of a governing board has the legal responsibilities of a fiduciary in the management of funds under the control of institutions subject to the board's control and management.

(f) The governing board of each general academic teaching institution and each public junior college within a 100-mile radius of that institution shall adopt a policy to enhance the transfer of students based on the recommendations of the permanent advisory committee under Section 51.3521 of this code.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.09, eff. June 20, 1987. Amended by Acts 1991, 72nd Leg., ch. 526, Sec. 2, eff. Sept. 1, 1991.

Sec. 51.3521. PERMANENT ADVISORY COMMITTEES. (a) Permanent advisory committees are established.

(b) Each committee consists of the president, or the president's designee, of each general academic teaching institution and of each public junior college within a 100-mile radius of a general academic teaching institution.

(c) Each committee shall biennially elect a presiding officer.

(d) Each committee may elect other officers.

(e) Each committee shall adopt rules to govern the time and place of meetings and the transaction of business.

(f) Each committee shall:

(1) periodically study regional higher education needs in this state; and

(2) make recommendations to the governing boards of each general academic teaching institution and each public junior college represented regarding degree programs, core curricula, and joint faculty appointments to enhance the transfer of students and the coordinated working relationships between those institutions.

Added by Acts 1991, 72nd Leg., ch. 526, Sec. 3, eff. Sept. 1, 1991.

Sec. 51.353. RESPONSIBILITY OF SYSTEM ADMINISTRATION. (a) The system administration of each system shall coordinate the activities of component institutions within the system.

(b) In addition to other powers and duties provided by this code or other law, each system administration shall:

(1) initiate, monitor, approve, and coordinate long-range planning for the system;

(2) approve short-range institutional plans for operations and expenditures;

(3) provide to component institutions technical assistance such as legal and financial services;

(4) evaluate each component institution and assist the institution in the achievement of performance goals; and

(5) perform such other duties as may be delegated to it by the governing board of its system.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.09, eff. June 20, 1987.

Sec. 51.354. INSTITUTIONAL RESPONSIBILITY. In addition to specific responsibilities imposed by this code or other law, each institution of higher education has the general responsibility to serve the public and, within the institution's role and mission, to:

(1) transmit culture through general education;

(2) extend knowledge;

(3) teach and train students for professions;

(4) provide for scientific, engineering, medical, and other academic research;

(5) protect intellectual exploration and academic freedom;

(6) strive for intellectual excellence;

(7) provide educational opportunity for all who can benefit from postsecondary education and training; and

(8) provide continuing education opportunities.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.09, eff. June 20, 1987.

Sec. 51.355. NONVOTING STUDENT REGENT; UNIVERSITY SYSTEM BOARD OF REGENTS. (a) In this section, "student government" means the representative student organization directly elected by the student body of a general academic teaching institution or medical and dental unit.

(b) The chancellor of each university system shall develop a uniform application form to be used by each general academic teaching institution and medical and dental unit in the university system to solicit applicants for the position of student regent.

(c) Except as provided by Subsection (f), not later than November 1 of each year, the student government of each general academic teaching institution and medical and dental unit in a university system shall solicit applicants for appointment to the next regular term of the position of student regent. Not later than January 1, from among the applications received by the student government, the student government shall select five applicants as the student government's recommendations for the position of student regent and send the applications of those applicants to the chancellor of the university system. From among those applicants, the chancellor shall select two or more applicants as the university system's recommendations for the position of student regent and shall send the applications of those applicants to the governor not later than February 1. The governor may request to review all applications for the position of student regent received by the student governments and may request an applicant to submit additional information to the governor. On June 1, or as soon thereafter as practicable, the governor shall appoint one of the applicants to serve as the student regent for the system for a one-year term expiring on the next May 31. The governor is not required to appoint an applicant recommended by the chancellor, but may not appoint a student regent who did not submit an application to the student

government of a general academic teaching institution or medical and dental unit in the system as described by this subsection.

(d) To be eligible for appointment as student regent, a person must be enrolled as an undergraduate or graduate student in a general academic teaching institution or medical and dental unit in the university system and be in good academic standing as determined by the institution at the time of appointment. The person must remain enrolled at the institution throughout the person's term as a student regent. For purposes of this subsection, a person is considered to be enrolled in an institution or unit for a summer term if the person was enrolled in the institution or unit for the preceding semester and:

(1) is registered or preregistered at the institution or unit for the following fall semester;

(2) if the person has not completed the person's degree program, is eligible to continue the degree program at the institution or unit in the following fall semester; or

(3) if the person completed a degree program in the preceding semester, is admitted to another degree program at the institution or unit for the following fall semester.

(d-1) Throughout a student regent's term, the student regent must maintain a grade point average of at least 2.5 on a four-point scale. The president of the institution in which the student regent is enrolled shall notify the governor if the student regent fails to maintain the qualifications required by this section.

(e) A student regent is not a member of the board of regents of the system for which the student regent is appointed. A student regent has the same powers and duties as the members of the board of regents of the system, including the right to attend and participate in meetings of the board of regents, except that the student regent:

(1) may not vote on any matter before the board or make or second any motion before the board; and

(2) is not counted in determining whether a quorum exists for a meeting of the board or in determining the outcome of any vote of the board.

(f) The student government of the general academic teaching institution or medical and dental unit at which a current student regent was enrolled at the time of the student regent's appointment may not solicit applicants for the position of student regent for the next regular term of the position.

(g) A vacancy in the position of student regent for a university system shall be filled for the unexpired term by appointment by the governor in consultation with the chancellor of the system.

(h) On receiving notice under Subsection (d-1) from the president of the institution in which the student regent is enrolled that the student regent has failed to maintain the qualifications required by this section, the governor shall declare the position of student regent vacant and as soon as practicable fill the vacancy in the manner prescribed by Subsection (g).

(i) A student regent serves without compensation but is entitled to be reimbursed for the actual expenses incurred by the student regent in attending the meetings of the board of regents, subject to the approval of the chairman of the board of regents.

Added by Acts 2005, 79th Leg., Ch. 292 (S.B. 34), Sec. 2, eff. June 17, 2005.
Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 3, eff. September 1, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 181 (S.B. 276), Sec. 1, eff. May 23, 2007.

Acts 2015, 84th Leg., R.S., Ch. 107 (S.B. 42), Sec. 1, eff. May 23, 2015.

Sec. 51.356. NONVOTING STUDENT REGENT; INSTITUTION BOARD OF REGENTS. (a) This section applies only to a general academic teaching institution that is not a part of a university system.

(b) In this section, "student government" means the representative student organization directly elected by the student body of a general academic teaching institution.

(c) The president of a general academic teaching institution shall develop a uniform application form to be used to solicit applicants for the position of student regent.

(d) Not later than November 1 of each year, the student government of the general academic teaching institution shall solicit applicants for appointment to the next regular term of the position of student regent. Not later than January 1, from among the applications received by the student government, the student

government shall select five applicants as the student government's recommendations for the position of student regent and send the applications of those applicants to the president of the institution. From among those applicants, the president shall select two or more applicants as the institution's recommendations for the position of student regent and shall send the applications of those applicants to the governor not later than February 1. The governor may request to review all applications for the position of student regent received by the student government and may request an applicant to submit additional information to the governor. On June 1, or as soon thereafter as practicable, the governor shall appoint one of the applicants to serve as the student regent for the institution for a one-year term expiring on the next May 31. The governor is not required to appoint an applicant recommended by the president, but may not appoint a student regent who did not submit an application to the student government of the institution as described by this subsection.

(e) To be eligible for appointment as student regent, a person must be enrolled as an undergraduate or graduate student in the general academic teaching institution and be in good academic standing as determined by the institution at the time of appointment. The person must remain enrolled at the institution throughout the person's term as a student regent. For purposes of this subsection, a person is considered to be enrolled in an institution for a summer term if the person was enrolled in the institution for the preceding semester and:

(1) is registered or preregistered at the institution for the following fall semester;

(2) if the person has not completed the person's degree program, is eligible to continue the degree program at the institution in the following fall semester; or

(3) if the person completed a degree program in the preceding semester, is admitted to another degree program at the institution for the following fall semester.

(e-1) Throughout a student regent's term, the student regent must maintain a grade point average of at least 2.5 on a four-point scale. The president of the institution in which the student regent is enrolled shall notify the governor if the student regent fails to maintain the qualifications required by this section.

(f) A student regent is not a member of the board of regents of

the institution for which the student regent is appointed. A student regent has the same powers and duties as the members of the board of regents of the institution, including the right to attend and participate in meetings of the board of regents, except that the student regent:

(1) may not vote on any matter before the board or make or second any motion before the board; and

(2) is not counted in determining whether a quorum exists for a meeting of the board or in determining the outcome of any vote of the board.

(g) A vacancy in the position of student regent for an institution shall be filled for the unexpired term by appointment by the governor in consultation with the president of the institution.

(h) On receiving notice under Subsection (e-1) from the president of the institution that the student regent has failed to maintain the qualifications required by this section, the governor shall declare the position of student regent vacant and as soon as practicable fill the vacancy in the manner prescribed by Subsection (g).

(i) A student regent serves without compensation but is entitled to be reimbursed for the actual expenses incurred by the student regent in attending the meetings of the board of regents, subject to the approval of the chairman of the board of regents.

Added by Acts 2005, 79th Leg., Ch. 292 (S.B. 34), Sec. 2, eff. June 17, 2005.
Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 3, eff. September 1, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 181 (S.B. 276), Sec. 2, eff. May 23, 2007.

Acts 2015, 84th Leg., R.S., Ch. 107 (S.B. 42), Sec. 2, eff. May 23, 2015.

Sec. 51.357. PUBLIC TESTIMONY AT CERTAIN MEETINGS OF GOVERNING BOARDS OF GENERAL ACADEMIC TEACHING INSTITUTIONS. (a) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003.

(b) The governing board of each general academic teaching

institution or of a university system that includes one or more component general academic teaching institutions shall adopt a policy that allows the public to present, for a reasonable amount of time and for any item on the agenda, both written and oral testimony at a regular meeting of the board.

(c) The governing board shall consider the public testimony presented to the board on an issue before making a decision on the issue.

Added by Acts 2005, 79th Leg., Ch. 303 (S.B. 511), Sec. 1, eff. June 17, 2005.
Renumbered from Education Code, Section 51.355 by Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 17.001(13-a), eff. September 1, 2007.

Sec. 51.358. LONG-TERM STRATEGIC PLAN FOR RESEARCH UNIVERSITY OR EMERGING RESEARCH UNIVERSITY. (a) The governing board of each institution of higher education designated as a research university or emerging research university under the Texas Higher Education Coordinating Board's accountability system shall submit to the coordinating board, in the form and manner prescribed by the coordinating board, a detailed, long-term strategic plan documenting the strategy by which the institution intends to achieve recognition as a research university, or enhance the university's reputation as a research university, as applicable.

(b) The Texas Higher Education Coordinating Board shall adopt rules for the administration of this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 1, eff. September 1, 2009.

Sec. 51.359. ROLE AND MISSION STATEMENT. Each institution of higher education shall develop a statement regarding the role and mission of the institution reflecting the three missions of higher education: teaching, research, and public service.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.12, eff. Sept. 1, 1989.
Transferred and redesignated from Education Code, Section 61.0511 by

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 1, eff. September 1, 2013.

SUBCHAPTER H. GUIDELINES FOR ACADEMIC AND OTHER REPORTS BY INSTITUTIONS OF HIGHER EDUCATION

Sec. 51.401. PURPOSE. It is the intent of the legislature that all public higher education institutions of this state shall manage their institutions and institutional resources to achieve maximum effectiveness and to provide the greatest attainable educational benefit from the expenditure of public funds.

Added by Acts 1977, 65th Leg., p. 1478, ch. 601, Sec. 1, eff. Aug. 29, 1977.

Sec. 51.402. REPORT OF INSTITUTIONAL AND ACADEMIC DUTIES. (a) The Coordinating Board, Texas College and University System, in cooperation with governing boards, institutional officials, and faculty representatives of general academic institutions of higher education, shall develop and recommend general policies and standard reports for academic faculty workloads and services.

(b) The governing board of each institution of higher education in the state shall adopt rules and regulations concerning faculty academic workloads. In adopting rules under this subsection, each institution shall recognize that classroom teaching, basic and applied research, and professional development are important elements of faculty academic workloads by giving appropriate weight to each activity when determining the standards for faculty academic workload. An institution may give the same or different weight to each activity and to other activities recognized by the institution as important elements of faculty academic workloads. The established rules and regulations of each institution shall be reported to the coordinating board and included in the operating budgets of each institution.

(c) Within 30 days of the end of each academic year, the institution shall file with its governing board a report, by department, of the academic duties and services performed by each member of the faculty during the nine-month academic year, showing evidence of compliance with requirements established by the governing

board. The report of academic duties and services performed by each member of the faculty shall indicate all appointments held by the faculty member in the employing institution, the salary paid to each appointment, the percent of time of each appointment, and the source of funds from which salary payments were made. Teaching responsibilities in each workload standard shall be in proportion to the portion of salary paid from funds appropriated for instructional purposes.

(d) The institutional head of each higher education institution shall designate the officer of his staff who will monitor workloads, prepare and review appropriate workload reports, and submit the reports to the institutional head for his certification or approval and comments as may be appropriate.

Added by Acts 1977, 65th Leg., p. 1478, ch. 601, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1987, 70th Leg., ch. 845, Sec. 1, eff. Aug. 31, 1987.

Sec. 51.403. ECONOMIC JUSTIFICATION FOR COURSES; REPORTS OF STUDENT ENROLLMENT AND ACADEMIC PERFORMANCE. (a) All higher education institutions of this state shall offer only such courses and teach such classes as are economically justified in the considered judgment of the appropriate governing board.

(b) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1049, Sec. 9.01(a)(2), eff. September 1, 2011.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1049, Sec. 9.01(a)(2), eff. September 1, 2011.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(13), eff. June 17, 2011.

(e) Under guidelines established by the Coordinating Board, Texas College and University System, and the State Board of Education, postsecondary institutions shall report student performance during the first year enrolled after graduation from high school to the high school or junior college last attended. This report shall include, but not be limited to, appropriate student test scores, a description of developmental courses required, and the student's grade point average. Appropriate safeguards for student privacy shall be included in the rules for implementation of this subsection.

Added by Acts 1977, 65th Leg., p. 1478, ch. 601, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1979, 66th Leg., p. 1100, ch. 516, Sec. 1, eff. Aug. 27, 1979; Acts 1985, 69th Leg., ch. 726, Sec. 1, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 665, Sec. 2, eff. Aug. 31, 1987.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 9.01(a)(2), eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(13), eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.007, eff. September 1, 2013.

Sec. 51.4031. REPORTS OF AFFORDABILITY AND ACCESS. (a) Not later than November 1 of each year, the chief executive officer of each institution of higher education, as defined by Section 61.003, shall provide to the governing board of the institution a report for the preceding fall, spring, and summer semesters that examines the affordability and access of the institution.

(b) The report must include:

(1) statistical information on the percentage of gross family income required for a student who is a resident of this state to pay tuition and required fees charged by the institution;

(2) the criteria used by the institution to admit students to the institution;

(3) an analysis of the criteria used to admit students and to award financial assistance to students, considering the mission of the institution and the purposes of higher education in this state;

(4) an analysis of the manner in which the factors described by Subdivisions (1)-(3) relate to:

(A) the regions of this state in which students reside;

(B) the race or ethnicity of students;

(C) the gender of students; and

(D) the level of education achieved by the parents of students; and

(5) comparisons of the institution with peer institutions in this state and in other states with respect to affordability and access.

(c) For purposes of the report, a student who applies for

admission to or enrolls in an institution and applies for financial aid from the institution may be required to provide documentation necessary for the institution to complete the report.

(d) An institution's report must be in the form prescribed by the Texas Higher Education Coordinating Board in consultation with the institution.

Added by Acts 2003, 78th Leg., ch. 1321, Sec. 6, eff. Sept. 1, 2003.

Sec. 51.4032. ANNUAL REPORT OF PARTICIPATION IN HIGHER EDUCATION. Not later than December 1 of each year and in the form prescribed by the coordinating board, each general academic teaching institution and medical and dental unit as defined in Section 61.003 shall provide to the Texas Higher Education Coordinating Board and shall publish on the institution's website a report describing the composition of the institution's entering class of students. The report must include a demographic breakdown of the class, including a breakdown by race, ethnicity, economic status, and high school class standing. A report submitted by a general academic teaching institution or medical and dental unit as defined in Section 61.003 must include separate demographic breakdowns of the students admitted under Sections 51.803, 51.804, and 51.805 and a description of any plans, policies, or programs developed or implemented by the institution to recruit and retain students from underrepresented groups such as racial or ethnic minority groups.

Added by Acts 2005, 79th Leg., Ch. 694 (S.B. 302), Sec. 2, eff. June 17, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1369 (H.B. 3851), Sec. 3, eff. June 15, 2007.

Sec. 51.404. SUBMISSION OF REPORTS. Each institution shall submit all reports required by this subchapter to the coordinating board. The coordinating board shall furnish such summaries of these reports as the governor's budget office and legislative budget board may request, including an analysis of compliance by each institution of higher education with its adopted rules and regulations as filed with the coordinating board in compliance with Section 51.402(b) of

this code. All such reports shall be public information.

Added by Acts 1977, 65th Leg., p. 1478, ch. 601, Sec. 1, eff. Aug. 29, 1977.

Sec. 51.405. REPORTING OF NONCOMPLIANCE. Should any institution of higher education fail to comply with its adopted rules and regulations as determined by the coordinating board in Section 51.404 of this code, the coordinating board shall inform the governor's budget office, the legislative budget board, and the chairmen of the house and senate appropriations committees.

Added by Acts 1977, 65th Leg., p. 1478, ch. 601, Sec. 1, eff. Aug. 29, 1977.

Sec. 51.406. EXPIRATION OF CERTAIN REPORTING REQUIREMENTS APPLICABLE TO INSTITUTIONS OF HIGHER EDUCATION AND UNIVERSITY SYSTEMS. (a) In this section, "university system" has the meaning assigned by Section 61.003.

(b) To the extent that any of the following laws require reporting by a university system or an institution of higher education, a university system or institution of higher education is not required to make the report on or after September 1, 2013, unless legislation enacted by the 83rd Legislature that becomes law expressly requires the institution or system to make the report:

(1) Section 7.109;

(2) Section 33.083;

(3) Section 59.07;

(4) Section 130.251;

(5) Section 325.007, Government Code;

(6) Section 669.003, Government Code;

(7) Section 2005.007, Government Code;

(8) Section 2054.097, Government Code;

(9) Chapter 2114, Government Code; and

(10) Section 2205.041, Government Code.

(c) A rule or policy of a state agency, including the Texas Higher Education Coordinating Board, in effect on June 1, 2011, that requires reporting by a university system or an institution of higher education has no effect on or after September 1, 2013, unless the

rule or policy is affirmatively and formally readopted before that date by formal administrative rule published in the Texas Register and adopted in compliance with Chapter 2001, Government Code. This subsection does not apply to:

(1) a rule or policy for which the authorizing statute is listed in Subsection (b);

(2) a rule or policy for which the authorizing statute is repealed on or before September 1, 2013, by legislation enacted by the legislature that becomes law; or

(3) a report required under any of the following provisions:

(A) Article 59.06(g)(1), Code of Criminal Procedure;

(B) Section 51.005;

(C) Section 51.0051;

(D) Section 51.3062;

(E) Section 51.402;

(F) Section 56.039;

(G) Section 61.051(k);

(H) Section 61.059;

(I) Section 62.095(b);

(J) Section 62.098;

(K) Section 411.187(b), Government Code;

(L) Subchapter C, Chapter 606, Government Code;

(M) Subchapter E, Chapter 815, Government Code; or

(N) Chapter 1551, Insurance Code.

(d) At least every five years, the Texas Higher Education Coordinating Board shall reevaluate its rules and policies to ensure the continuing need for the data requests the coordinating board imposes on university systems, institutions of higher education, or private or independent institutions of higher education. The coordinating board shall consult with those entities to identify unnecessary data requests and shall eliminate data requests identified as unnecessary from its rules and policies. In this subsection, "private or independent institution of higher education" has the meaning assigned by Section 61.003.

(e) This section does not apply to a request for information by the state auditor.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 6.03, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 2, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 11, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(13), eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 4, eff. September 1, 2015.

SUBCHAPTER I. TEXTBOOKS

Sec. 51.451. DEFINITIONS. In this subchapter:

(1) "College bookstore" means a bookstore that is:

(A) operated by an institution of higher education; or

(B) in a contractual relationship or otherwise affiliated with an institution of higher education.

(2) "Custom textbook" means a textbook that is compiled by a publisher at the direction of a faculty member or other person in charge of selecting course materials at an institution of higher education and that may include items such as selections from original instructor materials, previously copyrighted publisher materials, copyrighted third-party works, or elements unique to a specific institution.

(3) "Faculty member" has the meaning assigned by Section 51.917.

(4) "Institution of higher education" means:

(A) an institution of higher education as defined by Section 61.003; or

(B) a private or independent institution of higher education as defined by Section 61.003.

(5) "Supplemental material," with respect to a textbook, means instructional material developed to accompany the textbook, including printed materials, computer disks, website access, and electronically distributed materials, other than material that is part of an integrated textbook.

(6) "Textbook" means a book published primarily for instruction in connection with a particular course or courses offered to postsecondary students by an institution of higher education. The term includes any edition of a textbook or set of textbooks and any

item considered supplemental specifically to the textbook, regardless of whether the textbook and supplemental item are sold together or separately.

(7) "Textbook bundle" means a textbook that is combined with other instructional material, such as another textbook or additional printed material, a computer disk, website access, or electronically distributed material, and that is packaged or otherwise offered for sale with that instructional material at a single price. The term does not include a textbook that is combined with other instructional material if that material in its entirety is:

(A) required to be offered for sale with or as part of the textbook, according to a third-party contractual agreement; or

(B) interrelated with the content of the textbook to such a degree that any separation of the material from the textbook would render the textbook unusable for its intended purpose.

Added by Acts 2011, 82nd Leg., R.S., Ch. 213 (H.B. 33), Sec. 1, eff. September 1, 2011.

Sec. 51.452. DISSEMINATION OF COURSE SCHEDULE AND LIST OF REQUIRED AND RECOMMENDED TEXTBOOKS. (a) Each institution of higher education shall:

(1) for each semester or academic term, compile a course schedule indicating each course offered by the institution for the semester or term to postsecondary students;

(2) with respect to each course, include with the schedule a list of the required and recommended textbooks that specifies, to the extent practicable, the following information for each textbook:

(A) the retail price;

(B) the author;

(C) the publisher;

(D) the most recent copyright date; and

(E) the International Standard Book Number assigned, if any;

(3) except as provided by Subsection (b), at the time required by Subsection (c)(2):

(A) publish the textbook list with the course schedule on the institution's Internet website and with any course schedule

the institution provides in hard copy format to the students of the institution; and

(B) make that information available to college bookstores and other bookstores that generally serve the students of the institution; and

(4) except as provided by Subsection (b), as soon as practicable after the information becomes available disseminate as required by Subdivision (3) specific information regarding any revisions to the institution's course schedule and textbook list.

(b) An institution of higher education is not required to publish a textbook list as described by Subsection (a)(3)(A) or any revisions to that textbook list as described by Subsection (a)(4) if a college bookstore publishes that list and any revisions to that list on the bookstore's Internet website on behalf of the institution at the appropriate times required by this section.

(c) To allow for timely placement of textbook orders by students, each institution of higher education shall:

(1) establish a deadline by which faculty members must submit information to be included in the course schedule and textbook list required by Subsection (a); and

(2) disseminate the institution's course schedule and textbook list as required by Subsection (a)(3) as soon as practicable after the institution has compiled the schedule and list but not later than the 30th day before the first day that classes are conducted for the semester or other academic term for which the schedule and list are compiled.

Added by Acts 2011, 82nd Leg., R.S., Ch. 213 (H.B. 33), Sec. 1, eff. September 1, 2011.

Sec. 51.453. TEXTBOOK ASSISTANCE INFORMATION FOR STUDENTS. To the extent practicable, an institution of higher education shall make reasonable efforts to disseminate to its students information regarding:

(1) available institutional programs for renting textbooks or for purchasing used textbooks;

(2) available institutional guaranteed textbook buyback programs;

(3) available institutional programs for alternative

delivery of textbook content; and

(4) other available institutional textbook cost-savings strategies.

Added by Acts 2011, 82nd Leg., R.S., Ch. 213 (H.B. 33), Sec. 1, eff. September 1, 2011.

Sec. 51.454. TEXTBOOK PUBLISHERS: AVAILABILITY OF INFORMATION TO FACULTY CONCERNING TEXTBOOK PRICES, REVISIONS, AND COPYRIGHTS. (a) When a textbook publisher provides information regarding a textbook or supplemental material to a faculty member or other person in charge of selecting course materials at an institution of higher education, the publisher shall also provide to the faculty member or other person written information that includes:

(1) the price at which the publisher would make the textbook or supplemental material available to a college bookstore or other bookstore that generally serves the students of the institution and, if applicable, to the public;

(2) the copyright dates of the current and three preceding editions of the textbook;

(3) a description of any substantial content revisions made between the current edition of the textbook or supplemental material and the most recent preceding edition of the textbook or material, including the addition of new chapters, new material covering additional time periods, new themes, or new subject matter;

(4) information as to whether the textbook or supplemental material is available in other formats, such as a paperback or unbound version; and

(5) the price at which the publisher would make the textbook or supplemental material in any alternative format available to a bookstore described by Subdivision (1) and, if applicable, to the public.

(b) A textbook publisher shall comply with this section with respect to a custom textbook only to the extent reasonably practicable.

Added by Acts 2011, 82nd Leg., R.S., Ch. 213 (H.B. 33), Sec. 1, eff. September 1, 2011.

Sec. 51.455. TEXTBOOK BUNDLES. A textbook publisher that offers a textbook bundle for sale directly to students enrolled at an institution of higher education or, for resale purposes, to a college bookstore or other bookstore that generally serves the students of the institution shall also offer for sale to the students or bookstore, as applicable, each individual item of instructional material as a separate, unbundled item that is separately priced.

Added by Acts 2011, 82nd Leg., R.S., Ch. 213 (H.B. 33), Sec. 1, eff. September 1, 2011.

SUBCHAPTER K. PRIVATE DONOR RESEARCH FUND

Sec. 51.551. PURPOSE. The purpose of this subchapter is to establish a private donor research fund to encourage donations from the private sector to support research and development in teacher education and teaching.

Added by Acts 1984, 68th Leg., 2nd C.S., ch. 28, art. III, part J, Sec. 4, eff. Sept. 1, 1984.

Sec. 51.552. FUND. (a) A special fund to be known as the private donor research fund is created in the state treasury.

(b) The fund shall be administered by the State Board of Education.

(c) Biennially, the legislature may appropriate general revenue to the fund in an amount not to exceed the amount of donations to the fund during the preceding biennium.

(d) In addition to donations from private sources and appropriations by the legislature, the board shall solicit money for the fund from the federal government.

Added by Acts 1984, 68th Leg., 2nd C.S., ch. 28, art. III, part J, Sec. 4, eff. Sept. 1, 1984.

Sec. 51.553. USE OF FUND. (a) The board shall develop concepts for research projects in the areas of teacher education and teaching and shall assign each research project, together with the amount of money from the fund necessary to implement the project, to

an approved teacher education program of an institution of higher education or to a school district, as appropriate.

(b) The board shall adopt guidelines to ensure it assigns projects and distributes money from the fund equitably among teacher education programs and equitably among school districts. In addition, the board shall adopt standards and timetables for the projects it assigns and shall periodically review the progress of the projects.

Added by Acts 1984, 68th Leg., 2nd C.S., ch. 28, art. III, part J, Sec. 4, eff. Sept. 1, 1984.

SUBCHAPTER N. PARTNERSHIPS BETWEEN COMMUNITY/JUNIOR COLLEGES AND OTHER INSTITUTIONS OF HIGHER EDUCATION

Sec. 51.661. PURPOSE. The purpose of this subchapter is to encourage partnerships between public community/junior colleges and other institutions of higher education that are located in the same state uniform service region as adopted by the Texas Higher Education Coordinating Board in order to improve the continuity, quality, and efficiency of educational programs and services.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985. Amended by Acts 1993, 73rd Leg., ch. 901, Sec. 1, eff. Aug. 30, 1993; Acts 2003, 78th Leg., ch. 820, Sec. 39, eff. Sept. 1, 2003.

Sec. 51.6615. DEFINITION. In this subchapter, "institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 40, eff. Sept. 1, 2003.

Sec. 51.662. PARTNERSHIP AGREEMENTS. With the approval of the Texas Higher Education Coordinating Board, the governing boards of a public community/junior college and another institution of higher education that are located in the same state uniform service region as adopted by the coordinating board may enter into a partnership agreement designed to coordinate the management and operations of the institutions. The agreements shall in no way abrogate the powers and duties of the boards with regard to the governance of their

respective institutions.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985. Amended by Acts 1993, 73rd Leg., ch. 901, Sec. 2, eff. Aug. 30, 1993; Acts 2003, 78th Leg., ch. 820, Sec. 41, eff. Sept. 1, 2003.

Sec. 51.663. ADVISORY COMMITTEE. The governing boards of the participating institutions shall appoint an advisory committee composed of three members from each board. The committee shall study the needs of the community served by the institutions and shall make recommendations to the respective boards concerning the development of coordinated programs and services to meet those needs. The committee shall give particular attention to the continuity of curriculum offerings and to the joint use of faculty and staff, facilities, and library resources.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985.

Sec. 51.664. JOINT USE OF PERSONNEL. By interagency contract the governing boards of the participating institutions may fill by joint appointment any administrative, faculty, or support position necessary for the operation of the institutions. In such cases, salaries and benefits shall be prorated and paid from the funds of the respective institutions according to the share of each employee's responsibility to each institution.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985.

Sec. 51.665. SUPPORT SERVICES. By interagency contract the governing boards of the participating institutions may assign the management and operation of selected services to one of the institutions in order to achieve cost effectiveness. Such services include, but are not limited to, maintenance of building and grounds, operation of auxiliary enterprises, and operation of a jointly supported library.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985.

Sec. 51.666. FACILITIES. A participating institution of higher education may lease facilities from or to the community/junior college for administrative and instructional purposes. Community/junior college facilities may not be transferred to the other participating institution of higher education and may not be included in the space inventory of the other participating institution of higher education for formula funding purposes.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985. Amended by Acts 1993, 73rd Leg., ch. 901, Sec. 3, eff. Aug.30, 1993; Acts 2003, 78th Leg., ch. 820, Sec. 42, eff. Sept. 1, 2003.

Sec. 51.667. STATE FUNDING. The community/junior college shall receive state appropriations on the same formula basis as other community/junior colleges, and the other participating institution of higher education shall receive state appropriations on the same formula basis as other similar institutions of higher education.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 43, eff. Sept. 1, 2003.

Sec. 51.668. CONTINUING RESPONSIBILITIES. A participating community/junior college must continue to provide programs and services enumerated in Section 130.003(e). The role and scope of the other participating institution of higher education are subject to approval by the coordinating board.

Added by Acts 1985, 69th Leg., ch. 647, Sec. 1, eff. June 14, 1985. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 44, eff. Sept. 1, 2003.

SUBCHAPTER O. INTELLECTUAL PROPERTY POLICIES

Sec. 51.680. REVIEW BY COMMISSIONER OF HIGHER EDUCATION. (a) The commissioner of higher education, by December 31, 1987, shall review the intellectual property policies of institutions of higher education that were filed with the Coordinating Board, Texas College and University System, pursuant to Senate Concurrent Resolution 92 of

the 69th Texas Legislature. In this review, the commissioner shall determine, as a ministerial duty, without regard to the substance of the content thereof, whether the intellectual property policies address as a minimum standard the following matters:

(1) disclosure of scientific and technological developments, including inventions, discoveries, trade secrets, and computer software;

(2) institutional review of scientific and technological disclosures, including consideration of ownership and appropriate legal protection;

(3) guidelines for licensing scientific and technological developments;

(4) clear identification of ownership and licensing responsibilities for each class of intellectual property;

(5) royalty participation by inventors and the institution; and

(6) equity and management participation on the part of the inventor or inventors in business entities that utilize technology created at the institution of higher education.

(b) No later than January 31, 1988, the commissioner of higher education shall inform institutions of higher education whether their intellectual property policies meet the minimum standards set out in Subsection (a). Thereafter, an institution of higher education may file or post on the institution's website on the Internet in a manner available to the public policies amended to overcome any failure to meet the standards. The commissioner shall within a reasonable time after receiving an amended policy inform the submitting institution whether it meets the standards.

(c) It is a policy of the state that each institution of higher education shall at all times after August 31, 1988, have a current copy of its intellectual property policies that meet the minimum standards set out in Subsection (a) on file with the Texas Higher Education Coordinating Board or posted on the institution's website on the Internet in a manner available to the public. The commissioner of higher education shall establish procedures for the monitoring of this policy of the state.

(d) Institutions of higher education not having an intellectual property policy meeting the minimum standards set out in Subsection (a) of this section by August 31, 1988, shall not receive funds under any state-run competitive research or advanced technology funding

programs.

Added by Acts 1987, 70th Leg., ch. 772, Sec. 1, eff. Aug. 31, 1987.
Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 5.01, eff. June 20, 2003.

SUBCHAPTER P. FUND FOR THE NATIONAL CENTER FOR MANUFACTURING SCIENCES

Sec. 51.701. LEGISLATIVE FINDINGS. The legislature finds that:

(1) strength in the manufacturing sector is critical to the United States' and Texas' international competitive position, as well as to the national security. Manufacturing has the highest economic multiplier of any industrial sector, contributing to economic growth and personal wealth. High technology manufacturing has the highest economic multiplier among manufacturing sectors;

(2) the health of the manufacturing sector is critical for economic growth in Texas. Texas, as a primary producer of raw materials, finds itself positioned to benefit tremendously from improvement and development of its manufacturing capabilities, even while the Texas economy suffers the consequences of having depended too heavily on production of raw materials alone; and

(3) manufacturing industry sales growth and productivity increases have been shown to move in direct relation to the performance of research and development by the industry.

Added by Acts 1987, 70th Leg., ch. 44, Sec. 1, eff. April 29, 1987.

Sec. 51.702. PURPOSE. It is the intent of the legislature that Texas accept the challenge of becoming the nation's centerpoint for advanced manufacturing technology development by aggressively pursuing the siting in Texas of the National Center for Manufacturing Sciences, proposed by the National Academy of Sciences and the Manufacturing Science Board, and initiated by the National Machine Tool Industry. With this centerpiece for advanced research and technology transfer in the area of manufacturing sciences, Texas could become a primary producer of high value-added products, with enormous benefits for the entire economy.

Added by Acts 1987, 70th Leg., ch. 44, Sec. 1, eff. April 29, 1987.

Sec. 51.703. DEFINITION. In this subchapter, "fund" means the fund for the National Center for Manufacturing Sciences.

Added by Acts 1987, 70th Leg., ch. 44, Sec. 1, eff. April 29, 1987.

Sec. 51.704. FUND. (a) The fund for the National Center for Manufacturing Sciences is created as a special fund in the state treasury.

(b) The fund consists of:

(1) appropriations; and

(2) grants from industry and other sources.

(c) For each biennium the legislature may appropriate to the fund an amount equal to the amount of donations received from private sources for the biennium, not to exceed $2 million per biennium.

(d) The comptroller shall administer the fund until the center is located in Texas.

(e) The comptroller may accept grants for the purpose of the fund.

Added by Acts 1987, 70th Leg., ch. 44, Sec. 1, eff. April 29, 1987. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.09, eff. Sept. 1, 1997.

Sec. 51.705. USE OF FUND. (a) When the National Center for Manufacturing Sciences is announced for location in Texas, the existing funds (and all subsequent funds) will be made available for use by the center in accordance with its charter.

(b) Should the center not be located in Texas, the industry grants will be returned to their source and the state's matching appropriation will be held for reappropriation by the legislature.

Added by Acts 1987, 70th Leg., ch. 44, Sec. 1, eff. April 29, 1987.

SUBCHAPTER R. EDUCATIONAL ECONOMIC POLICY CENTER

Sec. 51.751. CREATION AND OPERATION. (a) The Educational Economic Policy Center is created as a consortium of universities. Each public senior college or university in the state shall participate in the Educational Economic Policy Center at the request

of the governor. The center shall represent business, finance, public policy, education, and other appropriate disciplines.

(b) The center shall examine the efficiency of the public school system and the effectiveness of instructional methods and curricular programs and promote the use of successful methods and programs. The center shall monitor and evaluate the implementation of the accountability system under Chapter 39 and provide annual progress reports to the governor, Legislative Budget Board, and commissioner of education.

(c) The center may be funded by donations, grants, and legislative appropriations. The office of the governor may receive grants and donations for the purposes of this subchapter.

(d) The center may assist the legislature with education policy studies related to the purposes of the center on approval of the governor, lieutenant governor, and speaker. The center may participate in collaborative studies with foundations or organizations within or outside the state.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 6.08, eff. Aug. 28, 1989. Renumbered from Education Code Sec. 34.051 by Acts 1995, 74th Leg., ch. 260, Sec. 4, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 62, Sec. 4.02, eff. Sept. 1, 1999.

Sec. 51.752. EDUCATIONAL ECONOMIC POLICY COMMITTEE. (a) The Educational Economic Policy Committee is created as the primary policy-making body of the Educational Economic Policy Center. The committee shall study the elements of a quality educational system to:

(1) improve the management and productivity of the public education system to meet the demands of the twenty-first century;

(2) provide greater accountability to the taxpayers of the state; and

(3) improve the state's ability to compete in education and to compete economically with other states and nations.

(b) The committee is composed of nine members. The governor, lieutenant governor, and speaker of the house of representatives shall each appoint two members, only one of whom may be a board member or employee of a public school district, college, or university. Those appointees shall include persons in the private

sector who have an interest in improving public education. In addition, the governor shall appoint three members who serve on the boards of regents representing the universities or systems participating in the center.

(c) Members of the committee serve two-year staggered terms.

(d) The governor shall appoint one member of the committee as the chairman.

(e) Members shall not receive salaries but shall be reimbursed for expenses incurred in attending meetings of the committee.

(f) State agencies shall cooperate with and assist the center at the committee's request.

(g) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1203 , Sec. 21(1), eff. September 1, 2015.

(h) If the legislature fails to appropriate funds for the operation of the Educational Economic Policy Center, the Legislative Budget Board shall perform the duties of the committee under this subchapter.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 6.08, eff. Aug. 28, 1989. Amended by Acts 1993, 73rd Leg., ch. 520, Sec. 23, eff. Sept. 1, 1993. Renumbered from Education Code Sec. 34.052 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 4, eff. May 30, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 12, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 3, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 21(1), eff. September 1, 2015.

SUBCHAPTER S. ADMISSION APPLICATION FORMS

Sec. 51.761. DEFINITIONS. In this subchapter, "board," "general academic teaching institution," "governing board," "institution of higher education," "public state college," "public technical institute," and "university system" have the meanings assigned by Section 61.003.

Added by Acts 1997, 75th Leg., ch. 11, Sec. 1, eff. April 25, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 725 (S.B. 502), Sec. 1, eff. September

1, 2005.

Sec. 51.762. COMMON ADMISSION APPLICATION FORMS. (a) The board, with the assistance of an advisory committee composed of representatives of general academic teaching institutions, junior college districts, public state colleges, and public technical institutes, and with the consultation of all institutions of higher education that admit freshman-level students:

(1) shall adopt by rule:

(A) a common admission application form for use by a person seeking admission as a freshman student to a general academic teaching institution;

(B) an electronic common admission application form for use by a person seeking admission as a freshman student to an institution of higher education that admits freshman-level students, other than a general academic teaching institution; and

(C) if the board determines that adoption of the form would be cost-effective for nursing schools, an electronic common admission application form for use by a person seeking admission as a student to an undergraduate nursing education program at an institution of higher education; and

(2) may adopt by rule a printed format common admission application form for use by a person seeking admission as a freshman student to an institution of higher education that admits freshman-level students, other than a general academic teaching institution.

(b) The board, with the assistance of an advisory committee composed of representatives of general academic teaching institutions, junior college districts, public state colleges, and public technical institutes, and with the consultation of all institutions of higher education that admit undergraduate transfer students, may adopt by rule:

(1) a common admission application form for use by a person seeking admission as an undergraduate transfer student to a general academic teaching institution;

(2) an electronic or printed format common admission application form for use by a person seeking admission as an undergraduate transfer student to an institution of higher education that admits undergraduate transfer students, other than a general academic teaching institution; and

(3) if the board determines that adoption of the form would be cost-effective for nursing schools, an electronic common admission application form for use by a person seeking admission as a transfer student to an undergraduate nursing education program at an institution of higher education.

(c) In addition to information required to determine the residency status of the applicant and information relating to the use of the form at each institution, the board shall include on each application form adopted under this section information that the board considers appropriate.

(d) The board shall attempt to ensure as much uniformity in the forms adopted under this section as possible, regardless of the category of institution for which the forms are adopted.

(e) The board shall publicize in both electronic and printed formats the availability of a form adopted under this section.

(f) The board shall ensure that copies of the freshman common admission application forms and information for the use of the forms are available in electronic format for distribution to the appropriate personnel at each public high school in this state.

(g) The board shall make a form adopted under this section available to the public electronically by the Internet or other commonly used telecommunications media and may contract with an institution of higher education or other provider to satisfy this requirement.

(h) An applicant may file, and each institution of higher education shall accept, an application for admission as an entering freshman or undergraduate transfer student that uses the appropriate form adopted under this section. The form used to apply to a general academic teaching institution may be filed in either electronic or printed format. An institution of higher education is not prohibited from requiring an applicant to submit additional information within a reasonable time after the institution has received an application using a form adopted under this section.

(i) In addition to other information considered appropriate by the board, the board by rule shall require each institution to collect information regarding gender, ethnicity, and date of birth as part of the application process and report this information to the board.

Added by Acts 1997, 75th Leg., ch. 11, Sec. 1, eff. April 25, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 725 (S.B. 502), Sec. 2, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 1, eff. September 1, 2013.

Sec. 51.763. ELECTRONIC ADMISSION APPLICATION FORM FOR UNIVERSITY SYSTEMS. (a) The governing board of a university system shall adopt a common admission application form consistent with this subchapter to be used by any person seeking freshman or undergraduate transfer admission to one or more of the general academic teaching institutions within the university system.

(b) The form shall allow each applicant to:

(1) apply electronically to one or more of the general academic teaching institutions within the university system; and

(2) indicate preferences for admission between those institutions.

(c) A general academic teaching institution is not prohibited from requiring an applicant to submit additional information within a reasonable time after the institution has received an application under this section.

Added by Acts 1997, 75th Leg., ch. 11, Sec. 1, eff. April 25, 1997.

Sec. 51.764. FEES. This subchapter does not affect the authority of an institution of higher education to receive a reasonable fee for the filing of an application for admission.

Added by Acts 1997, 75th Leg., ch. 11, Sec. 1, eff. April 25, 1997.

SUBCHAPTER T. CONSTRUCTION AND REPAIR OF PERMANENT IMPROVEMENTS

Sec. 51.776. DEFINITIONS. In this subchapter:

(1) "Architect" means an individual registered as an architect under Chapter 1051, Occupations Code.

(2) "Board" means the governing body of an institution.

(3) "Contractor" in the context of a contract for the construction, rehabilitation, alteration, or repair of a facility means a sole proprietorship, partnership, corporation, or other legal

entity that assumes the risk for constructing, rehabilitating, altering, or repairing all or part of the facility at the contracted price.

(4) "Engineer" means an individual licensed as an engineer under Chapter 1001, Occupations Code.

(5) "Facility" means real property, including buildings and associated structures and improved or unimproved land.

(6) "Fee" in the context of a contract for the construction, rehabilitation, alteration, or repair of a facility means the payment a construction manager receives for its overhead and profit in performing its services.

(7) "General conditions" in the context of a contract for the construction, rehabilitation, alteration, or repair of a facility means on-site management, administrative personnel, insurance, bonds, equipment, utilities, and incidental work, including minor field labor and materials.

(8) "Institution" means an institution of higher education as defined by Section 61.003, other than a public junior college.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 11, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.763, eff. Sept. 1, 2003.

Sec. 51.777. DELEGATION OF AUTHORITY. A board may, as appropriate, delegate by rule its authority under this subchapter to its designated representative.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997.

Sec. 51.778. COMPETITIVE BIDDING ON CONTRACTS. (a) Except as otherwise provided by this subchapter, all contracts for the construction or erection of permanent improvements at an institution are void unless made after advertising for bids for the contracts in a manner prescribed by the institution's board, receiving sealed competitive bids, and awarding of the contract to the lowest responsible bidder by the board.

(b) If a contract awarded under sealed competitive bidding is to be recommended for award to other than the lowest bidder, any

bidder making a lower bid than the recommended bid shall be notified of the recommendation for award and shall be allowed an opportunity before the award to present evidence to the board or its designated representative as to the responsibility of that bidder.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997.

Sec. 51.779. EVALUATION OF BIDS AND PROPOSALS FOR CONSTRUCTION SERVICES. (a) An institution that is considering a construction contract using a method authorized by this subchapter must, before advertising, determine which method provides the best value for the institution.

(b) The institution shall base its selection among the offerors on criteria established by the institution. The institution shall publish in the request for bids, proposals, or qualifications the criteria that will be used to evaluate the offerors.

(c) The institution shall document the basis of its selection and shall make the evaluations public not later than the seventh day after the date the contract is awarded.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 12, eff. Sept. 1, 1999.

Sec. 51.780. DESIGN-BUILD CONTRACTS FOR FACILITIES. (a) In this section:

(1) "Design-build contract" means a single contract with a design-build firm for the design and construction of a facility.

(2) "Design-build firm" means a partnership, corporation, or other legal entity or team that includes an engineer or architect and builder qualified to engage in building construction in Texas.

(3) "Design criteria package" means a set of documents that provides sufficient information to permit a design-build firm to prepare a response to an institution's request for qualifications and any additional information requested, including criteria for selection. The design criteria package must specify criteria the institution considers necessary to describe the project and may include, as appropriate, the legal description of the site, survey information concerning the site, interior space requirements, special

material requirements, material quality standards, conceptual criteria for the project, special equipment requirements, cost or budget estimates, time schedules, quality assurance and quality control requirements, site development requirements, applicable codes and ordinances, provisions for utilities, parking requirements, or any other requirement, as applicable.

(b) An institution may use the design-build method for the construction, rehabilitation, alteration, or repair of a facility. In using that method and in entering into a contract for the services of a design-build firm, the contracting institution and the design-build firm shall follow the procedures provided by Subsections (c)-(k).

(c) The board may designate an engineer or architect independent of the design-build firm to act as its representative for the duration of the work on the facility. If the board's engineer or architect is not a full-time employee of the institution, any engineer or architect designated shall be selected on the basis of demonstrated competence and qualifications in accordance with Section 2254.004, Government Code.

(d) The institution shall prepare a request for qualifications that includes general information on the project site, project scope, budget, special systems, selection criteria, and other information that may assist potential design-build firms in submitting proposals for the project. The institution shall also prepare the design criteria package that includes more detailed information on the project. If the preparation of the design criteria package requires engineering or architectural services that constitute the practice of engineering within the meaning of Chapter 1001, Occupations Code, or the practice of architecture within the meaning of Chapter 1051, Occupations Code, those services shall be provided in accordance with the applicable law.

(e) The board or its representative shall publish the request for qualifications in a manner prescribed by the board.

(f) The board or its representative shall evaluate statements of qualifications and select a design-build firm in two phases:

(1) In phase one, the board or its representative shall prepare a request for qualifications and evaluate each offeror's experience, technical competence, and capability to perform, the past performance of the offeror's team and members of the team, and other appropriate factors submitted by the team or firm in response to the

request for qualifications, except that cost-related or price-related evaluation factors are not permitted. Each offeror must certify to the board that each engineer or architect that is a member of its team was selected based on demonstrated competence and qualifications in the manner provided by Section 2254.004, Government Code. The board or its representative shall qualify a maximum of five offerors to submit additional information and, if the board or its representative chooses, to interview for final selection.

(2) In phase two, the board or its representative shall evaluate the information submitted by the offerors on the basis of the selection criteria stated in the request for qualifications and the results of any interview. The board or its representative may request additional information regarding demonstrated competence and qualifications, considerations of the safety and long-term durability of the project, the feasibility of implementing the project as proposed, the ability of the offeror to meet schedules, costing methodology, or other factors as appropriate. The board or its representative may not require offerors to submit detailed engineering or architectural designs as part of the proposal. The board or its representative shall rank each proposal submitted on the basis of the criteria specified in the request for qualifications. The board or its representative shall select the design-build firm that submits the proposal offering the best value for the institution on the basis of the published selection criteria and on its ranking evaluations. The board or its representative shall first attempt to negotiate with the selected offeror a contract. If the board or its representative is unable to negotiate a satisfactory contract with the selected offeror, the institution shall, formally and in writing, end all negotiations with that offeror and proceed to negotiate with the next offeror in the order of the selection ranking until a contract is reached or negotiations with all ranked offerors end.

(g) Following selection of a design-build firm under Subsection (f), that firm's engineers or architects shall complete the design, submitting all design elements for review and determination of scope compliance by the institution's engineer or architect before or concurrently with construction.

(h) An engineer shall have responsibility for compliance with the engineering design requirements and all other applicable requirements of Chapter 1001, Occupations Code. An architect shall have responsibility for compliance with the requirements of Chapter

1051, Occupations Code.

(i) The institution shall provide or contract for, independently of the design-build firm, the inspection services, the testing of construction materials engineering, and the verification testing services necessary for acceptance of the facility by the institution. The institution shall select those services for which it contracts in accordance with Section 2254.004, Government Code.

(j) The design-build firm shall supply a signed and sealed set of construction documents for the project to the institution at the conclusion of construction.

(k) A payment or performance bond is not required for, and may not provide coverage for, the portion of a design-build contract under this section that includes design services only. If a fixed contract amount or guaranteed maximum price has not been determined at the time a design-build contract is awarded, the penal sums of the performance and payment bonds delivered to the institution shall each be in an amount equal to the project budget, as specified in the design criteria package. The design-build firm shall deliver the bonds not later than the 10th day after the date the design-build firm executes the contract unless the design-build firm furnishes a bid bond or other financial security acceptable to the institution to ensure that the design-build firm will furnish the required performance and payment bonds when a guaranteed maximum price is established.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 13, 14, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1409, Sec. 14, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.764, eff. Sept. 1, 2003.

Sec. 51.781. CONTRACTS FOR FACILITIES: CONSTRUCTION MANAGER-AGENT. (a) An institution may use the construction manager-agent method for the construction, rehabilitation, alteration, or repair of a facility. In using that method and in entering into a contract for the services of a construction manager-agent, a board shall follow the procedures prescribed by this section.

(b) A construction manager-agent is a sole proprietorship, partnership, corporation, or other legal entity that provides consultation to the institution regarding construction,

rehabilitation, alteration, or repair of the facility. An institution using the construction manager-agent method may, under the contract between the institution and the construction manager-agent, require the construction manager-agent to provide administrative personnel, equipment necessary to perform duties under this section, and on-site management and other services specified in the contract. A construction manager-agent represents the institution in a fiduciary capacity.

(c) Before or concurrently with selecting a construction manager-agent, the board shall select or designate an engineer or architect who shall prepare the construction documents for the project and who has full responsibility for complying with Chapter 1001 or 1051, Occupations Code, as applicable. If the engineer or architect is not a full-time employee of the institution, the board shall select the engineer or architect on the basis of demonstrated competence and qualifications as provided by Section 2254.004, Government Code. The institution's engineer or architect may not serve, alone or in combination with another person, as the construction manager-agent unless the engineer or architect is hired to serve as the construction manager-agent under a separate or concurrent procurement conducted in accordance with this subchapter. This subsection does not prohibit the institution's engineer or architect from providing customary construction phase services under the engineer's or architect's original professional service agreement in accordance with applicable licensing laws.

(d) A board shall select a construction manager-agent on the basis of demonstrated competence and qualifications in the same manner as provided for the selection of engineers or architects under Section 2254.004, Government Code.

(e) A board using the construction manager-agent method shall procure, in accordance with applicable law and in any manner authorized by this chapter, a general contractor, trade contractors, or subcontractors who will serve as the prime contractor for their specific portion of the work.

(f) The board or the construction manager-agent shall procure in accordance with Section 2254.004, Government Code, all of the testing of construction materials engineering, the inspection services, and the verification testing services necessary for acceptance of the facility by the institution.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 15, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.765, eff. Sept. 1, 2003.

Sec. 51.782. CONTRACTS FOR FACILITIES: CONSTRUCTION MANAGER-AT-RISK. (a) An institution may use the construction manager-at-risk method for the construction, rehabilitation, alteration, or repair of a facility. In using that method and in entering into a contract for the services of a construction manager-at-risk, a board shall follow the procedures prescribed by this section.

(b) A construction manager-at-risk is a sole proprietorship, partnership, corporation, or other legal entity that assumes the risk for construction, rehabilitation, alteration, or repair of a facility at the contracted price as a general contractor and provides consultation to the institution regarding construction during and after the design of the facility.

(c) Before or concurrently with selecting a construction manager-at-risk, the board shall select or designate an engineer or architect who shall prepare the construction documents for the project and who has full responsibility for complying with Chapter 1001 or 1051, Occupations Code, as applicable. If the engineer or architect is not a full-time employee of the institution, the board shall select the engineer or architect on the basis of demonstrated competence and qualifications as provided by Section 2254.004, Government Code. The institution's engineer, architect, or construction manager-agent for a project may not serve, alone or in combination with another, as the construction manager-at-risk unless the engineer or architect is hired to serve as the construction manager-at-risk under a separate or concurrent procurement conducted in accordance with this subchapter. This subsection does not prohibit the institution's engineer or architect from providing customary construction phase services under the engineer's or architect's original professional service agreement in accordance with applicable licensing laws.

(d) The board shall provide or contract for, independently of the construction manager-at-risk, the inspection services, the testing of construction materials engineering, and the verification testing services necessary for acceptance of the facility by the

institution. The board shall select those services for which it contracts in accordance with Section 2254.004, Government Code.

(e) The board shall select the construction manager-at-risk in either a one-step or two-step process. The board shall prepare a request for proposals, in the case of a one-step process, or a request for qualifications, in the case of a two-step process, that includes general information on the project site, project scope, schedule, selection criteria, estimated budget, and the time and place for receipt of proposals or qualifications, as applicable, a statement as to whether the selection process is a one-step or two-step process, and other information that may assist the board in its selection of a construction manager-at-risk. The board shall state the selection criteria in the request for proposals or qualifications, as applicable. The selection criteria may include the offeror's experience, past performance, safety record, proposed personnel and methodology, and other appropriate factors that demonstrate the capability of the construction manager-at-risk. If a one-step process is used, the board may request, as part of the offeror's proposal, proposed fees and prices for fulfilling the general conditions. If a two-step process is used, the board may not request fees or prices in step one. In step two, the board may request that five or fewer offerors, selected solely on the basis of qualifications, provide additional information, including the construction manager-at-risk's proposed fee and its price for fulfilling the general conditions.

(f) The board shall publish the request for qualifications in a manner prescribed by the board.

(g) At each step, the board shall receive, publicly open, and read aloud the names of the offerors. At the appropriate step, the board shall also read aloud the fees and prices, if any, stated in each proposal as the proposal is opened. Within 45 days after the date of opening the proposals, the board or its representative shall evaluate and rank each proposal submitted in relation to the criteria set forth in the request for proposals.

(h) The board or its representative shall select the offeror that submits the proposal that offers the best value for the institution based on the published selection criteria and on its ranking evaluation. The board or its representative shall first attempt to negotiate with the selected offeror a contract. If the board or its representative is unable to negotiate a satisfactory

contract with the selected offeror, the board or its representative shall, formally and in writing, end negotiations with that offeror and proceed to negotiate with the next offeror in the order of the selection ranking until a contract is reached or negotiations with all ranked offerors end.

(i) A construction manager-at-risk shall publicly advertise, in the manner prescribed by the institution, and receive bids or proposals from trade contractors or subcontractors for the performance of all major elements of the work other than general conditions work. A construction manager-at-risk may seek to perform major elements of the work itself if the construction manager-at-risk submits its bid or proposal for that work in the same manner as all other trade contractors or subcontractors and if the board determines that the construction manager-at-risk's bid or proposal provides the best value for the institution. If no satisfactory bid or proposal for a major element of the work is received in the time allowed, the board may negotiate directly with the construction manager-at-risk for performance of that work. The board may negotiate directly with the manager-at-risk for the performance of minor elements of the work that are not included in major work packages.

(j) The construction manager-at-risk and the board or its representative shall review all trade contractor or subcontractor bids or proposals in a manner that does not disclose the contents of the bid or proposal during the selection process to a person not employed by the construction manager-at-risk, engineer, architect, or institution. All bids or proposals shall be made public after the award of the contract or within seven days after the date of final selection of bids and proposals, whichever is later.

(k) If the construction manager-at-risk reviews, evaluates, and recommends to the board a bid or proposal from a trade contractor or subcontractor but the board requires another bid or proposal to be accepted, the institution shall compensate the construction manager-at-risk by a change in price, time, or guaranteed maximum cost for any additional cost and risk that the construction manager-at-risk may incur because of the board's requirement that another bid or proposal be accepted.

(l) If a selected trade contractor or subcontractor defaults in the performance of its work or fails to execute a subcontract after being selected in accordance with this section, the construction manager-at-risk may, without advertising, itself fulfill the contract

requirements or select a replacement trade contractor or subcontractor to fulfill the contract requirements.

(m) If a fixed contract amount or guaranteed maximum price has not been determined at the time the contract is awarded, the penal sums of the performance and payment bonds delivered to the institution must each be in an amount equal to the project budget, as set forth in the request for qualifications. The construction manager shall deliver the bonds not later than the 10th day after the date the construction manager executes the contract unless the construction manager furnishes a bid bond or other financial security acceptable to the institution to ensure that the construction manager will furnish the required performance and payment bonds when a guaranteed maximum price is established.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 16, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1229, Sec. 5, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1266, Sec. 4.01, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.766, eff. Sept. 1, 2003.

Sec. 51.783. SELECTING CONTRACTOR FOR CONSTRUCTION SERVICES THROUGH COMPETITIVE SEALED PROPOSALS. (a) In selecting a contractor for construction, rehabilitation, alteration, or repair services for a facility through competitive sealed proposals, a board shall follow the procedures prescribed by this section.

(b) The board shall select or designate an engineer or architect to prepare construction documents for the project. The selected or designated engineer or architect has full responsibility for complying with Chapter 1001 or 1051, Occupations Code, as applicable. If the engineer or architect is not a full-time employee of the institution, the board shall select the engineer or architect on the basis of demonstrated competence and qualifications as provided by Section 2254.004, Government Code.

(c) The board shall provide or contract for, independently of the contractor, the inspection services, the testing of construction materials engineering, and the verification testing services necessary for acceptance of the facility by the institution. The board shall select those services for which it contracts in accordance with Section 2254.004, Government Code, and shall identify

them in the request for proposals.

(d) The board shall prepare a request for competitive sealed proposals that includes construction documents, selection criteria, estimated budget, project scope, schedule, and other information that contractors may require to respond to the request. The board shall state in the request for proposals the selection criteria that will be used in selecting the successful offeror.

(e) The board shall publish notice of the request for proposals in a manner prescribed by the board.

(f) The board shall receive, publicly open, and read aloud the names of the offerors and, if any are required to be stated, all prices stated in each proposal. Within 45 days after the date of opening the proposals the board shall evaluate and rank each proposal submitted in relation to the published selection criteria.

(g) The board shall select the offeror that offers the best value for the institution based on the published selection criteria and on its ranking evaluation. The board shall first attempt to negotiate with the selected offeror a contract. The board and its engineer or architect may discuss with the selected offeror options for a scope or time modification and any price change associated with the modification. If the board is unable to reach a contract with the selected offeror, the board shall, formally and in writing, end negotiations with that offeror and proceed to the next offeror in the order of the selection ranking until a contract is reached or all proposals are rejected.

(h) In determining best value for the institution, the board is not restricted to considering price alone but may consider any other factor stated in the selection criteria.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 16, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.767, eff. Sept. 1, 2003.

Sec. 51.784. JOB ORDER CONTRACTS FOR FACILITIES CONSTRUCTION OR REPAIR. (a) An institution may award job order contracts for the minor construction, repair, rehabilitation, or alteration of a facility if the work is of a recurring nature but the delivery times are indefinite and indefinite quantities and orders are awarded

substantially on the basis of predescribed and prepriced tasks.

(b) The institution may establish contractual unit prices for a job order contract by:

(1) specifying one or more published construction unit price books and the applicable divisions or line items; or

(2) providing a list of work items and requiring the offerors to bid or propose one or more coefficients or multipliers to be applied to the price book or work items as the price proposal.

(c) The board shall advertise for, receive, and publicly open sealed proposals for job order contracts.

(d) The board may require offerors to submit additional information besides rates, including experience, past performance, and proposed personnel and methodology.

(e) The board may award job order contracts to one or more job order contractors in connection with each solicitation of bids or proposals.

(f) An order for a job or project under the job order contract must be signed by the board's representative and the contractor. The order may be a fixed price, lump-sum contract based substantially on contractual unit pricing applied to estimated quantities or may be a unit price order based on the quantities and line items delivered.

(g) The contractor shall provide payment and performance bonds, if required by law, based on the amount or estimated amount of any order.

(h) The base term of a job order contract is for the period and with any renewal options that the institution sets forth in the request for proposals. If the institution fails to advertise that term, the base term may not exceed two years and is not renewable without further advertisement and solicitation of proposals.

(i) If a job order contract or an order issued under the contract requires engineering or architectural services that constitute the practice of engineering within the meaning of Chapter 1001, Occupations Code, or the practice of architecture within the meaning of Chapter 1051, Occupations Code, the board shall select or designate an architect or engineer to prepare the construction documents for the facility. If the architect or engineer is not a full-time employee of the institution, the board shall select the architect or engineer on the basis of demonstrated competence and qualifications as provided by Section 2254.004, Government Code.

Added by Acts 1997, 75th Leg., ch. 1179, Sec. 3, eff. Sept. 1, 1997.
Amended by Acts 1999, 76th Leg., ch. 1225, Sec. 16, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.768, eff. Sept. 1, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1213 (H.B. 1886), Sec. 11, eff. September 1, 2007.

Sec. 51.785. CERTAIN CONTRACTS PROHIBITED. The board of an institution may not enter into a contract with a person relating to a permanent improvement project at the institution under which the institution makes contractual payments to the person that are not reflected on the institution's financial statement unless the board:

(1) is specifically authorized to enter into the contract by other law; or

(2) receives prior approval by the Texas Higher Education Coordinating Board.

Added by Acts 2007, 80th Leg., R.S., Ch. 759 (H.B. 3291), Sec. 1, eff. June 15, 2007.

SUBCHAPTER U. UNIFORM ADMISSION POLICY

Sec. 51.801. DEFINITIONS. In this subchapter, "general academic teaching institution," "governing board," "medical and dental unit," and "university system" have the meanings assigned by Section 61.003.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.802. UNIFORM ADMISSION SYSTEM. A general academic teaching institution shall admit first-time freshman students for each semester under the provisions of this subchapter.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.803. AUTOMATIC ADMISSION: ALL INSTITUTIONS. (a) Subject to Subsection (a-1), each general academic teaching

institution shall admit an applicant for admission to the institution as an undergraduate student if the applicant graduated with a grade point average in the top 10 percent of the student's high school graduating class in one of the two school years preceding the academic year for which the applicant is applying for admission and:

(1) the applicant graduated from a public or private high school in this state accredited by a generally recognized accrediting organization or from a high school operated by the United States Department of Defense;

(2) the applicant:

(A) successfully completed:

(i) at a public high school, the curriculum requirements established under Section 28.025 for the distinguished level of achievement under the foundation high school program; or

(ii) at a high school to which Section 28.025 does not apply, a curriculum that is equivalent in content and rigor to the distinguished level of achievement under the foundation high school program; or

(B) satisfied ACT's College Readiness Benchmarks on the ACT assessment applicable to the applicant or earned on the SAT assessment a score of at least 1,500 out of 2,400 or the equivalent; and

(3) if the applicant graduated from a high school operated by the United States Department of Defense, the applicant is a Texas resident under Section 54.052 or is entitled to pay tuition fees at the rate provided for Texas residents under Section 54.241(d) for the term or semester to which admitted.

(a-1) Beginning with admissions for the 2011-2012 academic year, The University of Texas at Austin is not required to offer admission to applicants who qualify for automatic admission under Subsection (a) in excess of the number required to fill 75 percent of the university's enrollment capacity designated for first-time resident undergraduate students in an academic year. If the number of applicants who qualify for automatic admission to The University of Texas at Austin under Subsection (a) for an academic year exceeds 75 percent of the university's enrollment capacity designated for first-time resident undergraduate students for that academic year, the university may elect to offer admission to those applicants as provided by this subsection and not as otherwise required by Subsection (a). If the university elects to offer admission under

this subsection, the university shall offer admission to those applicants by percentile rank according to high school graduating class standing based on grade point average, beginning with the top percentile rank, until the applicants qualified under Subsection (a) have been offered admission in the number estimated in good faith by the university as sufficient to fill 75 percent of the university's enrollment capacity designated for first-time resident undergraduate students, except that the university must offer admission to all applicants with the same percentile rank. After the applicants qualified for automatic admission under Subsection (a) have been offered admission under this subsection in the number estimated in good faith as sufficient to fill 75 percent of the designated enrollment capacity described by this subsection, the university shall consider any remaining applicants qualified for automatic admission under Subsection (a) in the same manner as other applicants for admission as first-time undergraduate students in accordance with Section 51.805.

(a-2) If the number of applicants who apply to a general academic teaching institution during the current academic year for admission in the next academic year and who qualify for automatic admission to a general academic teaching institution under Subsection (a) exceeds 75 percent of the institution's enrollment capacity designated for first-time resident undergraduate students for that next academic year and the institution plans to offer admission under Subsection (a-1) during the next school year, the institution shall, in the manner prescribed by the Texas Education Agency and not later than September 15, provide to each school district, for dissemination of the information to high school junior-level students and their parents, notice of which percentile ranks of high school senior-level students who qualify for automatic admission under Subsection (a) are anticipated by the institution to be offered admission under Subsection (a-1) during the next school year.

(a-3) Repealed by Acts 2015, 84th Leg., R.S., Ch. 776 , Sec. 1, eff. June 17, 2015.

(a-4) If The University of Texas at Austin elects to offer admission to first-time resident undergraduate students under Subsection (a-1) for an academic year, the university must continue its practice of not considering an applicant's legacy status as a factor in the university's decisions relating to admissions for that academic year.

(a-5) A general academic teaching institution that offers admission to first-time resident undergraduate students under Subsection (a-1) shall require that a student admitted under that subsection complete a designated portion of not less than six semester credit hours of the student's coursework during evening hours or other low-demand hours as necessary to ensure the efficient use of the institution's available classrooms.

(a-6) Not later than December 31 of each academic year in which The University of Texas at Austin offers admission under Subsection (a-1), the university shall deliver a written report to the governor, the lieutenant governor, and speaker of the house of representatives regarding the university's progress in each of the following matters:

(1) increasing geographic diversity of the entering freshman class;

(2) counseling and outreach efforts aimed at students qualified for automatic admission under this section;

(3) recruiting Texas residents who graduate from other institutions of higher education to the university's graduate and professional degree programs;

(4) recruiting students who are members of underrepresented demographic segments of the state's population; and

(5) assessing and improving the university's regional recruitment centers.

(b) An applicant who does not satisfy the curriculum requirements prescribed by Subsection (a)(2)(A)(i) or (ii) is considered to have satisfied those requirements if the student completed the portion of the distinguished level of achievement under the foundation high school program curriculum or of the curriculum equivalent in content and rigor, as applicable, that was available to the student but was unable to complete the remainder of the curriculum solely because courses necessary to complete the remainder were unavailable to the student at the appropriate times in the student's high school career as a result of course scheduling, lack of enrollment capacity, or another cause not within the student's control.

(c) To qualify for admission under this section, an applicant must:

(1) submit an application before the expiration of any application filing deadline established by the institution; and

(2) provide a high school transcript or diploma that

satisfies the requirements of Subsection (d).

(d) For purposes of Subsection (c)(2), a student's official transcript or diploma must, not later than the end of the student's junior year, indicate:

(1) whether the student has satisfied or is on schedule to satisfy the requirements of Subsection (a)(2)(A)(i) or (ii), as applicable; or

(2) if Subsection (b) applies to the student, whether the student has completed the portion of the distinguished level of achievement under the foundation high school program curriculum or of the curriculum equivalent in content and rigor, as applicable, that was available to the student.

(e) Each institution of higher education shall admit an applicant for admission to the institution as an undergraduate student if the applicant:

(1) is the child of a public servant listed in Section 615.003, Government Code, who was killed or sustained a fatal injury in the line of duty; and

(2) meets the minimum requirements, if any, established for purposes of this subsection by the governing board of the institution for high school or prior college-level grade point average and performance on standardized tests.

(f) After admitting an applicant under this section, the institution shall review the applicant's record and any other factor the institution considers appropriate to determine whether the applicant may require additional preparation for college-level work or would benefit from inclusion in a retention program. The institution may require a student so identified to enroll during the summer immediately after the student is admitted under this section to participate in appropriate enrichment courses and orientation programs. This section does not prohibit a student who is not determined to need additional preparation for college-level work from enrolling, if the student chooses, during the summer immediately after the student is admitted under this section.

(g) The Texas Higher Education Coordinating Board by rule shall develop and implement a program to increase and enhance the efforts of general academic teaching institutions in conducting outreach to academically high-performing high school seniors in this state who are likely to be eligible for automatic admission under Subsection (a) to provide to those students information and counseling regarding

the operation of this section and other opportunities, including financial assistance, available to those students for success at public institutions of higher education in this state. Under the program, the coordinating board, after gathering information and recommendations from available sources and examining current outreach practices by institutions in this state and in other states, shall prescribe best practices guidelines and standards to be used by general academic teaching institutions in conducting the student outreach described by this subsection.

(h) An institution that admits under this section an applicant qualified for automatic admission under Subsection (a) may admit the applicant for either the fall semester of the academic year for which the applicant applies or for the summer session preceding that fall semester, as determined by the institution.

(i) If a general academic teaching institution denies admission to an applicant for an academic year, in any letter or other communication the institution provides to the applicant notifying the applicant of that denial, the institution may not reference the provisions of this section, including using a description of a provision of this section such as the top 10 percent automatic admissions law, as a reason the institution is unable to offer admission to the applicant unless the number of applicants for admission to the institution for that academic year who qualify for automatic admission under Subsection (a) is sufficient to fill 100 percent of the institution's enrollment capacity designated for first-time resident undergraduate students.

(j) A general academic teaching institution that elects to offer admission under Subsection (a-1) for an academic year may not offer admission to first-time undergraduate students who are not residents of this state for that academic year in excess of the number required to fill 10 percent of the institution's enrollment capacity designated for first-time undergraduate students for that academic year.

(k) A general academic teaching institution may not offer admission under Subsection (a-1) for an academic year after the 2017-2018 academic year if, on the date of the institution's general deadline for applications for admission of first-time undergraduate students for that academic year:

(1) a final court order applicable to the institution prohibits the institution from considering an applicant's race or

ethnicity as a factor in the institution's decisions relating to first-time undergraduate admissions; or

(2) the institution's governing board by rule, policy, or other manner has provided that an applicant's race or ethnicity may not be considered as a factor in the institution's decisions relating to first-time undergraduate admissions for that academic year.

(l) The Texas Higher Education Coordinating Board shall publish an annual report on the impact of Subsection (a-1) on the state's goal of closing college access and achievement gaps under "Closing the Gaps," the state's master plan for higher education, with respect to students of an institution that offers admission under that subsection, disaggregated by race, ethnicity, socioeconomic status, and geographic region and by whether the high school from which the student graduated was a small school, as defined by the commissioner of education, or a public high school that is ranked among the lowest 20 percent of public high schools according to the percentage of each high school's graduates who enroll in a four-year institution, including a general academic teaching institution, in one of the two academic years following the year of the applicant's high school graduation. On request, a general academic teaching institution that offers admission under Subsection (a-1) shall provide the board with any information the board considers necessary for the completion of the report required by this subsection.

(m) The Texas Higher Education Coordinating Board and the commissioner of education shall jointly adopt rules to establish eligibility requirements for admission under this section as to curriculum requirements for high school graduation under Subsection (a)(2)(A) for students participating under the recommended or advanced high school program so that the admission of those students is not affected by their participation in the recommended or advanced high school program. This subsection expires September 1, 2020.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 1999, 76th Leg., ch. 845, Sec. 1, eff. Aug. 30, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 941 (H.B. 3826), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.008, eff.

September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 64(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 959 (H.B. 1843), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 776 (H.B. 2472), Sec. 1, eff. June 17, 2015.

Sec. 51.8035. AUTOMATIC ADMISSION OF APPLICANTS COMPLETING CORE CURRICULUM AT ANOTHER INSTITUTION. (a) In this section:

(1) "Core curriculum" means the core curriculum adopted by an institution of higher education under Section 61.822.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003.

(b) A general academic teaching institution shall admit an applicant for admission to the institution as a transfer undergraduate student who:

(1) graduated from high school not earlier than the fourth school year before the academic year for which the applicant seeks admission to the institution as a transfer student and:

(A) qualified for automatic admission to a general academic teaching institution under Section 51.803 at the time of graduation; or

(B) was previously offered admission under this subchapter to the institution to which the applicant seeks admission as a transfer student;

(2) first enrolled in a public junior college or other public or private lower-division institution of higher education not earlier than the third academic year before the academic year for which the applicant seeks admission;

(3) completed the core curriculum at a public junior college or other public or private lower-division institution of higher education with a cumulative grade point average of at least 2.5 on a four-point scale or the equivalent; and

(4) submits a completed application for admission as a transfer student before the expiration of any application filing deadline established by the institution.

(c) For purposes of this section, transfer semester credit hours from a different institution of higher education and semester

credit hours earned by examination shall be included in determining whether the person completed the core curriculum at an institution of higher education.

(d) It is the responsibility of the applicant for admission under this section to:

(1) expressly and clearly claim in the application entitlement to admission under this section; and

(2) timely provide to the general academic teaching institution the documentation required by the institution to determine the student's entitlement to admission under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 2, eff. June 19, 2009.

Sec. 51.804. ADDITIONAL AUTOMATIC ADMISSIONS: SELECTED INSTITUTIONS. For each academic year, the governing board of each general academic teaching institution shall determine whether to adopt an admissions policy under which an applicant to the institution as a first-time freshman student, other than an applicant eligible for admission under Section 51.803, shall be admitted to the institution if the applicant:

(1) graduated from a public or private high school in this state accredited by a generally recognized accrediting organization with a grade point average in the top 25 percent of the applicant's high school graduating class; and

(2) satisfies the requirements of:

(A) Section 51.803(a)(2)(A) or 51.803(b), as applicable to the student, or Section 51.803 (a)(2)(B); and

(B) Sections 51.803(c)(2) and 51.803(d).

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 941 (H.B. 3826), Sec. 2, eff. June 15, 2007.

Sec. 51.8045. GRADUATES OF CERTAIN SPECIAL HIGH SCHOOL PROGRAMS. (a) For purposes of Sections 51.803 and 51.804 only, the governing body of a school district may treat a high school magnet program, academy, or other special program conducted by the school

district at a high school attended by high school students who are not students of the special program as an independent high school with its own graduating class separate from the graduating class of other students attending the high school if:

(1) the special program was in operation in the 2000-2001 school year;

(2) the students of the special program are recruited, selected, or admitted from among the students residing in the attendance zones of not fewer than 10 regular high schools in the district, including the high school at which the special program is conducted;

(3) the students of the special program are selected or admitted independently of and identified as a student body separate from the other students of the high school;

(4) the students of the special program constitute not less than 35 percent of the total number of students in the graduating class at the high school at which the special program is conducted;

(5) the students of the special program have a curriculum different from that of the other students of the high school, even if students of the special program and other students of the high school attend some of the same classes; and

(6) a student graduating from the special program receives a high school diploma that includes a reference to the special program in describing the high school from which the student graduated.

(b) This section does not apply to the manner in which the members of a graduating class of the high school as a whole, including graduates of the special program, are ranked by grade point average for purposes other than admissions under Sections 51.803 and 51.804.

Added by Acts 2001, 77th Leg., ch. 1024, Sec. 1, eff. June 15, 2001.

Sec. 51.805. OTHER ADMISSIONS. (a) A graduating student who does not qualify for admission under Section 51.803 or 51.804 may apply to any general academic teaching institution if the student:

(1) successfully completed:

(A) at a public high school, the curriculum requirements established under Section 28.025 for the foundation high

school program; or

(B) at a high school to which Section 28.025 does not apply, a curriculum that is equivalent in content and rigor to the foundation high school program; or

(2) satisfied ACT's College Readiness Benchmarks on the ACT assessment applicable to the applicant or earned on the SAT assessment a score of at least 1,500 out of 2,400 or the equivalent.

(b) The general academic teaching institution, after admitting students under Sections 51.803 and 51.804, shall admit other applicants for admission as undergraduate students. It is the intent of the legislature that all institutions of higher education pursue academic excellence by considering students' academic achievements in decisions related to admissions. Because of changing demographic trends, diversity, and population increases in the state, each general academic teaching institution shall also consider all of, any of, or a combination of the following socioeconomic indicators or factors in making first-time freshman admissions decisions:

(1) the applicant's academic record;

(2) the socioeconomic background of the applicant, including the percentage by which the applicant's family is above or below any recognized measure of poverty, the applicant's household income, and the applicant's parents' level of education;

(3) whether the applicant would be the first generation of the applicant's family to attend or graduate from an institution of higher education;

(4) whether the applicant has bilingual proficiency;

(5) the financial status of the applicant's school district;

(6) the performance level of the applicant's school as determined by the school accountability criteria used by the Texas Education Agency;

(7) the applicant's responsibilities while attending school, including whether the applicant has been employed, whether the applicant has helped to raise children, or other similar factors;

(8) the applicant's region of residence;

(9) whether the applicant is a resident of a rural or urban area or a resident of a central city or suburban area in the state;

(10) the applicant's performance on standardized tests;

(11) the applicant's performance on standardized tests in comparison with that of other students from similar socioeconomic

backgrounds;

(12) whether the applicant attended any school while the school was under a court-ordered desegregation plan;

(13) the applicant's involvement in community activities;

(14) the applicant's extracurricular activities;

(15) the applicant's commitment to a particular field of study;

(16) the applicant's personal interview;

(17) the applicant's admission to a comparable accredited out-of-state institution; and

(18) any other consideration the institution considers necessary to accomplish the institution's stated mission.

(c) A general academic teaching institution may review other factors in making an admissions decision.

(d) Not later than one year before the date that applications for admission are first considered under this section, each general academic teaching institution shall publish in the institution's catalog a description of the factors considered by the institution in making admission decisions and shall make the information available to the public.

(e) This section does not apply to an institution that has an open enrollment policy, except that a student may apply to a general academic teaching institution that has an open enrollment policy only if the student satisfies the requirements described by Subsection (a).

(f) This section does not apply to Lamar State College--Orange or Lamar State College--Port Arthur as long as those institutions operate as two-year lower-division institutions of higher education.

(g) The Texas Higher Education Coordinating Board and the commissioner of education shall jointly adopt rules to establish eligibility requirements for admission under this section as to curriculum requirements for high school graduation under Subsection (a)(1) for students participating in the minimum, recommended, or advanced high school program so that the admission requirements for those students under this section are not more stringent than the admission requirements under this section for students participating in the foundation high school program. This subsection expires September 1, 2020.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.

Amended by:
Acts 2007, 80th Leg., R.S., Ch. 941 (H.B. 3826), Sec. 3, eff. June 15, 2007.
Acts 2009, 81st Leg., R.S., Ch. 449 (H.B. 2424), Sec. 1, eff. June 19, 2009.
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 65(a), eff. June 10, 2013.

Sec. 51.807. RULEMAKING. (a) The Texas Higher Education Coordinating Board may adopt rules relating to the operation of admissions programs under this subchapter, including rules relating to the identification of eligible students.

(b) The Texas Higher Education Coordinating Board, after consulting with the Texas Education Agency, by rule shall establish standards for determining for purposes of this subchapter:

(1) whether a private high school is accredited by a generally recognized accrediting organization; and

(2) whether a person completed a high school curriculum that is equivalent in content and rigor to the curriculum requirements established under Section 28.025 for the foundation high school program or the distinguished level of achievement under the foundation high school program.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 941 (H.B. 3826), Sec. 4, eff. June 15, 2007.
Acts 2007, 80th Leg., R.S., Ch. 1369 (H.B. 3851), Sec. 2, eff. June 15, 2007.
Reenacted by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 62, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 66(a), eff. June 10, 2013.

Sec. 51.808. APPLICATION OF ADMISSION CRITERIA TO OTHER PROGRAMS. (a) Each general academic teaching institution or medical and dental unit that offers admissions to undergraduate transfer

students or admissions to a graduate, postgraduate, or professional program shall adopt a written admission policy applicable to those programs.

(b) Each general academic teaching institution shall adopt a written admission policy to promote the admission of undergraduate transfer students to the institution. The policy must provide for outreach and recruiting efforts directed at junior colleges and other lower-division institutions of higher education and may include incentives to encourage transfer applications and to retain and promote transfer students.

(c) A policy adopted under this section shall be published in the institution's or unit's catalog and made available to the public.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1369 (H.B. 3851), Sec. 4, eff. June 15, 2007.

Sec. 51.809. SCHOLARSHIP AND FELLOWSHIP AWARDS. (a) A general academic teaching institution or a medical and dental unit that offers competitive scholarship or fellowship awards shall adopt a written policy describing the factors to be used by the institution or unit in making an award.

(b) A policy adopted under this section shall be published in the institution's or unit's catalog and shall be made available to the public in advance of any deadline for the submission of an application for a competitive scholarship or fellowship to which the policy applies.

Added by Acts 1997, 75th Leg., ch. 155, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.810. HIGHER EDUCATION ASSISTANCE PLANS. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) The institution of higher education in closest geographic

proximity to a public high school in this state identified by the coordinating board for purposes of this section as substantially below the state average in the number of graduates who enroll in higher education institutions shall enter into an agreement with that high school to develop a plan to increase the number of students from that high school enrolling in higher education institutions. Under the plan, the institution shall:

(1) collaborate with the high school to:

(A) provide to prospective students information related to enrollment in an institution of higher education or a private or independent institution of higher education, including admissions, testing, and financial aid information;

(B) assist those prospective students in completing applications and testing related to enrollment in those institutions, including admissions and financial aid applications, and fulfilling testing requirements; and

(C) target efforts to increase the number of Hispanic students and African American male students enrolled in higher education institutions; and

(2) actively engage with local school districts to provide access to rigorous, high-quality dual credit opportunities for qualified high school students as needed.

(c) An institution of higher education must include a plan developed by the institution under this section and the results of that plan in its annual report to the coordinating board under Section 51.4032.

(d) The coordinating board shall include in its annual "Closing the Gaps" higher education plan progress report a summary of the results of the plans developed and administered under this section.

(e) The coordinating board may adopt rules to implement this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 1, eff. September 1, 2013.

SUBCHAPTER V. JOINT ADMISSION MEDICAL PROGRAM

Sec. 51.821. DEFINITIONS. In this subchapter:

(1) "Council" means the Joint Admission Medical Program Council established under this subchapter.

(2) "General academic teaching institution" means a four-year general academic teaching institution as defined by Section 61.003.

(3) "Private or independent institution of higher education" means an institution as defined by Section 61.003(15) that grants baccalaureate degrees and offers a program in premedical education.

(4) "Participating medical school" means each of the following entities:

(A) the medical school at The University of Texas Health Science Center at Houston;

(B) the medical school at The University of Texas Southwestern Medical Center;

(C) the medical school at The University of Texas Health Science Center at San Antonio;

(D) the medical school at The University of Texas Medical Branch at Galveston;

(E) the medical school at the Texas Tech University Health Sciences Center at Lubbock;

(F) the medical school at the Texas Tech University Health Sciences Center at El Paso;

(G) the Baylor College of Medicine;

(H) the college of osteopathic medicine at the University of North Texas Health Science Center at Fort Worth; and

(I) the medical school at The Texas A&M University System Health Science Center.

(5) "Participating student" means an eligible undergraduate student who is admitted to the program and who maintains eligibility for continued participation in the program. The term does not include a program alternate who participates in mentoring activities and receives other related counseling services under the program.

(6) "Program" means the Joint Admission Medical Program established under this subchapter.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 826 (S.B. 1728), Sec. 2, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 6, eff. May

18, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 1, eff. September 1, 2013.

Sec. 51.822. JOINT ADMISSION MEDICAL PROGRAM. The Joint Admission Medical Program is a program administered by the Joint Admission Medical Program Council to:

(1) provide services to support and encourage highly qualified, economically disadvantaged students pursuing a medical education;

(2) award undergraduate and graduate scholarships and summer stipends to those students; and

(3) guarantee the admission of those students to at least one participating medical school, subject to the conditions under Section 51.827 and under other provisions of this subchapter.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.

Sec. 51.823. COMPOSITION OF COUNCIL. (a) The participating medical schools shall jointly establish the Joint Admission Medical Program Council consisting of one faculty member employed by and representing each of the participating medical schools.

(b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 826, Sec. 3(1), eff. June 19, 2009.

(c) The council shall select one of its members to serve as council chair for a term of two years.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 826 (S.B. 1728), Sec. 3(1), eff. June 19, 2009.

Sec. 51.824. COUNCIL DUTIES. (a) The council shall:

(1) recruit eligible undergraduate students for admission to the program;

(2) establish an application process for admitting eligible undergraduate students to the program;

(3) evaluate applications for admission to the program

according to the procedures for selecting participating students under Subsection (b) and for selecting program alternates under Section 51.8245;

(4) monitor the implementation of the program;

(5) assist in developing services to support and encourage the pursuit of a medical education by participating students and program alternates;

(6) establish a process for participating students to:

(A) be matched to an internship program as described by Subsection (c);

(B) be matched to any required undergraduate mentoring program as described by Subsection (d);

(C) apply for admission to participating medical schools;

(D) be matched to a participating medical school as described by Subsection (e); and

(E) enroll in that school;

(7) award to participating students undergraduate scholarships and summer stipends, including a summer stipend for a student who is required to participate in an internship program in the summer immediately following the student's senior year;

(8) award graduate scholarships to participating students;

(9) enter into an agreement with each student admitted to the program, each program alternate, each participating medical school, and each general academic teaching institution or private or independent institution of higher education as required by this subchapter; and

(10) take any other action necessary to implement the program.

(b) From each general academic teaching institution, the council annually shall select for admission to the program two eligible undergraduate students who are enrolled as sophomores at that institution. From each private or independent institution of higher education, the council annually shall select for admission to the program one eligible undergraduate student who is enrolled as a sophomore at that institution. The council shall allocate the remaining program openings to participating institutions as the council determines to be appropriate. If there are insufficient program openings to accommodate two students from each general academic teaching institution and one student from each private or

independent institution of higher education, as appropriate to achieve the purpose of this subchapter the council shall select for admission to the program eligible sophomore-level students who are enrolled in the participating institutions, with not more than 15 percent of the total program openings for any year to be allocated to eligible sophomore-level students who are enrolled at private or independent institutions of higher education.

(c) The council shall match each participating student with appropriate internship programs offered by participating medical schools during the summers immediately following the student's sophomore and junior years. A participating medical school to which a participating student is matched under Subsection (e) may require the student to participate in an internship program offered by the medical school during the summer immediately following the student's senior year.

(d) The council shall match each participating student and each program alternate with any appropriate undergraduate mentoring program required of the student or alternate by the council.

(e) During a participating student's senior year, the council shall match the student with an appropriate participating medical school as necessary to fill the percentage of enrollment capacity set aside by each medical school under the program. To the extent possible, the council shall accommodate the preferences of participating students regarding medical school placement. A participating medical school may not make an offer of admission to a participating student before the student is matched by the council to a medical school as described by this subsection.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 356 (S.B. 1247), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 1, eff. June 15, 2007.

Sec. 51.8245. PROGRAM ALTERNATES. (a) The council shall establish procedures by which the council selects from the annual pool of applicants for the program an appropriate number of eligible

undergraduate students to serve as program alternates until the beginning of their senior year. The council shall rank program alternates according to their qualifications for the program and, immediately on the termination of the participation of a student previously admitted to the program, shall select the highest ranking program alternate to be a participating student under the program. The council may not select a program alternate to be a participating student after the first day of the fall semester of the alternate's senior year.

(b) The council shall establish procedures for program alternates to be matched to any required undergraduate mentoring program as described by Section 51.824(d). A program alternate selected under this section is limited to participating in mentoring activities and receiving other related counseling services under the program and must sign an agreement to that effect.

(c) The council shall adopt criteria for program alternates to maintain their eligibility as program alternates.

Added by Acts 2003, 78th Leg., ch. 922, Sec. 3, eff. June 20, 2003.

Sec. 51.8246. CONFIDENTIAL RECORDS AND PROCEEDINGS. (a) Student education records created or considered under the program are confidential and may be released only in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(b) A meeting or portion of a meeting of the council at which the education records or other personal information of individual students or the evaluation, eligibility, admission, or selection of individual students are discussed is not open to the public under Chapter 551, Government Code.

Added by Acts 2003, 78th Leg., ch. 922, Sec. 3, eff. June 20, 2003.

Sec. 51.825. COUNCIL DELEGATION. The council may delegate the performance of the council's administrative functions, including its matching functions, to the Texas Medical and Dental Schools Application Service operated through The University of Texas System.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.

Sec. 51.826. ELIGIBILITY FOR ADMISSION TO PROGRAM. (a) To be eligible for admission to the program or for selection as a program alternate, an undergraduate student must:

(1) be enrolled at a general academic teaching institution or a private or independent institution of higher education at the time of application to the program;

(2) be a Texas resident for purposes of tuition under Subchapter B, Chapter 54;

(3) except as provided by Subsection (c), successfully complete at least 27 semester credit hours during the student's freshman year;

(4) apply for admission to the program not later than a date, as designated by the council, that occurs during the fall semester of the student's sophomore year at the general academic teaching institution or the private or independent institution of higher education; and

(5) meet criteria established by the council regarding:

(A) minimum high school and undergraduate grade point averages;

(B) financial need and any other indication of economic disadvantage; and

(C) any other matter the council considers appropriate.

(b) For purposes of Subsection (a)(3), a student is not a Texas resident as described by that subdivision solely because the student is eligible to pay tuition at the resident tuition rate.

(c) The council shall adopt rules to admit to the program or to select as a program alternate an otherwise eligible undergraduate student who, for good cause, has not successfully completed the number of semester credit hours required under Subsection (a)(4). The council may not admit to the program or select as a program alternate an undergraduate student who has successfully completed fewer than 18 semester credit hours.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 4, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 356 (S.B. 1247), Sec. 2, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 826 (S.B. 1728), Sec. 1, eff. June 19, 2009.

Sec. 51.8265. PREADMISSION MENTORING AND ASSISTANCE. (a) In order to maximize a student's potential for success in the program, the council shall identify students who may be eligible to participate in the program not later than the beginning of the first fall semester following the student's graduation from high school.

(b) If the student is enrolled at a general academic teaching institution or a private or independent institution of higher education, an identified student who expresses an interest in participating in the program is entitled to the following assistance during the student's freshman year:

(1) regular meetings with a program faculty director or an academic or health professions advisor to monitor the student's academic progress and advise the student in academic course work and career choices; and

(2) tutoring in courses as necessary, to be paid with program funds.

(c) Repealed by Acts 2009, 81st Leg., R.S., Ch. 826, Sec. 3(2), eff. June 19, 2009.

Added by Acts 2005, 79th Leg., Ch. 356 (S.B. 1247), Sec. 3, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 3, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 826 (S.B. 1728), Sec. 3(2), eff. June 19, 2009.

Sec. 51.827. ELIGIBILITY TO CONTINUE PARTICIPATION IN PROGRAM. (a) To be eligible to continue participation in the program, an undergraduate student who is admitted to the program must:

(1) meet criteria established by the council regarding:

(A) courses taken and minimum grade point average for those courses during enrollment at the general academic teaching institution or the private or independent institution of higher education;

(B) progress in those courses;

(C) achievement of an acceptable score on the Medical College Admission Test or any equivalent examination taken as a precondition for enrollment in or admission to a participating medical school; and

(D) any other matter the council considers appropriate;

(2) participate in:

(A) internship programs described by Section 51.824(c) in:

(i) the summers immediately following the student's sophomore and junior years; and

(ii) if required, the summer immediately following the student's senior year; and

(B) any undergraduate or graduate mentoring program required by the council; and

(3) exhibit intelligence, integrity, and personal and emotional characteristics that are considered necessary for the student to become an effective physician.

(b) If an undergraduate student who is admitted to the program fails to meet the requirements of Subsection (a) without good cause as determined by the council, the council may terminate that student's participation in the program at the end of the semester during which the student failed to meet the requirements of that subsection. A student's participation in the program is automatically terminated if the student fails to meet the requirements of Subsection (a) for two consecutive semesters without good cause.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 356 (S.B. 1247), Sec. 4, eff. June 17, 2005.

Sec. 51.828. COUNCIL AGREEMENT WITH STUDENT ADMITTED TO PROGRAM. (a) A student admitted to the program must enter into an agreement with the council under which the student agrees to:

(1) maintain eligibility for continued participation in the program; and

(2) repay any scholarship or stipend received under the

program if the student enrolls in a public or private medical school in another state, other than temporary enrollment occurring as a result of an exchange program.

(b) At the time the student enters into an agreement under this section, the council shall provide the student with information regarding:

(1) available program benefits, including undergraduate and graduate scholarships and summer stipends; and

(2) repayment of scholarship and stipend benefits received under the program.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.

Sec. 51.829. COUNCIL AGREEMENT WITH PARTICIPATING MEDICAL SCHOOL. (a) Each participating medical school must enter into an agreement with the council under which the medical school agrees to:

(1) select a faculty member employed by the medical school to serve on the council;

(2) commit faculty and administrative resources to the program;

(3) set aside for participating students at least 10 percent of the medical school's enrollment capacity for each entering class, except as provided by Subsection (b);

(4) admit participating students who are matched to the medical school under the program;

(5) provide internship programs for participating students who have been matched to or are required to participate in those programs as described by Section 51.824(c) and coordinate the administration of those programs with general academic teaching institutions or private or independent institutions of higher education as necessary;

(6) provide for participating students and program alternates any mentoring programs required by the council at the undergraduate level and coordinate the administration of those programs with general academic teaching institutions or private or independent institutions of higher education as necessary; and

(7) provide support services, including postbaccalaureate mentoring programs required by the council, to participating students who enroll in the medical school.

(b) The Baylor College of Medicine must agree under Subsection (a) to set aside under Subsection (a)(3) not less than 10 percent of its enrollment capacity set aside for students who are entitled to pay tuition at the rate provided by Chapter 54 for resident students.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 5, eff. June 20, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 4, eff. June 15, 2007.

Sec. 51.830. COUNCIL AGREEMENT WITH GENERAL ACADEMIC TEACHING INSTITUTION. Each general academic teaching institution must enter into an agreement with the council under which the institution agrees to:

(1) provide academic counseling to a participating student or program alternate enrolled at that institution;

(2) as soon as practicable, implement or expand appropriate degree programs as necessary to provide participating students with sufficient preparation for enrollment in participating medical schools; and

(3) select a faculty director or an academic or health professions advisor to assist in implementing the program at the institution and in implementing or expanding the institution's degree programs as necessary under Subdivision (2).

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 6, eff. June 20, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 5, eff. June 15, 2007.

Sec. 51.831. COUNCIL AGREEMENT WITH PRIVATE OR INDEPENDENT INSTITUTION OF HIGHER EDUCATION. Each private or independent institution of higher education must enter into an agreement with the council under which the institution agrees to:

(1) provide academic counseling to a participating student or program alternate enrolled at the institution;

(2) as soon as practicable, implement or expand appropriate

degree programs as necessary to provide participating students with sufficient preparation for enrollment in participating medical schools;

(3) select a faculty director or an academic or health professions advisor to assist in implementing the program at the institution and in implementing or expanding the institution's degree programs as necessary under Subdivision (2); and

(4) provide a scholarship to a participating student in the amount required for a participating student attending a general academic teaching institution, but not to exceed the amount of tuition and fees that the student is charged.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by Acts 2003, 78th Leg., ch. 922, Sec. 7, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 6, eff. June 15, 2007.

Sec. 51.833. FUNDING. (a) The council may accept a gift, grant, devise, or bequest of money, securities, service, or property to carry out any purpose of this subchapter, including funds raised or services provided by a volunteer or volunteer group to promote the work of the council. The council's administrative staff may participate in the establishment and operation of an affiliated nonprofit organization whose purpose is to raise funds for or provide services or other benefits to the council.

(b) The legislature may appropriate money for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 995 (S.B. 1601), Sec. 7, eff. June 15, 2007.

Sec. 51.834. REPORT. (a) The council shall deliver a report on the program to the governor, the lieutenant governor, and the speaker of the house of representatives not later than December 31 of each even-numbered year.

(b) The report must contain detailed information regarding:

(1) any problems the council identifies in implementing the program, with recommended solutions for those problems;

(2) the expenditure of any money received under this subchapter, including legislative appropriations; and

(3) the number of students who are admitted to the program and who are enrolled in each year of a baccalaureate, graduate, or professional degree program offered by a general academic teaching institution, a private or independent institution of higher education, or a participating medical school, as applicable.

Added by Acts 2001, 77th Leg., ch. 605, Sec. 1, eff. June 11, 2001.

SUBCHAPTER W. ADMISSION AND SCHOLARSHIP POLICIES FOR GRADUATE AND PROFESSIONAL PROGRAMS

Sec. 51.841. DEFINITIONS. In this subchapter:

(1) "General academic teaching institution" and "medical and dental unit" have the meanings assigned by Section 61.003.

(2) "Graduate program" means a degree program, as defined by Section 61.003, to which a student may be admitted that leads to a master's or doctoral degree.

(3) "Professional program" means a degree program, as defined by Section 61.003, to which a student may be admitted that leads to a degree required for licensure as an attorney, doctor of medicine or osteopathy, dentist, architect, or pharmacist.

Added by Acts 2001, 77th Leg., ch. 1039, Sec. 1, eff. June 15, 2001. Renumbered from Education Code Sec. 51.821 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(25), eff. Sept. 1, 2003.

Sec. 51.842. ADMISSION AND SCHOLARSHIP FACTORS FOR GRADUATE AND PROFESSIONAL PROGRAMS. (a) A graduate or professional program of a general academic teaching institution or medical or dental unit may consider the following factors in making an admissions or scholarship decision for admissions into or competitive scholarships for the graduate or professional program:

(1) an applicant's academic record as a high school student and undergraduate student;

(2) the socioeconomic background of the applicant while the applicant attended elementary and secondary school and was an

undergraduate student, including any change in that background;

(3) whether the applicant would be the first generation of the applicant's family to attend or graduate from an undergraduate program or from a graduate or professional program;

(4) whether the applicant has multilingual proficiency;

(5) the applicant's responsibilities while attending elementary and secondary school and as an undergraduate student, including whether the applicant was employed, whether the applicant helped to raise children, and other similar factors;

(6) to achieve geographic diversity, the applicant's region of residence at the time of application and, if the applicant graduated from a public high school in this state within the preceding 20 years, the region in which the applicant's school district is located;

(7) the applicant's involvement in community activities;

(8) the applicant's demonstrated commitment to a particular field of study;

(9) for admission into a professional program, the current comparative availability of members of that profession in the applicant's region of residence while the applicant attended elementary and secondary school;

(10) whether the applicant was automatically admitted to a general academic teaching institution as an undergraduate student under Section 51.803; and

(11) the applicant's personal interview.

(b) An applicant's performance on a standardized test may not be used in the admissions or competitive scholarship process for a graduate or professional program as the sole criterion for consideration of the applicant or as the primary criterion to end consideration of the applicant. If an applicant's performance on a standardized test is used in the admissions or competitive scholarship process, the applicant's performance must also be used to compare the applicant's test score with those of other applicants from similar socioeconomic backgrounds to the extent that those backgrounds can be properly determined and identified by the general academic teaching institution or medical and dental unit based on information provided in the institution's or unit's admissions or competitive scholarship process. This subsection does not apply to a standardized test used to measure the English language proficiency of a student who is a graduate of a foreign institution of higher

education.

(c) A general academic teaching institution or medical and dental unit may not assign a specific weight to any one factor being considered in the admissions or competitive scholarship process for a graduate or professional program.

(d) Not later than one year before the date that applications for admissions and competitive scholarships are first considered for a graduate or professional program under this subchapter, each general academic teaching institution or medical and dental unit shall publish in the catalog of the institution or unit a description of the factors to be considered by the institution or unit in making those admissions and competitive scholarship decisions and shall make the information available to the public.

(e) Notwithstanding Subsection (d), if compliance with requirements of an accrediting agency effectively prevent a general academic teaching institution or medical and dental unit from timely publishing the factors to be considered in admissions decisions, the institution may delay publication of the factors, but shall publish the factors as soon as practicable when compliance with accrediting agency requirements permits.

Added by Acts 2001, 77th Leg., ch. 1039, Sec. 1, eff. June 15, 2001.
Renumbered from Education Code Sec. 51.822 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(25), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 129 (S.B. 2031), Sec. 1, eff. May 23, 2015.

Sec. 51.843. RULEMAKING. The Texas Higher Education Coordinating Board may adopt rules relating to the operation of admissions and competitive scholarship processes under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1039, Sec. 1, eff. June 15, 2001.
Renumbered from Education Code Sec. 51.823 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(25), eff. Sept. 1, 2003.

Sec. 51.844. READMISSION OF CERTAIN MILITARY PERSONNEL TO GRADUATE AND PROFESSIONAL PROGRAMS. (a) This section applies only

to a person who:

(1) was previously offered admission to, or was enrolled in, a graduate program or professional program at a general academic teaching institution or medical and dental unit;

(2) did not initially enroll in the program, or withdrew from the program, as applicable, because of the person's deployment as a member of the armed forces of the United States serving on active duty for the purpose of engaging in a combative military operation outside the United States; and

(3) seeks readmission to the program following the person's military deployment under Subdivision (2).

(b) A general academic teaching institution or a medical and dental unit must, regardless of the time since the person was initially offered admission to, or withdrew from, the program, as applicable:

(1) readmit a person to whom this section applies to the applicable graduate or professional program;

(2) apply credit toward the program for any course work previously completed by the person under the program; and

(3) accept a standardized test score previously submitted by that person for admission to the program.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1194 (S.B. 1159), Sec. 2, eff. June 14, 2013.

SUBCHAPTER Y. WOMENS ATHLETIC DEVELOPMENT FUND

Sec. 51.871. DEFINITIONS. In this subchapter:

(1) "Board" has the meaning assigned by Section 61.003.

(2) "Fund" means the women's athletic development fund established under this subchapter.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2001, 77th Leg., ch. 1513, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 51.831 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(27), eff. Sept. 1, 2003.

Sec. 51.872. ADMINISTRATION OF FUND. The women's athletic development fund is a fund in the state treasury. The board shall

administer the fund.

Added by Acts 2001, 77th Leg., ch. 1513, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 51.832 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(27), eff. Sept. 1, 2003.

Sec. 51.873. USE OF FUND. The board shall allocate money in the fund to institutions of higher education to support women's athletic development programs that are operated by the institution on a collaborative basis with one or more public high schools in this state.

Added by Acts 2001, 77th Leg., ch. 1513, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 51.833 Acts 2003, 78th Leg., ch. 1275, Sec. 2(27), eff. Sept. 1, 2003.

Sec. 51.874. CRITERIA IN SELECTING PROGRAMS. In selecting programs to be supported with money from the fund, the board shall give priority to programs addressing the needs of public high school students whose economic conditions limit their access to athletic facilities, programs, and opportunities. The board shall also consider other relevant factors, including whether a program:

(1) promotes gender equality; and

(2) includes the participation of collegiate-level coaches and athletes, to the extent the participation is allowed by the rules of the national intercollegiate athletic association of which the institution of higher education operating the program is a member.

Added by Acts 2001, 77th Leg., ch. 1513, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 51.834 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(27), eff. Sept. 1, 2003.

Sec. 51.875. FUNDING. The board may use any available revenue, including legislative appropriations, and may solicit and accept gifts, grants, and donations from a public or private source for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1513, Sec. 1, eff. Sept. 1, 2001.

Renumbered from Education Code Sec. 51.835 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(27), eff. Sept. 1, 2003.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 51.901. LIABILITY INSURANCE FOR OPERATORS OF ATOMIC ENERGY REACTORS. (a) The governing boards of the state institutions of higher education, as state agencies, which are or will be constructing and operating atomic energy reactors, or otherwise performing experiments in the field of nuclear science, in cooperation with and licensed by the Atomic Energy Commission, or its successor in function, or any other governmental agency, may purchase liability insurance in any amount not to exceed $250,000, and may pay the premium from funds appropriated for that purpose.

(b) The defense of sovereign immunity shall not be available to or asserted by the insurer in any claim against it or in any cause of action arising or growing out of a nuclear incident.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.902. CONTRACTS FOR TEACHER TRAINING. The governing board of any state-supported institution of higher education which trains teachers may contract with the trustees of any independent school district for the use of the public schools of the school district as laboratory schools for the training of teachers. The available local funds of the institution or the local funds of the school district may be used in the performance of the contracts.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 51.903. ARCHIVES; CERTIFIED COPIES. (a) The commissioners court of any county or any other custodian of public records may lend to the library of any state-supported institution of higher education, for any period and on any conditions it may determine, any parts of its archives or records that have become mainly of historical value. The librarian shall give a receipt for any archives or records received. The librarian may make copies for

historical study.

(b) The librarian and the archivist of any state-supported institution of higher education are authorized to make certified copies of public records in the custody of the institution. These certified copies are valid in law and have the same force and effect for all purposes as if certified by the county clerk or other custodian as otherwise provided by law. In making a certified copy, the librarian or archivist shall certify that the foregoing is a true and correct copy of the document, and after signing the certificate shall swear to it before any officer authorized to take oaths under the laws of this state.

(c) Nothing in this section affects the authority of the Texas State Librarian concerning public records as currently or later granted by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Text of section as added by Acts 2001, 77th Leg., ch. 669, Sec. 11

Sec. 51.904. STREET CLOSING. The governing body of an institution of higher education as defined by Section 61.003 in a county having a population in excess of 3.3 million may vacate, abandon, and close a street or alley running through the campus if the institution owns all of the real property abutting the street or alley and if the institution owns 20 or more acres of real property at the campus where the street or alley is located.

Added by Acts 1971, 62nd Leg., p. 3338, ch. 1024, art. 2, Sec. 5, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 597, ch. 237, Sec. 136, eff. Sept. 1, 1981; Acts 1995, 74th Leg., ch. 134, Sec. 1, eff. May 17, 1995; Acts 2001, 77th Leg., ch. 669, Sec. 11, eff. Sept. 1, 2001.

Text of section as amended by Acts 2001, 77th Leg., ch. 1088, Sec. 1

Sec. 51.904. STREET CLOSING. The governing board of an institution of higher education as defined by Section 61.003 in a county having a population of more than 3 million may vacate, abandon, and close a street or alley running through the campus if

the institution:

(1) owns all of the real property abutting the street or alley;

(2) owns 20 or more acres of real property at the campus where the street or alley is located;

(3) before the 45th day preceding the date the street or alley is to close, provides to the governing body of the political subdivision owning, controlling, or maintaining the street or alley written notice of the institution's intent to close the street or alley; and

(4) for each utility line or facility in the affected street or alley that is owned by a governing body described by Subdivision (3) or a franchised utility company:

(A) grants an easement of sufficient size and configuration and with appropriate rights to enable the continued use, operation, and maintenance of the line or facility; or

(B) moves the line or facility to another location:

(i) on the approval of the appropriate governing body and franchised utility company; and

(ii) at the sole expense of the institution.

Added by Acts 1971, 62nd Leg., p. 3338, ch. 1024, art. 2, Sec. 5, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 597, ch. 237, Sec. 136, eff. Sept. 1, 1981; Acts 1995, 74th Leg., ch. 134, Sec. 1, eff. May 17, 1995; Acts 2001, 77th Leg., ch. 1088, Sec. 1, eff. Sept. 1, 2001.

Sec. 51.9045. LIMITATION ON USE OF EMINENT DOMAIN. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Lodging facility" does not include a dormitory or other student housing facility.

(b) The governing board of an institution of higher education may not use the power of eminent domain to acquire land to be used for a lodging facility or for parking or a parking structure intended to be used in connection with the use of a lodging facility.

Added by Acts 2005, 79th Leg., 2nd C.S., Ch. 1 (S.B. 7), Sec. 5, eff. November 18, 2005.

Sec. 51.905. STATE-OWNED MUSEUM BUILDINGS. (a) The governing board of each state-supported institution of higher education commonly referred to as a senior college shall formulate and adopt reasonable rules and regulations for the use of a state-owned museum building located on its campus, including the designation of rooms or areas in honor of donors or other benefactors, if appropriate, and shall administer the expenditure of all state funds appropriated for construction, equipment, operation, maintenance, or improvement of such museum, including restoration or refurbishing of collections.

(b) Repealed by Acts 1975, 64th Leg., p. 1251, ch. 474, Sec. 1, eff. Sept. 1, 1975.

(c) State funds appropriated for construction, equipment, operation, maintenance, or improvement of a museum located on a college or university campus referred to in Subsection (a) of this section which are used or expended conjunctively with funds belonging to a historical society or group incorporated as a nonprofit organization are subject to audit by the state auditor in accordance with Chapter 321, Government Code, including all accounts, books, and other financial records of the state government and the nonprofit corporation pertaining to the expenditure of funds which have been used or expended jointly for constructing, equipping, operating, maintaining, or improving such museum. The state auditor shall prepare a written report or reports of such audit or audits to the Legislative Audit Committee and the governing board of the state-supported institution of higher education.

(d) No employee of a museum located on a campus referred to in Subsection (a) of this section, who is paid in whole or in part by state funds may be employed or discharged except with the approval and consent of the governing board of the state-supported institution on which campus the museum is located.

Added by Acts 1971, 62nd Leg., p. 3361, ch. 1024, art. 2, Sec. 42, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1251, ch. 474, Sec. 1, eff. Sept. 1, 1975; Acts 1989, 71st Leg., ch. 584, Sec. 95, eff. Sept. 1, 1989.

Sec. 51.906. SEQUENTIAL EDUCATION PLANNING FOR NURSING

EDUCATION. The governing board of each state-supported institution of higher education which provides a nursing education program shall plan and incorporate into the program standards and sequential procedures which will recognize and grant credit for actual educational and clinical experiences in the nursing field which are equivalent to regular course content. The board may require students to pass examinations demonstrating competence based on educational and clinical experiences before granting academic credit.

Added by Acts 1975, 64th Leg., p. 1912, ch. 615, Sec. 1, eff. Sept. 1, 1975.

Sec. 51.907. LIMITATIONS ON NUMBER OF COURSES THAT MAY BE DROPPED UNDER CERTAIN CIRCUMSTANCES. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) This section applies only to an undergraduate student who drops a course at an institution of higher education and only if:

(1) the student was able to drop the course without receiving a grade or incurring an academic penalty;

(2) the student's transcript indicates or will indicate that the student was enrolled in the course; and

(3) the student is not dropping the course in order to withdraw from the institution.

(c) Except as provided under rules adopted under Subsection (d), an institution of higher education may not permit a student to drop more than six courses, including any course a transfer student has dropped at another institution of higher education, under circumstances described by Subsection (b).

(d) The governing board of an institution of higher education may adopt a policy under which the maximum number of courses a student is permitted to drop under circumstances described by Subsection (b) is less than the maximum number of courses that a student may drop under Subsection (c).

(e) The Texas Higher Education Coordinating Board shall adopt rules under which an institution of higher education shall permit a student to drop more courses under circumstances described by Subsection (b) than the number of courses permitted to be dropped under Subsection (c) or under a policy adopted under Subsection (d)

if the student shows good cause for dropping more than that number, including a showing of:

(1) a severe illness or other debilitating condition that affects the student's ability to satisfactorily complete a course;

(2) the student's responsibility for the care of a sick, injured, or needy person if the provision of care affects the student's ability to satisfactorily complete a course;

(3) the death of a person who:

(A) is considered to be a member of the student's family under a rule adopted under this subsection for purposes of this subdivision; or

(B) is otherwise considered to have a sufficiently close relationship to the student under a rule adopted under this subsection that the person's death is considered to be a showing of good cause; or

(4) the active duty service as a member of the Texas National Guard or the armed forces of the United States of:

(A) the student; or

(B) a person who is considered to be a member of the student's family under a rule adopted under this subsection for purposes of this subdivision.

(f) In determining the number of courses dropped by a student for purposes of this section, a course, such as a laboratory or discussion course, in which a student is enrolled concurrently with a lecture course is not considered to be a course separate from the lecture course if:

(1) concurrent enrollment in both courses is required; and

(2) in dropping the lecture course, the student would be required to drop the laboratory, discussion, or other course in which the student is concurrently enrolled.

Added by Acts 2007, 80th Leg., R.S., Ch. 546 (S.B. 1231), Sec. 1, eff. June 16, 2007.

Sec. 51.908. FACULTY COMPENSATION POLICIES. (a) The governing board of each institution of higher education shall establish faculty compensation policies that, to the greatest extent possible, provide the faculty of the institution with an average salary and benefits at least equal to the average of that provided by similar institutions

nationwide having a similar role and mission.

(b) The coordinating board shall include information relating to national average salary and benefits, and correlating that information to Texas schools having a similar role and mission, in the master plan for higher education and in the appropriate reports to the legislature.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.10, eff. June 20, 1987.

Sec. 51.909. EXPULSION OF CERTAIN FOREIGN STUDENTS. (a) The governing board of a public institution of higher education may expel from that institution any student who is a citizen of a country other than the United States attending the institution under a nonimmigrant visa issued by the Immigration and Naturalization Service and who is finally convicted of an offense under Section 28.03, 28.04, 42.02, 42.03, or 42.05, Penal Code, or under Section 4.30 of this code.

(b) In this section, a person is finally convicted if the conviction has not been reversed on appeal and all appeals, if any, have been exhausted.

Added by Acts 1979, 66th Leg., p. 1258, ch. 595, Sec. 1, eff. June 13, 1979. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 14.29, eff. Sept. 1, 1995.

Sec. 51.9091. REQUIRED NOTIFICATION OF FEDERAL STUDENT AND EXCHANGE VISITOR INFORMATION SYSTEM (SEVIS) REGARDING WITHDRAWAL OR NONATTENDANCE OF CERTAIN FOREIGN STUDENTS. A public institution of higher education that is certified by the United States secretary of homeland security to enroll a foreign student admitted into the United States under a nonimmigrant F or M visa shall promptly notify the federal Student and Exchange Visitor Information System (SEVIS) or a successor program if:

(1) a student enrolled under an F or M visa withdraws from the institution or withdraws from all courses in which the student is enrolled; or

(2) the institution dismisses a student enrolled under an F or M visa for nonattendance or takes any other official administrative action in regard to the student as a result of the

student's nonattendance.

Added by Acts 2011, 82nd Leg., R.S., Ch. 646 (S.B. 1009), Sec. 1, eff. September 1, 2011.

Sec. 51.9095. STUDENT COMPLIANCE WITH SELECTIVE SERVICE REGISTRATION. (a) An individual may not receive a loan, grant, scholarship, or other financial assistance funded by state revenue, including federal funds or gifts and grants accepted by this state, or receive a student loan guaranteed by this state or the Texas Guaranteed Student Loan Corporation, unless the individual files a statement of the individual's selective service status with the institution or other entity granting or guaranteeing the financial assistance as required by this section.

(b) If an individual required by this section to file a statement of the individual's selective service status files a statement indicating that the individual is registered with the selective service system as required by federal law, the individual is not required to file a statement of the individual's selective service status the next time the individual makes an application to the same entity for financial assistance or a student loan guarantee. If an individual required by this section to file a statement of the individual's selective service status files a statement indicating that the individual is not required to register with the selective service system, the institution or other entity shall require the individual to file a new statement of the individual's selective service status the next time the individual makes an application to the entity for financial assistance or a student loan guarantee.

(c) This section does not apply to:

(1) a female individual if females are not subject to general selective service registration under federal law; or

(2) an individual older than the maximum age at which an individual is required to be registered with the selective service system under federal law.

(d) The statement of an individual's selective service status required by this section must require the individual to certify that the individual:

(1) has registered with the selective service system as required by federal law; or

(2) is exempt from selective service registration under federal law.

(e) The Texas Higher Education Coordinating Board shall adopt rules for the administration of this section and shall prescribe the statement to be used under this section. The coordinating board shall notify each institution of higher education of the required statement and the applicable rules. The statement must require an individual claiming to be exempt from registration to specify the basis of the exemption. The coordinating board may require an individual filing a statement of selective service status to include with the statement any additional information or documentation the coordinating board determines appropriate.

Added by Acts 1997, 75th Leg., ch. 881, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.910. INTERVIEWS FOR HISTORICAL PURPOSES AND COLLECTIONS OF RARE BOOKS, ORIGINAL MANUSCRIPTS, PERSONAL PAPERS, UNPUBLISHED LETTERS, AND AUDIO AND VIDEO TAPES. (a) An oral interview that is obtained for historical purposes by an agreement of confidentiality between an interviewee and a state institution of higher education is not public information. The interview becomes public information when the conditions of the agreement of confidentiality have been met.

(b) Rare books, original manuscripts, personal papers, unpublished letters, and audio and video tapes held by an institution of higher education for the purposes of historical research are confidential, and the institution may restrict access by the public to those materials to protect the actual or potential value of the materials and the privacy of the donors.

Added by Acts 1983, 68th Leg., p. 2814, ch. 482, Sec. 1, eff. June 19, 1983. Amended by Acts 1987, 70th Leg., ch. 408, Sec. 1, eff. Aug. 31, 1987.

Sec. 51.911. RELIGIOUS HOLY DAYS. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Subdivision (7) of Section 61.003 of this code, but includes the Southwest Collegiate Institute for the Deaf and Texas State Technical Institute.

(2) "Religious holy day" means a holy day observed by a religion whose places of worship are exempt from property taxation under Section 11.20, Tax Code.

(b) An institution of higher education shall excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence.

(c) Repealed by Acts 2003, 78th Leg., ch. 218, Sec. 2.

(d) A student who is excused under this section may not be penalized for the absence, but the instructor may appropriately respond if the student fails to satisfactorily complete the assignment or examination.

(e) The Coordinating Board, Texas College and University System, shall adopt rules for the implementation of this section and shall disseminate the rules to the appropriate institutions under its jurisdiction.

Added by Acts 1985, 69th Leg., ch. 503, Sec. 1, eff. Aug. 26, 1985. Amended by Acts 2003, 78th Leg., ch. 218, Sec. 1, 2, eff. June 18, 2003.

Sec. 51.9111. EXCUSED ABSENCE FOR ACTIVE MILITARY SERVICE. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Active military service" includes active military service performed by a member of the Texas National Guard or the Texas State Guard.

(b) This section applies only if:

(1) a student enrolled in an institution of higher education fails to attend classes or engage in other required activities because the student is called to active military service that is of a reasonably brief duration, as determined by rule adopted under Subsection (d); and

(2) the student chooses not to withdraw as authorized by Section 54.006(f).

(c) An institution of higher education shall excuse a student from attending classes or engaging in other required activities, including examinations, in order for the student to participate in active military service to which the student is called, including travel associated with the service. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to complete an assignment or take an examination from which the student is excused within a reasonable time after the absence. An instructor may appropriately respond if the student fails to satisfactorily complete the assignment or examination within a reasonable time after the absence.

(d) The Texas Higher Education Coordinating Board, in consultation with institutions of higher education, shall adopt rules as necessary to administer this section. The rules must establish a maximum period for which a student may be excused under this section. In establishing that period, the board shall consider the maximum period a student may be absent without significantly interfering with the student's ability to learn the course material, complete course assignments, and succeed academically during the applicable semester or other academic period.

Added by Acts 2005, 79th Leg., Ch. 583 (H.B. 1630), Sec. 1, eff. June 17, 2005.

Sec. 51.9112. RESERVE OFFICERS' TRAINING CORPS (ROTC) PROGRAM: FEES AND COURSE CREDIT. (a) The Texas Higher Education Coordinating Board, in consultation with institutions of higher education, shall determine a standard fee for a course offered through a Reserve Officers' Training Corps (ROTC) program that takes into account the average statewide cost per student to an institution of higher education in providing the program, not including any reimbursement or other amounts the institution receives from the applicable military service or other source for offering the course. Except as provided by Subsection (b), the governing board of each institution of higher education may not charge a student enrolled in an ROTC course any amount for the course in excess of the fee as determined by the coordinating board under this subsection.

(b) If the governing board of an institution of higher education offers course credit toward a student's degree for a course

in which the student enrolls for the purposes of an ROTC program, the governing board may charge the student tuition for that course as otherwise provided by Chapter 54 after subtracting any reimbursement or other amount the institution receives from the applicable military service or other source for offering the course.

(c) To the extent it will not adversely affect the accreditation status of an institution of higher education with the appropriate accrediting agency, the governing board of the institution shall count courses in which a student enrolls for the purposes of an ROTC program, including courses for which the student does not receive course credit toward the student's degree, in determining whether the student is enrolled as a full-time student.

Added by Acts 2009, 81st Leg., R.S., Ch. 597 (H.B. 269), Sec. 2, eff. June 19, 2009.

Sec. 51.912. EQUITY OWNERSHIP; BUSINESS PARTICIPATION. (a) It is not a violation of Chapter 572, Government Code, or any other statute, rule, regulation, or the common law of the State of Texas for:

(1) an employee of a university system or an institution of higher education as defined in Section 61.003 of this code, who conceives, creates, discovers, invents, or develops intellectual property, to own or to be awarded any amount of equity interest or participation in, or, if approved by the institutional governing board, to serve as a member of the board of directors or other governing board or an officer or an employee of, a business entity that has an agreement with the state or a political subdivision of the state relating to the research, development, licensing, or exploitation of that intellectual property; or

(2) an individual, at the request and on behalf of a university system or an institution of higher education as defined in Section 61.003 of this code, to serve as a member of the board of directors or other governing board of a business entity that has an agreement with the state or a political subdivision of the state relating to the research, development, licensing, or exploitation of intellectual property in which the university system or institution of higher education has an ownership interest.

(b) An employee or individual covered by Subsection (a) of this

section must report to the appropriate person or persons at the system or institution at which the person is employed or on behalf of which the person is serving the name of such business entity in which the person has an interest or for which the person serves as a director, officer, or employee.

(c) The governing board of each system and institution shall include in the appropriate annual report required by Section 51.005 the information that is provided to it under Subsection (b) of this section during the preceding fiscal year.

Added by Acts 1987, 70th Leg., ch. 845, Sec. 2, eff. Aug. 31, 1987. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(38), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 823, Sec. 5, eff. Aug. 28, 1995.

Sec. 51.913. EXECUTIVE SEARCH COMMITTEES. (a) As used in this section, the term "executive search committee" shall mean a committee formed by an act of a board of regents of an institution of higher education, which has as its primary purpose the evaluation and assessment of candidates and nominees for the position of chief executive officer of a system administration, institution of higher education, or other agency of higher education as defined in Section 61.003 of this code.

(b) The board of regents shall announce the name, background, and qualifications of any individual it selects and employs by use of such a committee. Additionally, public notice of the name or names of the finalist or finalists being considered by the search committee must be made public record at least 21 days prior to the meeting at which final action or vote is to be taken on the employment of the individual.

Added by Acts 1989, 71st Leg., ch. 1252, Sec. 1, eff. Aug. 28, 1989.

Sec. 51.914. PROTECTION OF CERTAIN INFORMATION. (a) In order to protect the actual or potential value, the following information is confidential and is not subject to disclosure under Chapter 552, Government Code, or otherwise:

(1) all information relating to a product, device, or process, the application or use of such a product, device, or process, and all technological and scientific information (including

computer programs) developed in whole or in part at a state institution of higher education, regardless of whether patentable or capable of being registered under copyright or trademark laws, that have a potential for being sold, traded, or licensed for a fee;

(2) any information relating to a product, device, or process, the application or use of such product, device, or process, and any technological and scientific information (including computer programs) that is the proprietary information of a person, partnership, corporation, or federal agency that has been disclosed to an institution of higher education solely for the purposes of a written research contract or grant that contains a provision prohibiting the institution of higher education from disclosing such proprietary information to third persons or parties; or

(3) the plans, specifications, blueprints, and designs, including related proprietary information, of a scientific research and development facility that is jointly financed by the federal government and a local government or state agency, including an institution of higher education, if the facility is designed and built for the purposes of promoting scientific research and development and increasing the economic development and diversification of this state.

(b) Information maintained by or for an institution of higher education that would reveal the institution's plans or negotiations for commercialization or a proposed research agreement, contract, or grant, or that consists of unpublished research or data that may be commercialized, is not subject to Chapter 552, Government Code, unless the information has been published, is patented, or is otherwise subject to an executed license, sponsored research agreement, or research contract or grant. In this subsection, "institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 1985, 69th Leg., ch. 818, Sec. 2, eff. Aug. 26, 1985. Renumbered from Sec. 51.911 by Acts 1989, 71st Leg., ch. 2, Sec. 16.01(13), eff. Aug. 28, 1989. Amended by Acts 1989, 71st Leg., ch. 728, Sec. 1, eff. June 15, 1989; Acts 1995, 74th Leg., ch. 76, Sec. 5.95(90), eff. Sept. 1, 1995.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 6.04, eff. June 17, 2011.

Sec. 51.915. ACADEMIES OF MATHEMATICS AND SCIENCE. (a) On approval of the Coordinating Board, Texas College and University System, a public senior college or university, as defined by Section 61.003 of this code, may establish an academy of mathematics and science as provided by Subchapter H, Chapter 105, of this code as a division of the institution.

(b) An institution may pay the expenses of an academy established under this section by:

(1) using available funds or entering into contracts and accepting grants or matching grants for the purpose of establishing an academy; and

(2) accepting federal funds or money from any corporation or other private contributor for use in operating or providing programs to the academy.

Added by Acts 1987, 70th Leg., ch. 1131, Sec. 3, eff. Aug. 31, 1987. Renumbered from Sec. 51.912 by Acts 1989, 71st Leg., ch. 2, Sec. 16.01(14), eff. Aug. 28, 1989.

Sec. 51.917. FACULTY MEMBERS; USE OF ENGLISH. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003 of this code, but does not include a medical or dental unit.

(2) "Faculty member" means a person who teaches a course offered for academic credit by an institution of higher education, including teaching assistants, instructors, lab assistants, research assistants, lecturers, assistant professors, associate professors, and full professors.

(3) "Governing board" has the meaning assigned by Section 61.003 of this code.

(b) The governing board of each institution of higher education shall establish a program or a short course the purpose of which is to:

(1) assist faculty members whose primary language is not English to become proficient in the use of English; and

(2) ensure that courses offered for credit at the

institution are taught in the English language and that all faculty members are proficient in the use of the English language, as determined by a satisfactory grade on the "Test of Spoken English" of the Educational Testing Service or a similar test approved by the board.

(c) A faculty member may use a foreign language to conduct foreign language courses designed to be taught in a foreign language.

(d) This section does not prohibit a faculty member from providing individual assistance during course instruction to a non-English-speaking student in the native language of the student.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(15), eff. June 17, 2011.

(f) The cost of such English proficiency course as determined by the coordinating board shall be paid by the faculty member lacking proficiency in English. A faculty member must take the course until deemed proficient in English by his or her supervisor. The cost will be deducted from said faculty member's salary.

Added by Acts 1989, 71st Leg., ch. 975, Sec. 1, eff. Sept. 1, 1989.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(15), eff. June 17, 2011.

Sec. 51.918. RURAL HEALTH; FAMILY PRACTICE RESIDENCY PROGRAM. (a) The Texas Higher Education Coordinating Board, the Texas Department of Rural Affairs, medical schools, nursing schools, and schools of allied health sciences shall cooperate to improve and expand programs for rural areas.

(b) The Texas Higher Education Coordinating Board shall:

(1) encourage and coordinate the creation or expansion of a rural preceptor program among medical schools, teaching hospitals, nursing schools, and schools of allied health sciences; and

(2) require family practice residency programs to provide an opportunity for residents to have a one-month rotation through:

(A) a rural setting; and

(B) a public health setting.

(c) The Texas Department of Rural Affairs shall develop relief service programs for rural physicians and allied health personnel to facilitate ready access to continuing medical education as well as to

provide practice coverage for purposes other than continuing medical education.

(d) Each medical school shall:

(1) incorporate a clerkship in family practice during the third core clinical year; and

(2) report to the legislature and the Texas Higher Education Coordinating Board on its efforts to fulfill the intent of Chapter 58, Education Code, of having at least 25 percent of their first year primary care residents in family practice.

Added by Acts 1989, 71st Leg., ch. 1027, Sec. 12, eff. Sept. 1, 1989. Renumbered from Sec. 51.917 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(20), eff. Aug. 26, 1991. Amended by Acts 1995, 74th Leg., ch. 349, Sec. 1, eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 965, Sec. 11, eff. June 16, 1995; Acts 1997, 75th Leg., ch. 787, Sec. 2, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1424, Sec. 5, 6, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 112 (H.B. 1918), Sec. 3, eff. September 1, 2009.

Sec. 51.919. HIV AND AIDS POLICY; INFORMATION DISSEMINATION. (a) In this section:

(1) "AIDS" means acquired immune deficiency syndrome as defined by the Centers for Disease Control of the United States Public Health Service.

(2) "HIV" means human immunodeficiency virus.

(3) "Institution of higher education" has the meaning assigned by Section 61.003 of this code.

(b) Each institution of higher education shall make available the institution's policy on HIV infection and AIDS to students, faculty, and staff members by including the policy in the student handbook and personnel handbook if practicable or by any other method.

(c) Each institution of higher education shall make available to students, on request, the educational pamphlet on HIV infection developed by the Texas Department of Health and shall include in the student handbook a statement that the pamphlet is available from the institution.

(d) The student health center of each institution of higher education shall provide clear, accurate information on how to prevent the transmission of HIV infection, including:

(1) the value of abstinence and long-term mutual monogamy;

(2) information on the efficacy and use of condoms;

(3) offering of or referring students, faculty, or staff members to anonymous HIV counseling and testing services; and

(4) state laws relating to the transmission and to conduct that may result in the transmission of HIV.

(e) The curricula of medical, dental, nursing, allied health, counseling, and social work degree programs of institutions of higher education shall:

(1) include information about:

(A) methods of transmission and methods of prevention of HIV infection; and

(B) federal and state laws, rules, and regulations concerning HIV infection and AIDS; and

(2) give special attention to the physical, emotional, and psychological stress associated with the care of patients with terminal illnesses.

Added by Acts 1989, 71st Leg., ch. 1195, Sec. 17, eff. Sept. 1, 1989. Renumbered from Sec. 51.917 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(21), eff. Aug. 26, 1991.

Sec. 51.9191. BACTERIAL MENINGITIS INFORMATION FOR NEW STUDENTS. (a) In this section:

(1) "Institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(2) "New student" means a first-time student of an institution of higher education or private or independent institution of higher education and includes a student who transfers to the institution from another institution.

(b) The Texas Higher Education Coordinating Board shall prescribe procedures by which each institution of higher education shall provide information relating to bacterial meningitis to new students of the institution. The procedures must provide for the information to be provided in a brochure or other manner so that the

information is reasonably likely to come to the attention of each student. The coordinating board shall prescribe the form and content of the information. The information must cover:

(1) the symptoms of the disease, how it may be diagnosed, and its possible consequences if untreated;

(2) how the disease is transmitted, how it may be prevented, and the relative risk of contracting the disease for students of institutions of higher education;

(3) the availability and effectiveness of vaccination against and treatment for the disease, including how students of the institution may seek vaccination or treatment and whether a vaccination is available from the student health center, and a brief description of the risks and possible side effects of vaccination; and

(4) sources of additional information regarding the disease and include the telephone numbers of the student health center, if there is a student health center, and the appropriate office of the Texas Department of Health.

(c) The Texas Higher Education Coordinating Board shall consult with the Texas Department of Health in prescribing the content of the information to be provided to students under this section. The coordinating board shall establish an advisory committee to assist the coordinating board in the initial implementation of this section. The advisory committee must include at least two members who are students at public or private institutions of higher education.

(d) An institution of higher education, with the written consent of the Texas Higher Education Coordinating Board, may provide the information required by this section to new students of the institution by a method different from the method prescribed by the coordinating board under Subsection (b) if the coordinating board determines that method would be effective in bringing the information to the attention of all new students of the institution.

(e) Each institution of higher education shall make reasonable efforts to obtain from each new student of the institution a confirmation signed or acknowledged by the student that the student has received the information required to be provided to the student under this section and shall retain the confirmation for not less than two years after the student first enrolls at the institution.

(f) The Texas Higher Education Coordinating Board and the Texas Department of Health shall encourage private or independent

institutions of higher education to provide the information prescribed by Subsection (b) to all new students of those institutions.

Added by Acts 2001, 77th Leg., ch. 219, Sec. 1, eff. May 22, 2001.

Sec. 51.9192. BACTERIAL MENINGITIS VACCINATION REQUIRED FOR CERTAIN STUDENTS; EXCEPTIONS. (a) In this section:

(1) "Health practitioner" means any person authorized by law to administer an immunization.

(2) "Institution of higher education" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) This section applies only to an entering student at an institution of higher education or private or independent institution of higher education. This section does not apply to a student of an institution who is enrolled only in online or other distance education courses or who is 22 years of age or older. For purposes of this subsection, "entering student" includes:

(1) a new student, as defined by Section 51.9191; and

(2) a student who previously attended an institution of higher education or private or independent institution of higher education before January 1, 2012, and who is enrolling in the same or another institution of higher education or private or independent institution of higher education following a break in enrollment of at least one fall or spring semester.

(c) Except as provided by Subsection (d), a student to whom this section applies or a parent or guardian of the student must provide to the institution, at the time and in the manner prescribed by rules adopted by the Texas Higher Education Coordinating Board, a certificate signed by a health practitioner or an official immunization record evidencing that the student has received a bacterial meningitis vaccination dose or booster during the five-year period preceding the date established by the coordinating board under Subsection (e).

(d) A student to whom this section applies or a parent or guardian of the student is not required to comply with Subsection (c) if the student or a parent or guardian of the student submits to the institution:

(1) an affidavit or a certificate signed by a physician who is duly registered and licensed to practice medicine in the United States in which it is stated that, in the physician's opinion, the vaccination required would be injurious to the health and well-being of the student; or

(2) an affidavit signed by the student stating that the student declines the vaccination for bacterial meningitis for reasons of conscience, including a religious belief, or confirmation that the student has completed the Internet-based process described by Subsection (d-3) for declining the vaccination on that basis, if applicable to the student.

(d-1) The exemption provided by Subsection (d)(2) does not apply during a disaster or public health emergency, terrorist attack, hostile military or paramilitary action, or extraordinary law enforcement emergency declared by an appropriate official or other authority and in effect for the location of the institution the student attends.

(d-2) An affidavit submitted under Subsection (d)(2) must be:

(1) on a form described by Section 161.0041, Health and Safety Code; and

(2) submitted to the appropriate admitting official not later than the 90th day after the date the affidavit is notarized.

(d-3) The Department of State Health Services shall develop and implement a secure, Internet-based process to be used exclusively at those public junior colleges that elect to use the process to allow an entering student to apply online for an exemption from the vaccination requirement under this section for reasons of conscience. The online process portal must be designed to ensure that duplicate exemption requests are avoided to the greatest extent possible. The exemption form used by a student to claim an exemption under the process must contain a statement indicating that the student understands the benefits and risks of the immunization and the benefits and risks of not receiving the immunization.

(d-4) A public junior college may require an entering student to use the Internet-based process under Subsection (d-3) as the exclusive method to apply for an exemption from the vaccination required under this section for reasons of conscience.

(d-5) The Department of State Health Services shall report to the legislature annually the number of exemptions applied for in the preceding academic year using the Internet-based process under

Subsection (d-3).

(d-6) An institution of higher education or private or independent institution of higher education shall provide, with the registration materials that the institution provides to a student to whom this section applies before the student's initial enrollment in the institution, written notice of the right of the student or of a parent or guardian of the student to claim an exemption from the vaccination requirement in the manner prescribed by Subsection (d) and of the importance of consulting a physician about the need for immunization to prevent the disease.

(e) The Texas Higher Education Coordinating Board, in consultation with institutions of higher education and private or independent institutions of higher education, shall adopt rules for the administration of this section, including rules establishing the date by which a student who is required to comply with Subsection (c) must have received the vaccination required by that subsection, which may not be later than the 10th day before the first day of the semester or other term in which the student initially enrolls unless the student is granted an extension by the institution as provided by the rules adopted under this subsection. The rules must authorize an institution of higher education or private or independent institution of higher education to extend the compliance date for an individual student to a date that is not later than the 10th day after the first day of the semester or other term in which the student initially enrolls.

(f) In this section, "public junior college" has the meaning assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 1015 (H.B. 4189), Sec. 2, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 142 (S.B. 1107), Sec. 2, eff. May 27, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 729 (S.B. 62), Sec. 1, eff. October 1, 2013.

Sec. 51.9193. REQUIRED POSTING OF MENTAL HEALTH RESOURCES. (a) In this section, "local mental health authority" has the meaning assigned by Section 531.002, Health and Safety Code.

(b) This section applies only to a general academic teaching institution, medical and dental unit, public junior college, public state college, or public technical institute as those terms are defined by Section 61.003.

(c) Each institution to which this section applies shall create a web page on the institution's Internet website dedicated solely to information regarding the mental health resources available to students at the institution. The web page must include the address of the nearest local mental health authority.

Added by Acts 2015, 84th Leg., R.S., Ch. 452 (H.B. 197), Sec. 1, eff. September 1, 2015.

Sec. 51.9194. REQUIRED INFORMATION FOR ENTERING STUDENTS REGARDING MENTAL HEALTH AND SUICIDE PREVENTION SERVICES. (a) A general academic teaching institution shall provide to each entering full-time undergraduate, graduate, or professional student, including each full-time undergraduate, graduate, or professional student who transfers to the institution, information about:

(1) available mental health and suicide prevention services offered by the institution or by any associated organizations or programs; and

(2) early warning signs that are often present in and appropriate intervention for a person who may be considering suicide.

(b) The information required under this section:

(1) may be provided through:

(A) a live presentation; or

(B) a format that allows for student interaction, such as an online program or video; and

(2) may not be provided in a paper format only.

Added by Acts 2015, 84th Leg., R.S., Ch. 961 (S.B. 1624), Sec. 1, eff. September 1, 2015.

Sec. 51.9195. INFORMATION FOR UNDERGRADUATE STUDENTS REGARDING BENEFITS OF TIMELY GRADUATION. (a) In this section, "general academic teaching institution" and "public state college" have the meanings assigned by Section 61.003.

(b) This section applies only to a general academic teaching

institution other than a public state college.

(c) An institution to which this section applies shall provide to each first-time entering undergraduate student, including each undergraduate student who transfers to the institution, information in electronic or paper format that includes, based on a reasonable projection by the institution using the most recently available data:

(1) a comparison of the average total amounts of tuition and fees paid by a full-time student who graduates from the institution in the following number of academic years:

(A) four years;

(B) five years; and

(C) six years; and

(2) an estimate of the average earnings lost by a recent graduate of the institution as a result of graduating after five or six years instead of four years.

(d) An institution to which this section applies shall include with the information provided to a student under Subsection (c):

(1) a list of actions that the student can take to facilitate graduating from the institution in a timely manner; and

(2) contact information for available academic, career, and other related support services at the institution to assist the student in that effort.

(e) An institution to which this section applies may satisfy the requirements of Subsections (c)(1) and (2) with regard to a student by providing the student with information that is more specific than the information described by those subdivisions.

Added by Acts 2013, 83rd Leg., R.S., Ch. 801 (S.B. 1531), Sec. 1, eff. September 1, 2013.

Sec. 51.920. TECHNOLOGY TRANSFER. (a) Technology transfer can enhance the state's investment in research and development through the rapid commercialization of university research and the creation and expansion of Texas companies.

(b) The Center for Technology Development and Transfer established by Section 65.45 of this code, and the Technology Business Development Division of the Texas Engineering Experiment Station established by Section 88.300 of this code, shall cooperate fully to exercise their respective authorities to promote the timely

and effective transfer of technology.

(c) Technology development programs operated by other state-supported institutions of higher education are encouraged to cooperate with the Center for Technology Development and Transfer and the Technology Business Development Division.

Added by Acts 1987, 70th Leg., ch. 792, Sec. 1, eff. Aug. 31, 1987.

Sec. 51.9201. ALTERNATIVE TECHNOLOGY FOR COLONIAS. An institution of higher education as defined by Section 61.003 that has a program in the area of community, rural, or urban development shall create partnerships with governmental agencies and counties to implement programs, policies, and strategies to develop alternative technologies to assist colonias that have inadequate services or are without services, including water, wastewater, utility, transportation, housing, and public health care services.

Added by Acts 2007, 80th Leg., R.S., Ch. 341 (S.B. 99), Sec. 11, eff. June 15, 2007.

Sec. 51.921. POSTING OF STEROID LAW NOTICE. Each public institution of higher education shall post in a conspicuous location in each gymnasium at the institution the following notice:

> Anabolic steroids and growth hormones are for medical use only. State law prohibits the possession, dispensing, delivery, or administering of an anabolic steroid or growth hormone in any manner not allowed by state law. State law provides that body building, muscle enhancement, or increasing muscle bulk or strength through the use of an anabolic steroid by a person who is in good health is not a valid medical purpose. Only a medical doctor may prescribe an anabolic steroid or human growth hormone for a person. A violation of state law concerning anabolic steroids or human growth hormones is a criminal offense punishable by confinement in jail or imprisonment in the Texas Department of Criminal Justice.

Added by Acts 1989, 71st Leg., ch. 403, Sec. 8, eff. Sept. 1, 1989.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.051, eff. September 1, 2009.

Sec. 51.922. MANDATORY RETIREMENT PROHIBITED. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003 of this code.

(b) An institution of higher education may not impose a mandatory retirement age for tenured faculty of the institution.

(c) Imposition of a mandatory retirement age in violation of this section is an unlawful employment practice for purposes of Chapter 21, Labor Code. An individual aggrieved by the practice has the rights and remedies provided by that chapter, and the Commission on Human Rights has the same powers in regard to the complaint as any other complaint under that chapter.

Added by Acts 1989, 71st Leg., ch. 1246, Sec. 1, eff. June 16, 1989. Renumbered from Sec. 51.917 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(22), eff. Aug. 26, 1991. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 9.56, eff. Sept. 1, 1995.

Sec. 51.923. QUALIFICATIONS OF CERTAIN BUSINESS ENTITIES TO ENTER INTO CONTRACTS WITH AN INSTITUTION OF HIGHER EDUCATION. (a) In this section:

(1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, firm, corporation, limited liability company, holding company, joint stock company, receivership, or trust.

(2) "Governing board" has the meaning assigned by Section 61.003.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(4) "Nonprofit corporation" means any organization exempt from federal income tax under Section 501 of the Internal Revenue Code of 1986 that does not distribute any part of its income to any member, director, or officer.

(b) A nonprofit corporation is not disqualified from entering into a contract or other transaction with an institution of higher education even though one or more members of the governing board of

the institution of higher education also serves as a member, director, officer, or employee of the nonprofit corporation.

(c) A business entity is not disqualified from entering into a contract or other transaction with an institution of higher education even though one or more members of the governing board of the institution of higher education have an interest in the business entity, subject to Subsection (d).

(d) An institution of higher education is not prohibited from entering into a contract or other transaction with a business entity in which a member of the governing board of the institution of higher education has an interest if the interest is not a substantial interest or, if the interest is a substantial interest, the board member discloses that interest in a meeting held in compliance with Chapter 551, Government Code, and refrains from voting on the contract or transaction requiring board approval. Any such contract or transaction requiring board approval must be approved by an affirmative majority of the board members voting on the contract or transaction.

(e) For purposes of this section, a member of a governing board has a substantial interest in a business entity if:

(1) the member owns 10 percent or more of the voting stock or shares of the business entity or owns either 10 percent or more or $15,000 or more of the fair market value of the business entity;

(2) funds received by the member from the business entity exceed 10 percent of the member's gross income for the previous year;

(3) the member is an officer of the business entity or a member of the governing board of the business entity; or

(4) an individual related to the member in the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has an interest in the business entity as described by Subdivision (1), (2), or (3).

(f) A violation of this section does not render an action of the governing board voidable unless the contract or transaction that was the subject of the action would not have been approved by the governing board without the vote of the member who violated this section.

Added by Acts 1989, 71st Leg., ch. 647, Sec. 1, eff. June 14, 1989. Renumbered from Sec. 51.921 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(23), eff. Aug. 26, 1991. Amended by Acts 1995, 74th Leg., ch.

76, Sec. 5.95(91), eff. Sept. 1, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 2.01, eff. June 17, 2011.

Sec. 51.924. ASSESSMENT INSTRUMENTS USED FOR ADMISSION STANDARDS. Each company or organization that sponsors a college admissions testing program shall annually report to the Central Education Agency the performance in the testing program of students in this state and the program's state and national average standard score results. The company or organization shall report the performance of students by school district on the request of the Central Education Agency. In its determination of the admission of a student, an institution of higher education may not use the student's results on an assessment instrument administered by an organization that fails to comply with this section.

Added by Acts 1989, 71st Leg., ch. 1010, Sec. 3. Renumbered from Sec. 51.921 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(24), eff. Aug. 26, 1991.

Sec. 51.9241. ADMISSION OF STUDENT WITH NONTRADITIONAL SECONDARY EDUCATION. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Nontraditional secondary education" means a course of study at the secondary school level in a nonaccredited private school setting, including a home school.

(b) Because the State of Texas considers successful completion of a nontraditional secondary education to be equivalent to graduation from a public high school, an institution of higher education must treat an applicant for admission to the institution as an undergraduate student who presents evidence that the person has successfully completed a nontraditional secondary education according to the same general standards, including specific standardized testing score requirements, as other applicants for undergraduate admission who have graduated from a public high school.

(c) An institution of higher education may not require an

applicant for admission to the institution as an undergraduate student who presents evidence that the person has successfully completed a nontraditional secondary education to:

(1) obtain or submit evidence that the person has obtained a general education development certificate, certificate of high school equivalency, or other credentials equivalent to a public high school degree; or

(2) take an examination or comply with any other application or admission requirement not generally applicable to other applicants for undergraduate admission to the institution.

(d) If an institution of higher education in its undergraduate admission review process sorts applicants by high school graduating class rank, the institution shall place any applicant who presents evidence that the applicant has successfully completed a nontraditional secondary education that does not include a high school graduating class ranking at the average high school graduating class rank of undergraduate applicants to the institution who have equivalent standardized testing scores as the applicant.

Added by Acts 2003, 78th Leg., ch. 232, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1210 (S.B. 1543), Sec. 1, eff. September 1, 2015.

Sec. 51.9242. READMISSION OF STUDENT WHO WITHDRAWS TO PERFORM ACTIVE MILITARY SERVICE. (a) This section applies only to a student who withdraws from an institution of higher education to perform active military service as a member of the United States armed forces or the Texas National Guard, except that this section does not apply to a student who withdraws from an institution solely to perform one or more training exercises as a member of the Texas National Guard.

(b) For any academic term that begins after the date a student described by Subsection (a) is released from active military service but not later than the first anniversary of that date, the institution of higher education from which the student withdrew shall readmit the student, without requiring reapplication or charging a fee for readmission, if the student is otherwise eligible to register for classes at the institution. On readmission of the student under this subsection, the institution shall:

(1) provide to the student any financial assistance previously provided by the institution to the student before the student's withdrawal if the student meets current eligibility requirements for the assistance, other than any requirement directly affected by the student's service, such as continuous enrollment or another similar timing requirement; and

(2) allow the student the same academic status that the student had before the student's withdrawal, including any course credit awarded to the student by the institution.

(c) An institution of higher education may adopt rules requiring reasonable proof from a student of the fact and duration of the student's active military service.

Added by Acts 2005, 79th Leg., Ch. 549 (H.B. 1170), Sec. 2(a), eff. June 17, 2005.

Sec. 51.9245. ADMISSION OF PERSON RECEIVING ATHLETIC SCHOLARSHIP. (a) In this section, "general academic teaching institution" has the meaning assigned by Section 61.003.

(b) A general academic teaching institution may not admit an applicant who has been promised or granted an athletic scholarship, grant, or similar financial assistance conditioned on the student's participation in a sport, game, or other competition involving substantial physical ability or physical skill for or on a team organized or sponsored by the general academic teaching institution that is funded by state funds unless:

(1) if the general academic teaching institution requires a minimum high school grade point average as an admissions criterion for any entering freshman, that minimum applies to all freshmen being admitted; or

(2) for an applicant other than an entering freshman, the applicant's cumulative college-level grade point average is equal to or greater than the minimum cumulative college-level grade point average required for an undergraduate student to remain enrolled at the institution in the preceding academic year.

Added by Acts 1997, 75th Leg., ch. 1198, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.925. RELIGIOUS HOLY DAYS. (a) An institution of

higher education may not discriminate against or penalize in any way a member of the faculty of the institution who is absent from work for the observance of a religious holy day and gives proper notice of that absence if the customary and generally applicable educational practices of the institution permit general personal absence by members of the faculty. If personal absence is customarily penalized, the penalty for absence due to observance of a religious holy day under this section shall be forfeiture of one day's pay equivalent for each day of absence.

(b) In this section, "institution of higher education" has the meaning assigned by Subdivision (7) of Section 61.003 of this code, except that the term includes the Southwest Collegiate Institute for the Deaf and Texas State Technical Institute.

(c) In this section, "proper notice" means that the faculty member shall provide a listing of religious holy days to be observed during the semester to the chairman of the department and shall provide notice of such days in advance to all students whose class would be canceled due to the faculty member's absence. Notice herein shall be in writing and shall be personally delivered to the chairman of the department, receipt therefor being acknowledged and dated by the chairman, or by certified mail, return receipt requested, addressed to the chairman.

(d) In this section, "religious holy day" means a holy day observed by a religion whose places of worship are exempt from property taxation under Section 11.20, Tax Code.

Added by Acts 1985, 69th Leg., ch. 520, Sec. 1, eff. Aug. 26, 1985. Renumbered from Sec. 51.911 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(19), eff. Aug. 26, 1991.

Sec. 51.926. PAYROLL DEDUCTIONS FOR QUALIFIED RETIREMENT PLANS. (a) On written authorization from a football coach who is entitled to participate in a qualified football coaches plan, an institution of higher education may:

(1) enter into a salary reduction agreement under which the salary of the coach is reduced by the amount of contribution to the plan; and

(2) remit such contribution to the plan for credit to the coach's plan account.

(b) A person who participates in a qualified football coaches plan may also participate in another retirement plan or be a member of a retirement system established by law for employees of institutions of higher education.

(c) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003 of this code.

(2) "Qualified football coaches plan" means a retirement plan under Title 29 U.S.C. Section 1002(37)(F).

Added by Acts 1991, 72nd Leg., ch. 683, Sec. 1, eff. June 16, 1991. Amended by Acts 1991, 72nd Leg., 1st C.S., ch. 13, Sec. 24, eff. Nov. 12, 1991.

Sec. 51.927. ENERGY SAVINGS PERFORMANCE CONTRACTS. (a) In this section, "energy savings performance contract" means a contract for energy or water conservation measures to reduce energy or water consumption or operating costs of new or existing institutional facilities in which the estimated savings in utility costs resulting from the measures is guaranteed to offset the cost of the measures over a specified period. The term includes a contract for the installation or implementation of:

(1) insulation of a building structure and systems within a building;

(2) storm windows or doors, caulking or weather stripping, multiglazed windows or doors, heat-absorbing or heat-reflective glazed and coated window or door systems, or other window or door system modifications that reduce energy consumption;

(3) automatic energy control systems, including computer software and technical data licenses;

(4) heating, ventilating, or air conditioning system modifications or replacements that reduce energy or water consumption;

(5) lighting fixtures that increase energy efficiency;

(6) energy recovery systems;

(7) electric systems improvements;

(8) water-conserving fixtures, appliances, and equipment or the substitution of non-water-using fixtures, appliances, and equipment;

(9) water-conserving landscape irrigation equipment;

(10) landscaping measures that reduce watering demands and capture and hold applied water and rainfall, including:

(A) landscape contouring, including the use of berms, swales, and terraces; and

(B) the use of soil amendments that increase the water-holding capacity of the soil, including compost;

(11) rainwater harvesting equipment and equipment to make use of water collected as part of a storm-water system installed for water quality control;

(12) equipment for recycling or reuse of water originating on the premises or from other sources, including treated municipal effluent;

(13) equipment needed to capture water from nonconventional, alternate sources, including air conditioning condensate or graywater, for nonpotable uses;

(14) metering equipment needed to segregate water use in order to identify water conservation opportunities or verify water savings; or

(15) other energy or water conservation-related improvements or equipment, including improvements or equipment related to renewable energy or nonconventional water sources or water reuse.

(b) The governing board of an institution of higher education may enter into an energy savings performance contract in accordance with this section.

(c) Each energy or water conservation measure must comply with current local, state, and federal construction, plumbing, and environmental codes and regulations. Notwithstanding Subsection (a), an energy savings performance contract may not include improvements or equipment that allow or cause water from any condensing, cooling, or industrial process or any system of nonpotable usage over which the public water supply system officials do not have sanitary control, to be returned to the potable water supply.

(d) The board may enter into energy savings performance contracts only with entities that are experienced in the design, implementation, and installation of the energy or water conservation measures addressed by the contract.

(e) Before entering into an energy savings performance contract, the board shall require the provider of the energy or water

conservation measures to file with the board a payment and performance bond in accordance with Chapter 2253, Government Code. The board may also require a separate bond to cover the value of the guaranteed savings on the contract.

(f) The board may enter into an energy savings performance contract for a period of more than one year only if the board finds that the amount the institution would spend on the energy or water conservation measures will not exceed the amount to be saved in energy, water, wastewater, and operating costs over 20 years from the date of installation. If the term of the contract exceeds one year, the institution's contractual obligation in any year during the term of the contract beginning after the final date of installation may not exceed the total energy, water, wastewater, and operating cost savings, including electrical, gas, water, wastewater, or other utility cost savings and operating cost savings resulting from the measures, as determined by the board in this subsection, divided by the number of years in the contract term beginning after the final date of installation. The board shall consider all costs of the energy or water conservation measures, including costs of design, engineering, installation, maintenance, repairs, and debt service.

(g) An energy savings performance contract may be financed:

(1) under a lease/purchase contract that has a term not to exceed 20 years from the final date of installation and that meets federal tax requirements for tax-free municipal leasing or long-term financing, including a lease/purchase contract under the master equipment lease purchase program administered by the Texas Public Finance Authority under Chapter 1232, Government Code;

(2) with the proceeds of bonds; or

(3) under a contract with the provider of the energy or water conservation measures that has a term not to exceed the lesser of 20 years from the final date of installation or the average useful life of the energy or water conservation or usage measures.

(g-1) Notwithstanding other law, the board may use any available money, other than money borrowed from this state, to pay the provider of the energy or water conservation measures under this section, and the board is not required to pay for such costs solely out of the savings realized by the institution of higher education under an energy savings performance contract. The board may contract with the provider to perform work that is related to, connected with, or otherwise ancillary to the measures identified in the scope of an

energy savings performance contract.

(h) An energy savings performance contract shall contain provisions requiring the provider of the energy or water conservation measures to guarantee the amount of the savings to be realized by the institution of higher education under the contract.

(i) An energy savings performance contract shall be let according to the procedures established for procuring certain professional services by Section 2254.004, Government Code. Notice of the request for qualifications shall be given in the manner provided by Section 2156.002, Government Code. The Texas Higher Education Coordinating Board, in consultation with the State Energy Conservation Office with regard to energy and water conservation measures, shall establish guidelines and an approval process for awarding energy savings performance contracts. The guidelines must require that the cost savings projected by an offeror be reviewed by a licensed professional engineer who has a minimum of three years of experience in energy calculation and review, is not an officer or employee of an offeror for the contract under review, and is not otherwise associated with the contract. In conducting the review, the engineer shall focus primarily on the proposed improvements from an engineering perspective, the methodology and calculations related to cost savings, increases in revenue, and, if applicable, efficiency or accuracy of metering equipment. An engineer who reviews a contract shall maintain the confidentiality of any proprietary information the engineer acquires while reviewing the contract. A contract is not required to be reviewed or approved by the State Energy Conservation Office. Sections 1001.053 and 1001.407, Occupations Code, apply to work performed under the contract.

(j) The legislature shall base an institution's appropriation for energy, water, and wastewater costs during a fiscal year on the sum of:

(1) the institution's estimated energy, water, and wastewater costs for that fiscal year; and

(2) if an energy savings performance contract is in effect, the institution's estimated net savings resulting from the contract during the contract term, divided by the number of years in the contract term.

(k) Chapter 2269, Government Code, does not apply to this section.

(l) The guidelines established under Subsection (i) must

require the Texas Higher Education Coordinating Board to:

(1) review any reports submitted to the board that measure and verify cost savings to an institution of higher education under an energy savings performance contract; and

(2) based on the reports, provide an analysis, on a periodic basis, of the cost savings under the energy savings performance contract to the governing board of the institution of higher education and the Legislative Budget Board until the governing board of the institution of higher education determines that the analysis is no longer required to accurately measure cost savings.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 8, Sec. 3.07, eff. Sept. 1, 1991. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(92), eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 773, Sec. 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 165, Sec. 17.19, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1142, Sec. 2, eff. June 19, 1997; Acts 1997, 75th Leg., ch. 627, Sec. 1, eff. June 11, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 4.03, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 361, Sec. 2, eff. Sept; 1, 1999; Acts 1999, 76th Leg., ch. 1450, Sec. 1, eff. Sept. 1, 1999; ; Acts 2001, 77th Leg., ch. 573, Sec. 3, 4, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1319, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1310, Sec. 6, 121(2), eff. June 20, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 527 (S.B. 831), Sec. 2, eff. June 16, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 982 (H.B. 1728), Sec. 3, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1129 (H.B. 628), Sec. 3.02, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.002(7), eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 537 (S.B. 533), Sec. 1, eff. June 14, 2013.

Sec. 51.9271. ENERGY-EFFICIENT LIGHT BULBS IN EDUCATIONAL AND HOUSING FACILITIES. (a) In this section, "housing facility" has the meaning assigned by Section 53.02.

(b) An institution of higher education shall purchase for use

in each type of light fixture in an educational or housing facility the commercially available model of light bulb that:

(1) is compatible with the light fixture;

(2) uses the fewest watts for the necessary luminous flux or light output; and

(3) is the most cost-effective, considering the factors described by Subdivisions (1) and (2).

Added by Acts 2007, 80th Leg., R.S., Ch. 939 (H.B. 3693), Sec. 3, eff. September 1, 2007.

Sec. 51.928. WRITTEN CONTRACTS OR AGREEMENTS BETWEEN CERTAIN INSTITUTIONS. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003 of this code.

(b) A written contract or agreement for the furnishing of resources or services that is between institutions of higher education with a common governing board is not subject to the requirements of Chapter 771, Government Code, if the governing board has adopted rules providing for governing board review and approval of those contracts.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 8, Sec. 5.04, eff. Sept. 1, 1991.

Sec. 51.929. PROHIBITION AGAINST CERTAIN EXTENSIONS OF CREDIT BY CERTAIN RETAIL STORES. (a) Except as provided by Subsection (b) of this section, a retail store that is owned or operated by an institution of higher education may not enter into a transaction for the sale or lease of goods or services in which the institution extends the credit of the state to the obligor.

(b) This section does not apply to an extension of credit to a student for the purchase of books or other educational supplies if the credit may be offset against undistributed grant or loan funds that are held by the institution for the student or that the institution is entitled to receive on behalf of the student. The institution may not withhold grant or loan funds to require the student to purchase books or educational supplies from a store that it owns or operates.

(c) In this section, "institution of higher education" has the meaning assigned by Section 61.003 of this code.

Added by Acts 1993, 73rd Leg., ch. 15, Sec. 1, eff. Sept. 1, 1993.

Sec. 51.930. NATIONAL STUDENT EXCHANGE PROGRAM. (a) In this section:

(1) "General academic teaching institution" has the meaning assigned by Section 61.003 of this code.

(2) "National student exchange program" means the program administered by the National Student Exchange, a nonprofit corporation.

(b) General academic teaching institutions may participate in the national student exchange program for the purpose of providing reciprocal educational opportunities for undergraduate students of colleges and universities in the United States.

(c) The Texas Higher Education Coordinating Board may adopt rules relating to the participation of institutions of higher education and students in the national student exchange program.

(d) Notwithstanding the provisions of Section 54.051 of this code, a nonresident exchange student participating in the program may be charged the resident tuition rate during the period of participation in the program.

(e) A student participating in the program from another state shall be exempt from the provisions of Section 51.306 of this code unless that student becomes a degree-seeking undergraduate student at a Texas public institution of higher education.

(f) A student may not participate in the program for more than one year.

Added by Acts 1993, 73rd Leg., ch. 228, Sec. 1, eff. May 20, 1993. Renumbered from Education Code Sec. 51.929 by Acts 1995, 74th Leg., ch. 76, Sec. 17.01(6), eff. Sept. 1, 1995.

Sec. 51.931. RIGHT TO AN ACADEMIC FRESH START. (a) This section applies to any public institution of higher education as defined in Section 61.003 of this code.

(b) Unless otherwise prohibited by law, a resident of this state is entitled to apply for admission to and enroll as an

undergraduate student in any public institution of higher education under this section.

(c) If an applicant elects to seek admission under this section, a public institution of higher education, in considering the applicant for admission, shall not consider academic course credits or grades earned by the applicant 10 or more years prior to the starting date of the semester in which the applicant seeks to enroll. An applicant who makes the election to apply under this section and is admitted as a student may not receive any course credit for courses undertaken 10 or more years prior to enrollment under this section.

(d) If a student who enrolls under this section completes a prescribed course of study, earns a baccalaureate degree, and applies for admission to a postgraduate or professional program offered by a public institution of higher education, the institution, in considering the applicant for admission into the postgraduate or professional program, shall consider only the grade point average of the applicant established by the course work completed after enrollment under this section, along with any other criteria the institution uses in evaluating applicants for admission into the postgraduate or professional program.

(e) Nothing in this section prohibits a public institution of higher education from applying standard admissions criteria generally applicable to persons seeking admission to the institution.

Added by Acts 1993, 73rd Leg., ch. 724, Sec. 1, eff. Aug. 30, 1993. Renumbered from Education Code Sec. 51.929 by Acts 1995, 74th Leg., ch. 76, Sec. 17.01(7), eff. Sept. 1, 1995.

Sec. 51.932. MOTOR VEHICLES OWNED AND USED BY STATE-SUPPORTED INSTITUTIONS. (a) A motor vehicle, trailer, or semitrailer that is the property of and used exclusively by any institution of higher education as defined by Section 61.003 must have the name of the institution printed on the side of the vehicle. The inscription must be in a color sufficiently different from the body of the vehicle and must be of letters of sufficient height so that the lettering is plainly legible at a distance of not less than 100 feet. This subsection does not apply to a motor vehicle used by:

(1) a peace officer commissioned under Subchapter E; or

(2) a chancellor or president of an institution of higher education.

(b) A person commits an offense if the person operates a vehicle subject to Subsection (a) without the proper inscription. An offense under this subsection is a Class C misdemeanor.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 18, eff. May 30, 1995.

Sec. 51.9325. RETIREMENT INCENTIVES. (a) A medical and dental unit may offer a retirement incentive to an employee of the unit who is eligible to retire under Subtitle C, Title 8, Government Code.

(b) A medical and dental unit offering a retirement incentive plan shall file the plan with the Legislative Budget Board not later than the 61st day before the date the plan is implemented and shall provide the board with any information concerning the plan required by the board.

(c) A medical and dental unit may not rehire an employee receiving a retirement incentive under this section without the specific approval of the president of the unit. The president may not delegate this responsibility to any other employee of the unit.

(d) A retirement incentive offered to an employee by a medical and dental unit under this section must be paid from institutional funds or hospital or clinic fees.

(e) A retirement incentive paid by a medical and dental unit to an employee is not subject to any provision of state law that entitles the employee to benefits based on salary or compensation, including contributions under Subtitle C, Title 8, Government Code.

(f) In this section:

(1) "Institutional funds" has the meaning assigned by Section 51.009(b).

(2) "Medical and dental unit" has the meaning assigned by Section 61.003 and includes a school of veterinary medicine and a health care facility operated by a medical and dental unit, except that the term does not include The University of Texas M. D. Anderson Cancer Center.

Added by Acts 1995, 74th Leg., ch. 736, Sec. 1, eff. June 15, 1995. Renumbered from Education Code Sec. 51.932 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(20), eff. Sept. 1, 1997.

Sec. 51.933. IMMUNIZATION REQUIREMENTS; EXCEPTION. (a) An institution of higher education may require applicants for admission to be immunized against diphtheria, rubeola, rubella, mumps, tetanus, and poliomyelitis, except as provided in Subsection (d).

(b) The executive commissioner of the Health and Human Services Commission may require immunizations against the diseases listed in Subsection (a) and additional diseases for students at any institution of higher education who are pursuing a course of study in a human or animal health profession, and the executive commissioner may require those immunizations for any students in times of an emergency or epidemic in a county where the commissioner of state health services has declared such an emergency or epidemic.

(b-1) A rule adopted under Subsection (b) that requires a hepatitis B vaccination for students may apply only to students enrolled in a course of study that involves potential exposure to human or animal blood or bodily fluids.

(c) An institution of higher education, in conjunction with the Department of State Health Services, should provide individual notice to each student applying for admission regarding:

(1) the consequences of not being current on immunization for certain diseases;

(2) the age groups most vulnerable to these vaccine preventable diseases; and

(3) local providers of immunization services.

(d) No form of immunization is required for a person's admission to an institution of higher education if the person applying for admission:

(1) submits to the admitting official:

(A) an affidavit or a certificate signed by a physician who is duly registered and licensed to practice medicine within the United States in which it is stated that, in the physician's opinion, the immunization required poses a significant risk to the health and well-being of the applicant or any member of the applicant's family or household; or

(B) an affidavit signed by the applicant or, if a minor, by the applicant's parent or guardian stating that the applicant declines immunization for reasons of conscience, including a religious belief; or

(2) is a member of the armed forces of the United States and is on active duty.

(d-1) An affidavit submitted under Section (d)(1)(B) must be on a form described by Section 161.0041, Health and Safety Code, and must be submitted to the admitting official not later than the 90th day after the date the affidavit is notarized.

(e) The exception provided by Subsection (d)(1)(B) does not apply in a time of emergency or epidemic declared by the commissioner of state health services.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 18, eff. May 30, 1995.
Amended by Acts 2003, 78th Leg., ch. 198, Sec. 2.161, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 466 (S.B. 291), Sec. 1, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1 (S.B. 219), Sec. 6.024, eff. April 2, 2015.

Sec. 51.9335. ACQUISITION OF GOODS AND SERVICES. (a) An institution of higher education may acquire goods or services by the method that provides the best value to the institution, including:

(1) competitive bidding;

(2) competitive sealed proposals;

(3) a catalogue purchase;

(4) a group purchasing program; or

(5) an open market contract.

(b) In determining what is the best value to an institution of higher education, the institution shall consider:

(1) the purchase price;

(2) the reputation of the vendor and of the vendor's goods or services;

(3) the quality of the vendor's goods or services;

(4) the extent to which the goods or services meet the institution's needs;

(5) the vendor's past relationship with the institution;

(6) the impact on the ability of the institution to comply with laws and rules relating to historically underutilized businesses and to the procurement of goods and services from persons with disabilities;

(7) the total long-term cost to the institution of

acquiring the vendor's goods or services;

(8) any other relevant factor that a private business entity would consider in selecting a vendor; and

(9) the use of material in construction or repair to real property that is not proprietary to a single vendor unless the institution provides written justification in the request for bids for use of the unique material specified.

(c) The state auditor may audit purchases of goods or services by an institution of higher education or by a component of an institution of higher education that purchases goods and services.

(d) Subject to Section 51.9337, Subtitle D, Title 10, Government Code, and Subchapter B, Chapter 2254, Government Code, do not apply to the acquisition of goods and services under this section, except that an institution of higher education must comply with any provision of those laws, or a rule adopted under a provision of those laws, relating to contracting with historically underutilized businesses or relating to the procurement of goods and services from persons with disabilities. An institution of higher education may, but is not required to, acquire goods or services as provided by Subtitle D, Title 10, Government Code.

(e) In this section, "institution of higher education" has the meaning assigned by Section 61.003 and includes a school of veterinary medicine and a health care facility operated by a medical and dental unit, except that the term does not include The University of Texas M. D. Anderson Cancer Center or a public junior college.

(f) This section does not apply to professional services as defined by Section 2254.002, Government Code. Professional services shall be procured in accordance with Subchapter A, Chapter 2254, Government Code.

(g) An institution of higher education may adopt rules and procedures for the acquisition of goods or services.

(h) In any contract for the acquisition of goods and services to which an institution of higher education is a party, a provision required by applicable law to be included in the contract is considered to be a part of the executed contract without regard to:

(1) whether the provision appears on the face of the contract; or

(2) whether the contract includes any provision to the contrary.

Added by Acts 1995, 74th Leg., ch. 736, Sec. 1, eff. June 15, 1995. Renumbered from Education Code Sec. 51.933 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(21), eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 334, Sec. 1, eff. May 29, 1999; Acts 1999, 76th Leg., ch. 1225, Sec. 17, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 118, Sec. 1.01, eff. Sept. 1, 2001.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 2.02, eff. June 17, 2011.
Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 22, eff. September 1, 2015.

Sec. 51.9336. ELECTRONIC AND DIGITAL SIGNATURES. (a) An institution of higher education or university system, as those terms are defined by Section 61.003, shall determine whether, and the extent to which, the institution or system will send and accept electronic or digital signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely on electronic or digital signatures. The institution or system may adopt rules and procedures governing the use of electronic or digital signatures.
(b) To the extent of any conflict, this section prevails over Chapter 322, Business & Commerce Code, and rules and guidelines adopted under that chapter.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 2.03, eff. June 17, 2011.

Sec. 51.9337. PURCHASING AUTHORITY CONDITIONAL; REQUIRED STANDARDS. (a) An institution of higher education may not exercise the acquisition authority granted by Section 51.9335 or 73.115 unless the institution complies with this section. An institution that is determined under Subsection (j) to not be in compliance with this section is subject to the laws governing acquisition of goods and services by state agencies, including Subtitle D, Title 10, Government Code, and Chapter 2254, Government Code.
(b) The board of regents of an institution of higher education by rule shall establish for each institution under the management and

control of the board:

(1) a code of ethics for the institution's officers and employees, including provisions governing officers and employees authorized to execute contracts for the institution or to exercise discretion in awarding contracts, subject to Subsection (c);

(2) policies for the internal investigation of suspected defalcation, misappropriation, and other fiscal irregularities and an institutional or systemwide compliance program designed to promote ethical behavior and ensure compliance with all applicable policies, laws, and rules governing higher education, including research and health care to the extent applicable;

(3) a contract management handbook that provides consistent contracting policies and practices and contract review procedures, including a risk analysis procedure, subject to Subsection (d);

(4) contracting delegation guidelines, subject to Subsections (e) and (f);

(5) training for officers and employees authorized to execute contracts for the institution or to exercise discretion in awarding contracts, including training in ethics, selection of appropriate procurement methods, and information resources purchasing technologies; and

(6) internal audit protocols, subject to Subsection (g).

(c) The code of ethics governing an institution of higher education must include:

(1) general standards of conduct and a statement that each officer or employee is expected to obey all federal, state, and local laws and is subject to disciplinary action for a violation of those laws;

(2) policies governing conflicts of interest, conflicts of commitment, and outside activities, ensuring that the primary responsibility of officers and employees is to accomplish the duties and responsibilities assigned to that position;

(3) a conflict of interest policy that prohibits employees from having a direct or indirect financial or other interest, engaging in a business transaction or professional activity, or incurring any obligation that is in substantial conflict with the proper discharge of the employee's duties related to the public interest;

(4) a conflict of commitment policy that prohibits an employee's activities outside the institution from interfering with

the employee's duties and responsibilities to the institution;

(5) a policy governing an officer's or employee's outside activities, including compensated employment and board service, that clearly delineates the nature and amount of permissible outside activities and that includes processes for disclosing the outside activities and for obtaining and documenting institutional approval to perform the activities;

(6) a policy that prohibits an officer or employee from acting as an agent for another person in the negotiation of the terms of an agreement relating to the provision of money, services, or property to the institution;

(7) a policy governing the use of institutional resources; and

(8) a policy providing for the regular training of officers and employees on the policies described by this subsection.

(d) An institution of higher education shall establish contract review procedures and a contract review checklist that must be reviewed and approved by the institution's legal counsel before implementation. The review procedures and checklist must include:

(1) a description of each step of the procedure that an institution must use to evaluate and process contracts;

(2) a checklist that describes each process that must be completed before contract execution; and

(3) a value threshold that initiates the required review by the institution's legal counsel unless the contract is a standard contract previously approved by the counsel.

(e) An institution of higher education's policies governing contracting authority must clearly specify the types and values of contracts that must be approved by the board of regents and the types and values of contracts for which contracting authority is delegated by the board to the chief executive officer and by the chief executive officer to other officers and employees of the institution. An officer or employee may not execute a document for the board unless the officer or employee has authority to act for the board and the authority is exercised in compliance with applicable conditions and restrictions.

(f) An institution of higher education may not enter into a contract with a value of more than $1 million, including any amendment, extension, or renewal of the contract that increases the value of the original contract to more than $1 million, unless the

institution's board of regents approves the contract, expressly delegates authority to exceed that amount, or expressly adopts an exception for that contract. The board must approve any amendment, extension, or renewal of a contract with a value that exceeds 25 percent of the value of the original contract approved by the board unless the authority to exceed the approved amount is expressly delegated by the board or an exception is expressly adopted by the board for that contract.

(g) The board of regents of an institution of higher education shall adopt standards for internal audits conducted by the institution to provide a systematic, disciplined approach to evaluate and improve the effectiveness of the institution's risk management, control, and governance processes related to contracts and to require risk-based testing of contract administration. The internal auditor must have full and unrestricted access to all institutional property, personnel, and records. An internal auditor must report directly to the board of regents in accordance with Chapter 2102, Government Code.

(h) The chief auditor of an institution of higher education shall annually assess whether the institution has adopted the rules and policies required by this section and shall submit a report of findings to the state auditor. In auditing the purchase of goods and services by the institution, the state auditor shall determine whether an institution has adopted the required rules and policies.

(i) If the state auditor determines that an institution of higher education has failed to adopt the required rules and policies, the auditor shall report that failure to the legislature and to the institution's board of regents and shall, in consultation with the institution, adopt a remediation plan to bring the institution into compliance. If the institution fails to comply within the time established by the state auditor, the auditor shall find the institution to be in noncompliance and report that finding to the legislature and comptroller.

(j) In accordance with a schedule adopted by the state auditor in consultation with the comptroller, the authority of an institution of higher education to acquire goods and services as provided by Section 51.9335 or 73.115 is suspended if the institution fails to comply with the remediation plan under Subsection (i) within the time established by the state auditor. As a result of the suspension, the laws, including Subtitle D, Title 10, Government Code, and Chapter

2254, Government Code, governing acquisition of goods and services by state agencies from which the institution is otherwise exempt, shall apply to the institution's acquisition of goods and services.

Added by Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 23, eff. September 1, 2015.

Sec. 51.934. ASSIGNMENT, TRANSFER, OR PLEDGE OF COMPENSATION. (a) In this section, "employee" means any person employed by an institution of higher education in an executive, administrative, or clerical capacity or as a professor or instructor or in any similar capacity.

(b) An employee's assignment, pledge, or transfer, as security for indebtedness, of any interest in or part of the employee's salary or wages then due or that may become due under an existing contract of employment is enforceable only:

(1) if, before or at the time of execution, delivery, or acceptance of an assignment, pledge, or transfer, written approval is obtained in accordance with the policy of the employing institution; and

(2) to the extent that the indebtedness it secures is a valid and enforceable obligation.

(c) An institution of higher education shall honor an assignment, pledge, or transfer fulfilling the conditions of Subsection (b) without incurring any liability to the employee executing the assignment, pledge, or transfer. Payment to any assignee, pledgee, or transferee in accordance with the terms of the instrument is payment to or for the account of the assignor, pledgor, or transferor. An assignment, pledge, or transfer is enforceable only to the extent of salary due or that may become due during continuation of the assignor's employment as an employee of the institution.

(d) Venue for any suit against the employer of an employee to enforce an assignment, pledge, or transfer of salary is in the county where the employing institution is located.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 18, eff. May 30, 1995.

Sec. 51.935. DISRUPTIVE ACTIVITIES. (a) A person commits an

offense if the person, alone or in concert with others, intentionally engages in disruptive activity on the campus or property of an institution of higher education.

(b) For purposes of this section, disruptive activity is activity described by Section 37.123(b).

(c) An offense under this section is a Class B misdemeanor.

(d) Any person who is convicted the third time of violating this section is ineligible to attend any institution of higher education receiving funds from this state before the second anniversary of the third conviction.

(e) This section may not be construed to infringe on any right of free speech or expression guaranteed by the Constitution of the United States or of this state.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 18, eff. May 30, 1995.

Sec. 51.9355. ASSISTANCE RELATING TO UNDERGRADUATE ADMISSIONS, FINANCIAL AID, AND TESTING. (a) The governing board of each general academic teaching institution shall establish an office at the institution to assist applicants, potential applicants, school counselors at the high school level, and other interested persons requesting assistance relating to:

(1) applying for admission to a bachelor's degree program at the institution;

(2) applying for financial aid offered by or through the institution or by an office or agency of this state or the United States for attendance as an undergraduate student at the institution;

(3) registering for an examination to be taken in connection with admission to a bachelor's degree program at the institution; or

(4) registering for an examination that may be taken to receive undergraduate course credit at the institution or to determine the skill or placement level of an applicant to or student enrolled in a bachelor's degree program at the institution.

(b) The office may be operated in connection with the admissions office or another existing office of the institution.

(c) This section does not require an institution to assist a person in preparing to take an examination.

(d) In this section, "general academic teaching institution"

has the meaning assigned by Section 61.003.

Added by Acts 1995, 74th Leg., ch. 474, Sec. 1, eff. Aug. 28, 1995.
Renumbered from Education Code Sec. 51.935 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(22), eff. Sept. 1, 1997.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 35, eff. June 14, 2013.

Sec. 51.9356. DESIGNATION OF LIAISON OFFICER TO ASSIST STUDENTS FORMERLY IN FOSTER CARE. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) Each institution of higher education shall designate at least one employee of the institution to act as a liaison officer for current and incoming students at the institution who were formerly in the conservatorship of the Department of Family and Protective Services. The liaison officer shall provide to those students information regarding support services and other resources available to the students at the institution and any other relevant information to assist the students.

Added by Acts 2015, 84th Leg., R.S., Ch. 822 (H.B. 3748), Sec. 2, eff. June 17, 2015.

Sec. 51.936. HAZING. (a) Subchapter F, Chapter 37, applies to a postsecondary educational institution under this section in the same manner as that subchapter applies to a public or private high school.

(b) For purposes of this section, "postsecondary educational institution" means:

(1) an institution of higher education as defined by Section 61.003;

(2) a private or independent institution of higher education as defined by Section 61.003; or

(3) a private postsecondary educational institution as defined by Section 61.302.

(c) Each postsecondary educational institution shall distribute to each student during the first three weeks of each semester:

(1) a summary of the provisions of Subchapter F, Chapter

37; and

(2) a list of organizations that have been disciplined for hazing or convicted for hazing on or off the campus of the institution during the preceding three years.

(d) If the institution publishes a general catalogue, student handbook, or similar publication, it shall publish a summary of the provisions of Subchapter F, Chapter 37, in each edition of the publication.

(e) Section 1.001(a) does not limit the application of this section to postsecondary educational institutions supported in whole or in part by state tax funds.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 18, eff. May 30, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 594 (H.B. 1791), Sec. 1, eff. September 1, 2005.

Sec. 51.9361. RISK MANAGEMENT PROGRAMS FOR MEMBERS AND ADVISORS OF STUDENT ORGANIZATIONS. (a) In this section:

(1) "Advisor" means a person who:

(A) serves in an advisory capacity to a student organization to provide guidance to the organization and its members;

(B) is older than 21 years of age; and

(C) is not a student of the postsecondary educational institution at which the student organization is registered.

(2) "Postsecondary educational institution" means:

(A) an institution of higher education as defined by Section 61.003, except that the term does not include a medical and dental unit or other agency of higher education as those terms are defined by that section; and

(B) a private or independent institution of higher education as defined by Section 61.003, except that the term does not include:

(i) a health-related institution; or

(ii) an institution that offers only upper-division, graduate-level, or professional courses.

(b) This section applies only to a student organization that is registered at a postsecondary educational institution and that is composed mostly of students enrolled at the institution.

Notwithstanding Section 1.001(a), this section applies to each postsecondary educational institution at which is registered one or more student organizations.

(c) At least once during each academic year, a postsecondary educational institution shall provide a risk management program for members of student organizations registered at the institution. Any member of a student organization who is not otherwise required to attend may attend the program.

(d) Unless a postsecondary educational institution requires each student organization registered at the institution to have representatives of the organization attend a program under this section, the institution shall adopt a policy that specifies one or more of those student organizations or types of student organizations that are required to have representatives attend. The selection of student organizations or types of student organizations under the policy must be based on the institution's determination that those organizations or types of organizations could particularly benefit from risk management guidance. Each advisor who has not previously attended a program under this section and each person serving in a designated officer position of a student organization that is required to have representatives attend a program under this section shall attend the program. An institution may allow an advisor, other than a faculty or staff member of the institution, to satisfy the attendance requirements prescribed by this subsection through completion of an appropriate computer-based risk assessment program.

(e) For purposes of Subsection (d), the institution may designate not more than four officer positions of a student organization, such as the president, membership chair, risk management chair, social chair, or pledge class or new member chair. If a student organization does not have an officer position described by this subsection or if an officer position described by Subsection (d) is vacant, the institution shall, to the extent practicable, identify and designate an equivalent officer position, and the person serving in that officer position shall attend the program.

(f) Each advisor or officer required by Subsection (d) to attend a program shall report on the program's contents at a meeting of the full membership of the student organization the advisor or officer represented at the program.

(g) A program under this section may address any issue determined appropriate by the postsecondary educational institution

and must address:

(1) possession and use of alcoholic beverages and illegal drugs, including penalties that may be imposed for possession or use;

(2) hazing;

(3) sexual abuse and harassment;

(4) fire and other safety issues, including the possession and use of a firearm or other weapon or of an explosive device;

(5) travel to a destination outside the area in which the institution is located;

(6) behavior at parties and other events held by a student organization;

(7) adoption by a student organization of a risk management policy; and

(8) issues regarding persons with disabilities, including a review of applicable requirements of federal and state law, and any related policies of the institution, for providing reasonable accommodations and modifications to address the needs of students with disabilities, including access to the activities of the student organization.

(h) A postsecondary educational institution shall provide notice of a program under this section to student organizations in the manner determined by the institution.

(i) A postsecondary educational institution shall take attendance at a program provided under this section in the manner determined appropriate by the institution and may, as provided by a policy adopted by the institution, impose reasonable sanctions on a person who is required to attend the program and fails to attend. The institution shall, until at least the third anniversary of the date of the program, maintain in an appropriate location at the institution a record of that attendance and of notice provided under Subsection (h).

Added by Acts 2007, 80th Leg., R.S., Ch. 731 (H.B. 2639), Sec. 1, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 807 (S.B. 1138), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1216 (S.B. 1525), Sec. 1, eff. June 14, 2013.

Sec. 51.9363. CAMPUS SEXUAL ASSAULT POLICY. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) Each institution of higher education shall adopt a policy on campus sexual assault. The policy must:

(1) include:

(A) definitions of prohibited behavior;

(B) sanctions for violations; and

(C) the protocol for reporting and responding to reports of campus sexual assault; and

(2) be approved by the institution's governing board before final adoption by the institution.

(c) Each institution of higher education shall make the institution's campus sexual assault policy available to students, faculty, and staff members by:

(1) including the policy in the institution's student handbook and personnel handbook; and

(2) creating and maintaining a web page on the institution's Internet website dedicated solely to the policy.

(d) Each institution of higher education shall require each entering freshman or undergraduate transfer student to attend an orientation on the institution's campus sexual assault policy before or during the first semester or term in which the student is enrolled at the institution. The institution shall establish the format and content of the orientation.

(e) Each biennium, each institution of higher education shall review the institution's campus sexual assault policy and, with approval of the institution's governing board, revise the policy as necessary.

Added by Acts 2015, 84th Leg., R.S., Ch. 1005 (H.B. 699), Sec. 1, eff. June 19, 2015.

Sec. 51.937. IMMUNITY FROM LIABILITY FOR VOLUNTEERS. (a) A volunteer who is serving as a direct service volunteer for an institution of higher education is immune from civil liability for any act that:

(1) is incident to or within the scope of the duties of the volunteer's position; and

(2) involves the exercise of judgment or discretion on the part of the volunteer.

(b) This section does not apply to the operation, use, or maintenance of a motor vehicle.

(c) This section does not limit the liability of a person for intentional misconduct or gross negligence.

(d) In this section, "volunteer" means a person providing services for or on behalf of an institution of higher education, on the premises of the institution or at an activity related to or sponsored by the institution on or off of the property of the institution, who does not receive compensation in excess of reimbursement for expenses.

Added by Acts 1997, 75th Leg., ch. 622, Sec. 1, eff. June 11, 1997.

Sec. 51.940. STUDENT DEBIT CARDS. (a) The governing board of an institution of higher education may establish a program to provide students enrolled at the institution with a debit card.

(b) A student issued a debit card under the program may use the card to purchase merchandise or service available through the institution or through a person authorized to sell merchandise or service at the institution, as determined by the governing board.

(c) The program must allow a person who is in business to sell merchandise or service of the same kind as the merchandise or service that a student may purchase under Subsection (b) to participate in the program under the same or equivalent terms applicable to a person authorized to sell merchandise under Subsection (b) and accept a debit card payment from a student to whom a debit card has been issued under the program for purchase of that merchandise or service. The institution of higher education may assess participating businesses a fee sufficient to cover the cost of implementation and administration of this program.

(d) An institution of higher education may not administer or sponsor a debit card program for students of the institution that does not conform to this section.

(e) In this section:

(1) "Governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(2) "Person" has the meaning assigned by Section 1.201,

Business & Commerce Code.

Added by Acts 1995, 74th Leg., ch. 316, Sec. 1, eff. June 5, 1995.
Amended by Acts 1997, 75th Leg., ch. 710, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.941. PURCHASE OF AGRICULTURAL PRODUCTS. (a) An institution of higher education that purchases agricultural products shall give first preference to products grown, produced, or processed in this state if the cost to the institution and the quality of the products are equal to the cost and quality of other available products.

(b) An institution of higher education shall ensure that bid specifications used by the institution in connection with the purchase of agricultural products do not preclude or discourage the purchase of agricultural products grown, produced, or processed in this state.

(c) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 1995, 74th Leg., ch. 473, Sec. 1, eff. Sept. 1, 1995.
Renumbered from Education Code Sec. 51.940 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(23), eff. Sept. 1, 1997.

Sec. 51.942. PERFORMANCE EVALUATION OF TENURED FACULTY. (a) In this section:

(1) "Governing board" has the meaning assigned by Section 61.003.

(2) "Institution of higher education" means a general academic teaching institution, medical and dental unit, or other agency of higher education, as those terms are defined by Section 61.003.

(3) "Neglect of duty" means continuing or repeated substantial neglect of professional responsibilities.

(b) Each governing board of an institution of higher education shall adopt rules and procedures providing for a periodic performance evaluation process for all faculty tenured at the institution. The governing board may design its rules and procedures to fit the institution's particular educational mission, traditions, resources, and circumstances relevant to its character, role, and scope, in

addition to other relevant factors determined by the governing board in the rules adopted pursuant to this section. The governing board shall seek advice and comment from the faculty of the institution before adopting any rules pursuant to this section. The advice and comment from the faculty on the performance evaluation of tenured faculty shall be given the utmost consideration by the governing board.

(c) In addition to any other provisions adopted by the governing board, the rules shall include provisions providing that:

(1) each faculty member tenured at the institution be subject to a comprehensive performance evaluation process conducted no more often than once every year, but no less often than once every six years, after the date the faculty member was granted tenure or received an academic promotion at the institution;

(2) the evaluation be based on the professional responsibilities of the faculty member, in teaching, research, service, patient care, and administration, and include peer review of the faculty member;

(3) the process be directed toward the professional development of the faculty member;

(4) the process incorporate commonly recognized academic due process rights, including notice of the manner and scope of the evaluation, the opportunity to provide documentation during the evaluation process, and, before a faculty member may be subject to disciplinary action on the basis of an evaluation conducted pursuant to this section, notice of specific charges and an opportunity for hearing on those charges; and

(5) a faculty member be subject to revocation of tenure or other appropriate disciplinary action if incompetency, neglect of duty, or other good cause is determined to be present.

(d) A faculty member subject to termination on the basis of an evaluation conducted pursuant to this section must be given the opportunity for referral of the matter to a nonbinding alternative dispute resolution process as described in Chapter 154, Civil Practice and Remedies Code. If both parties agree, another type of alternative dispute resolution method may be elected. The governing board must give specific reasons in writing for any decision to terminate a faculty member on the basis of an evaluation conducted pursuant to this section.

(e) A governing board may not waive the evaluation process for

any faculty member granted tenure at an institution.

(f) A governing board may not award tenure to an administrator in any way that varies from the institution's general policy on the award of tenure.

(g) Each governing board shall file a copy of the rules adopted pursuant to this section, and any amendments to such rules, with the coordinating board on or before September 1 of each year.

Added by Acts 1997, 75th Leg., ch. 1017, Sec. 1, eff. Jan. 1, 1998.

Sec. 51.943. RENEWAL OF FACULTY EMPLOYMENT CONTRACTS. (a) In this section:

(1) "Contract" means an agreement between an institution of higher education or its authorized agent and a faculty member that establishes the terms of the faculty member's employment, including the faculty member's responsibilities and salary, for an academic year.

(2) "Faculty member" means a person who is employed full time by an institution of higher education as a member of the faculty whose primary duties include teaching or research. The term does not include:

(A) a person employed in the classified personnel system of the institution or a person employed in a similar type of position if the institution does not have a classified personnel system;

(B) a person who holds faculty rank but who spends a majority of the person's time for the institution engaged in managerial or supervisory activities, including a chancellor, vice chancellor, president, vice president, provost, associate or assistant provost, dean, or associate or assistant dean.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) Except as provided in Subsection (c), an institution of higher education that determines it is in its best interest to reappoint a faculty member for the next academic year shall offer the faculty member a written contract for that academic year not later than 30 days before the first day of the academic year.

(c) For the purposes of this section, an institution of higher education is not required to provide an annual contract to tenure or

tenure-track faculty, but must provide tenure and tenure-track faculty with any written notification required in the institution's tenure policy of a change in a term of employment according to the policies of the institution, but no later than the 30th day prior to the change.

(d) If the institution of higher education is unable to comply with Subsection (b), the institution shall:

(1) provide the faculty member with written notification that the institution is unable to comply with Subsection (b);

(2) include in the written notification reasons for its inability to comply with Subsection (b); and

(3) specify in the written notification a time by which it will offer a written contract to the faculty member for the applicable academic year.

(e) If the institution does not offer the faculty member a written contract before the 61st day after the first day of the academic year and the institution retains the faculty member for that academic year without a written contract, the institution must retain the faculty member for that academic year under terms and conditions, including terms governing the faculty member's compensation, that are at least as favorable to the faculty member's employment for the preceding academic year, unless the institution and the faculty member subsequently enter into a different written contract.

(f) This section does not prohibit an institution of higher education from entering into a contract with a faculty member for a period longer than an academic year.

(g) Nothing in this section shall be deemed to provide a faculty member who does not hold tenure additional rights, privileges, or remedies or to provide an expectation of continued employment beyond the period of a faculty member's current contract.

Added by Acts 2001, 77th Leg., ch. 1298, Sec. 1, eff. Jan. 1, 2002.

Sec. 51.945. STUDENT PARTICIPATION IN SELECTION OF FOOD SERVICE CONTRACTS. (a) The governing board of an institution of higher education shall develop and implement policies that provide the students at the institution with a reasonable opportunity to appear before any committee or other entity that is determining whether a food service provider should be selected or retained by the

institution. The policies shall provide the students with a reasonable opportunity to discuss the performance of a food service provider and the students' recommendations for qualifications of food service providers.

(b) A contract between an institution of higher education and a food service provider must require the food service provider to periodically hold meetings or forums to provide the students at the institution with a reasonable opportunity to discuss the performance of the food service provider.

(c) In this section:

(1) "Food service provider" means a person who contracts with the institution to provide food or beverage service at any location on the premises of the institution.

(2) "Governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

Added by Acts 1997, 75th Leg., ch. 1266, Sec. 1, eff. Sept. 1, 1997.

Sec. 51.946. STUDENT DEBIT CARDS AT PRIVATE OR INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION. (a) The governing board of a private or independent institution of higher education may establish a program to provide students enrolled at the institution with a debit card.

(b) A student issued a debit card under the program may use the card to purchase merchandise or service available through the institution or through a person authorized to sell merchandise or service at the institution, as determined by the governing board.

(c) The program may allow a person who is in business to sell merchandise or service of the same kind as the merchandise or service that a student may purchase under Subsection (b) to participate in the program under the same or equivalent terms applicable to a person authorized to sell merchandise under Subsection (b) and accept a debit card payment from a student to whom a debit card has been issued under the program for purchase of that merchandise or service.

(d) The private or independent institution of higher education may assess participating businesses a fee for the implementation and administration of the program.

(e) In this section:

(1) "Private or independent institution of higher

education" has the meaning assigned by Section 61.003.

(2) "Person" has the meaning assigned by Section 1.201, Business & Commerce Code.

Added by Acts 1999, 76th Leg., ch. 370, Sec. 1, eff. May 29, 1999.

Sec. 51.9461. CHARGES AND FEES FOR CERTAIN PAYMENTS AT PRIVATE OR INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION. (a) In this section, "private or independent institution of higher education" has the meaning assigned by Section 61.003.

(b) This section applies only to a payment of tuition, a fee, or another charge made by or on behalf of a student, including a person admitted but not yet enrolled, of a private or independent institution of higher education if the payment is made or authorized in person, by mail, by telephone call, or through the Internet by means of:

(1) an electronic funds transfer; or

(2) a credit card.

(c) A private or independent institution of higher education may charge a fee or other amount in connection with a payment to which this section applies, in addition to the amount of the tuition, fee, or other charge being paid, including:

(1) a discount, convenience, or service charge for the transaction; or

(2) a service charge in connection with a payment transaction that is dishonored or refused for lack of funds or insufficient funds.

(d) A fee or other charge under this section must be in an amount reasonable and necessary to reimburse the institution for the expense incurred by the institution in processing and handling the payment or payment transaction.

(e) Before accepting a payment by credit card, the institution shall notify the student or other person making the payment of any fee to be charged under this section.

Added by Acts 2005, 79th Leg., Ch. 980 (H.B. 1829), Sec. 1, eff. June 18, 2005.

Sec. 51.947. PAYROLL DEDUCTIONS FOR CERTAIN ORGANIZATIONS. (a)

An employee of an institution of higher education may authorize a deduction each pay period from the employee's salary or wage payment for:

(1) a contribution to an institution of higher education; or

(2) a charitable contribution to a nonprofit organization the purpose of which is to support the programs of an institution of higher education.

(b) To be eligible to receive charitable contributions under this section, a nonprofit organization must comply with the rules adopted under Section 2255.001, Government Code, by the institution of higher education the organization supports.

(c) An institution of higher education shall establish procedures to enable an employee of the institution to authorize a deduction under this section.

(d) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 1999, 76th Leg., ch. 307, Sec. 1, eff. May 29, 1999. Renumbered from Sec. 51.946 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(18), eff. Sept. 1, 2001.

Sec. 51.948. RESTRICTIONS ON CONTRACTS WITH ADMINISTRATORS. (a) The governing board of an institution of higher education may enter into an employment contract with an administrator that is to be paid in whole or in part from appropriated funds only if, before the date the contract is executed, the governing board determines that the contract is in the best interest of the institution.

(b) A contract entered into by a governing board under this section may not:

(1) provide for employment for more than three years;

(2) allow for severance or other payments on the termination of the contract to exceed an amount equal to the discounted net present cash value of the contract on termination at a market interest rate agreed upon in the contract;

(3) allow for development leave that is inconsistent with Section 51.105; or

(4) award tenure in any way that varies from the institution's general policy on the award of tenure.

(c) An institution of higher education may not pay a salary to a person who is reassigned from an administrative position to a faculty or other position at the institution that exceeds the salary of other persons with similar qualifications performing similar duties.

(d) An institution of higher education must require an administrator who receives development leave to:

(1) return to work at the institution for an amount of time equal to the amount of time the administrator received development leave; or

(2) repay the institution for all the costs of the development leave, including the amount of the administrator's salary, if any, paid during the leave.

(e) A record that pertains to a contract between an institution and an administrator, including terms relating to an amount of money the institution has paid or agreed to pay or the extension of any monetary or other consideration to an administrator in connection with the settlement, compromise, or other resolution of any difference between the institution or governing body and a current or former administrator, is public information and may not be withheld from public disclosure.

(f) Notwithstanding Subsection (b)(3), the governing board of an institution may grant development leave at the faculty member's full regular salary for one year to a faculty member who has held an administrative position at the institution for more than four years.

(g) In this section:

(1) "Administrator" means a person who has significant administrative duties relating to the operation of the institution, including the operation of a department, college, program, or other subdivision of the institution.

(2) "Governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(3) "Contract" includes a letter of agreement or letter of understanding.

Added by Acts 1999, 76th Leg., ch. 533, Sec. 1, eff. Sept. 1, 1999. Renumbered from Sec. 91.946 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(19), eff. Sept. 1, 2001.

Sec. 51.950. POLICY REGULATING STUDENT TRAVEL. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) Each governing board of an institution of higher education shall adopt a policy regulating travel that is undertaken by one or more students presently enrolled at the institution to reach an activity or event that is located more than 25 miles from the institution that is organized and sponsored by the institution and that is:

(1) funded by the institution, and the travel is undertaken using a vehicle owned or leased by the institution; or

(2) required by a student organization registered at the institution.

(c) The governing board shall seek advice and comment from the faculty and students of the institution before adopting any policy under this section.

(d) The policy must contain provisions that address:

(1) different modes of travel likely to be used by students; and

(2) safety issues related to student travel, including:

(A) use of seat belts or other safety devices;

(B) passenger capacity; and

(C) for the person providing transportation services:

(i) qualifications and training required to operate that particular mode of travel; and

(ii) fatigue at the time of travel.

(e) The governing board shall make the policy available to the public by publishing the policy in the institution's catalog and by any other method the board considers appropriate.

(f) The governing board shall file a copy of the policy adopted under this section, and any amendments to that policy, with the Texas Higher Education Coordinating Board.

(g) This section does not create a claim or cause of action against an institution of higher education beyond a claim or cause of action authorized on the effective date of the Act that enacted this section by Chapter 101, Civil Practice and Remedies Code.

Added by Acts 2001, 77th Leg., ch. 697, Sec. 1, eff. June 13, 2001. Renumbered from Education Code Sec. 51.949 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(28), eff. Sept. 1, 2003.

Sec. 51.951. CONFIDENTIALITY OF CERTAIN INFORMATION RELATED TO PURCHASE OR SALE OF REAL ESTATE. (a) Information related to the location, purchase price, or sale price of real property purchased or sold by or for an institution of higher education, as defined by Section 61.003, is confidential and exempt from disclosure under Chapter 552, Government Code, until a deed for the property is executed. Information that is confidential and exempted from disclosure under this subsection includes an appraisal, completed report, evaluation, investigation conducted for the purpose of locating or determining the purchase or sale price of the property, or any report prepared in anticipation of purchasing or selling real property.

(b) Information that is confidential and excluded from disclosure under Subsection (a) is not subject to a subpoena directed to an institution of higher education, its governing board, or any officer, agent, or employee of an institution of higher education.

Added by Acts 2001, 77th Leg., ch. 1317, Sec. 3, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 532, Sec. 2, eff. June 20, 2003. Renumbered from Education Code Sec. 51.961 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(29), eff. Sept. 1, 2003.

Sec. 51.952. STUDENT HEALTH INSURANCE. (a) The governing board of a medical and dental unit may require a student enrolled at a medical and dental unit to have in effect during the calendar year of enrollment a health insurance policy for health care services received by the student.

(b) The governing board of a medical and dental unit shall determine the minimum coverage standards for health insurance required under this section.

(c) If the student agrees in writing, the medical and dental unit shall provide a reasonable estimate of the cost of the health insurance coverage within the student's cost of education for financial aid purposes.

(d) If a governing board of a medical and dental unit requires health insurance coverage for students under Subsection (a), a student may be provisionally enrolled at the medical and dental unit

for one academic session without the coverage in order to allow the student time to obtain the coverage.

(e) The governing board of a medical and dental unit may adopt such other rules and regulations as it determines necessary to carry out the purposes of this section.

(f) In this section, "governing board" and "medical and dental unit" have the meanings assigned by Section 61.003.

Added by Acts 2001, 77th Leg., ch. 711, Sec. 1, eff. June 13, 2001. Renumbered from Education Code, Sec. 51.961 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(30), eff. Sept. 1, 2003.

Sec. 51.953. CERTAIN REVENUE RECEIVED FROM STUDENT HEALTH CENTER SERVICES. (a) In this section:

(1) "Health benefit plan" means any health benefit plan regulated under the Insurance Code, including:

(A) an individual or group health insurance policy; or

(B) an evidence of coverage issued by a health maintenance organization.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) Amounts received by an institution of higher education from a health benefit plan issuer as a result of a claim filed with the issuer by or on behalf of the institution's student health center are institutional funds under Section 51.009 and may be used only for the construction, improvement, operation, or maintenance of the student health center or to increase or enhance the services offered by the student health center. It is the intent of the legislature that those amounts be in addition to other amounts of money allocated to the student health center and those other amounts not be reduced.

Added by Acts 2007, 80th Leg., R.S., Ch. 1270 (H.B. 3430), Sec. 7, eff. October 1, 2007.

Text of section as added by Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 24

For text of section as added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 1, see other Sec. 51.954.

Sec. 51.954. DISCLOSURE OF SPONSORS OF CONTRACTED RESEARCH IN PUBLIC COMMUNICATIONS. (a) In any public communication the content of which is based on the results of sponsored research, a faculty member or other employee or appointee of an institution of higher education who conducted or participated in conducting the research shall conspicuously disclose the identity of each sponsor of the research.

(b) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Public communication" means oral or written communication intended for public consumption or distribution, including:

(A) testimony in a public administrative, legislative, regulatory, or judicial proceeding;

(B) printed matter including a magazine, journal, newsletter, newspaper, pamphlet, or report; or

(C) posting of information on a website or similar Internet host for information.

(3) "Sponsor" means an entity that contracts for or provides money or materials for research.

(4) "Sponsored research" means research:

(A) that is conducted under a contract with, or that is conducted under a grant awarded by and pursuant to a written agreement with, an individual or entity other than the institution conducting the research; and

(B) in which payments received or the value of materials received under that contract or grant, or under a combination of more than one such contract or grant, constitutes at least 50 percent of the cost of conducting the research.

Added by Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 24, eff. September 1, 2015.

Text of section as added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 1

For text of section as added by Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 24, see other Sec. 51.954.

Sec. 51.954. DISCLOSURE OF SPONSORS OF RESEARCH IN PUBLIC

COMMUNICATIONS. (a) In any public communication the content of which is based on the results of sponsored research, a faculty member or other employee or appointee of an institution of higher education who conducted or participated in conducting the research shall conspicuously disclose the identity of each sponsor of the research.

(b) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Public communication" means oral or written communication intended for public consumption or distribution, including:

(A) testimony in a public administrative, legislative, regulatory, or judicial proceeding;

(B) printed matter including a magazine, journal, newsletter, newspaper, pamphlet, or report; or

(C) posting of information on a website or similar Internet host for information.

(3) "Sponsor" means an entity that contracts for or provides money or materials for research.

(4) "Sponsored research" means research:

(A) that is conducted under a contract with or a grant from an individual or entity, other than the institution conducting the research, for the purpose of the research; and

(B) in which payments received or the value of materials received under that contract or grant, or under a combination of more than one such contract or grant, constitutes at least 50 percent of the cost of conducting the research.

Added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 1, eff. September 1, 2015.

Sec. 51.955. PROHIBITED STATE AGENCY ACTIONS RELATED TO DISCLOSURE OF PUBLICLY FUNDED RESEARCH. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) A state agency that expends appropriated funds may not:

(1) enter into a research contract with an institution of higher education if that contract contains a provision precluding public disclosure of any final data generated or produced in the

course of executing the contract unless the agency reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party; or

(2) adopt a rule that is based on research conducted under a contract entered into with an institution of higher education unless the agency:

(A) has made the results of the research and all data supporting the research publicly available; or

(B) reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party.

(c) Subsection (b)(1) does not apply to a research contract between an institution of higher education and the Cancer Prevention and Research Institute of Texas.

(d) A response to a request for information regarding research described by Subsection (b) must be made in accordance with Chapter 552, Government Code.

(e) This section does not require the public disclosure of personal identifying information or any other information the disclosure of which is otherwise prohibited by law.

Added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 2, eff. September 1, 2015.

Sec. 51.960. GRIEVANCE RIGHTS ON CERTAIN PERSONNEL ISSUES. (a) In this section:

(1) "Faculty member" means a person employed full-time by an institution of higher education as a member of the institution's faculty, including professional librarians, whose duties include teaching, research, administration, or the performance of professional services. The term does not include a person who holds faculty rank but who spends the majority of the person's time for the

institution engaged in managerial or supervisory activities, including a chancellor, vice chancellor, president, vice president, provost, associate or assistant provost, dean, or associate or assistant dean.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) A faculty member at an institution of higher education has a right to present a grievance, in person, to a member of the institution's administration designated by the governing board of the institution on an issue related to the nonrenewal or termination of the faculty member's employment at the institution.

(c) An institution may not, by contract, policy, or procedure, restrict a faculty member's right to present a grievance under this section. An institution may adopt a method for presenting, reviewing, and acting on a grievance filed under this section.

Added by Acts 1999, 76th Leg., ch. 870, Sec. 1, eff. Sept. 1, 1999.

Sec. 51.961. LEAVE PROVISIONS FOR EMPLOYEES OF UNIVERSITY SYSTEM OR COMPONENT INSTITUTION OF SYSTEM. (a) In this section:

(1) "Governing board" and "university system" have the meanings assigned by Section 61.003.

(2) "Leave" includes vacation leave, sick leave, and holidays.

(b) The governing board of a university system may adopt a comprehensive leave policy that applies to employees of the university system or any component institution of the system.

(c) A policy adopted under this section may combine vacation, sick, and holiday leave into a paid leave system that does not distinguish or separate the types of leave to be awarded and may award leave in an amount determined by the governing board to be appropriate and cost-effective.

(d) Chapters 661 and 662, Government Code, do not apply to employees covered by a policy adopted under this section. The policy must include provisions addressing the subject matter of each subchapter of Chapters 661 and 662, Government Code, and the intended effect of the policy on the rights, duties, and responsibilities of employees and the employing entity under those subchapters.

(e) A policy adopted under this section must include provisions

for:

(1) payment for accrued leave to:

(A) the estates or heirs of deceased employees;

(B) employees separating from the employing entity; and

(C) contributing members of state retirement systems who retire; and

(2) awards of accrued leave to employees separating from the employing entity who are to be employed by other state agencies or institutions of higher education.

(f) A policy authorized by this section may include other matters as determined relevant and appropriate by the governing board.

(g) A policy authorized by this section must be adopted by a governing board in an open meeting of the board.

(h) Before implementing a policy adopted under this section, the governing board shall make reasonable efforts to enter into a memorandum of understanding with the office of the state auditor, the Employees Retirement System of Texas, and the Texas Higher Education Coordinating Board concerning awards of accrued leave for the purposes of retirement and other issues of concern related to the implementation of the policy.

(i) On or after September 15, 2005, the governing board of an institution of higher education may adopt a leave policy as provided by this section for employees of the institution.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 2.01, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 2.09, 2.10, eff. June 20, 2003.

Sec. 51.9611. PAYROLL DEDUCTIONS FOR EMPLOYEES OF UNIVERSITY SYSTEM OR INSTITUTION OF HIGHER EDUCATION. (a) In this section, "institution of higher education" and "university system" have the meanings assigned by Section 61.003.

(b) The governing board of a university system, or of an institution of higher education that is not a component institution of a university system, may authorize employees of the system or institution, as applicable, to elect a payroll deduction for any purpose that the governing board determines serves a public purpose

and benefits employees. The board may adopt policies and procedures governing payroll deductions under this section. A payroll deduction under this section is in addition to payroll deductions authorized by other law.

(c) A payroll deduction under this section must be at the written request of the employee, and the request must state the amount to be deducted and the entity to which the deducted amount is to be transferred. A payroll deduction is in effect until revoked in writing by the employee, but the policies and procedures of the university system or institution of higher education, as applicable, may provide for enrollment periods.

(d) A university system or institution of higher education may collect an administrative fee to cover the costs of making a deduction.

(e) This section does not authorize a payroll deduction for dues or membership fees payable to a labor union or employees association.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 3.01, eff. June 17, 2011.

Sec. 51.962. MERIT SALARY INCREASES. (a) An institution of higher education as defined by Section 61.003 may grant merit salary increases, including one-time merit payments, to employees described by this section.

(b) A merit salary increase made under this section is compensation for purposes of Chapter 659, Government Code, and salary and wages and member compensation for purposes of Title 8, Government Code.

(c) An institution of higher education may pay merit salary increases under this section from any funds.

(d) Before awarding a merit salary increase under this section, an institution of higher education must adopt criteria for the granting of merit salary increases.

(e) To be eligible for a merit salary increase under this section, an employee must have been employed by the institution of higher education for the six months immediately preceding the effective date of the increase and at least six months must have elapsed since the employee's last merit salary increase.

(f) This subsection applies to an employee employed by the institution of higher education for more than six months. The requirement that six months elapse between merit salary increases prescribed by Subsection (e) does not apply to a one-time merit payment if the chief administrative officer of the institution of higher education determines in writing that the one-time merit payment is made in relation to the employee's performance during a natural disaster or other extraordinary circumstance.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 2.02, eff. Sept. 1, 2001.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 1241 (S.B. 2298), Sec. 1, eff. June 19, 2009.

Sec. 51.963. EMPLOYEE WITH MULTIPLE APPOINTMENTS. A full-time employee of an institution of higher education as defined by Section 61.003 who has appointments to more than one position at the same institution may receive pay for working more than 40 hours in a week if the institution determines that pay in lieu of compensatory time is in the best interests of the institution.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 2.03, eff. Sept. 1, 2001.

Sec. 51.964. HIRING OF CERTAIN RETIREES. (a) An institution of higher education as defined by Section 61.003 may employ a person who has retired under the Teacher Retirement System (Subtitle C, Title 8, Government Code) or the optional retirement program (Chapter 830, Government Code) if:

(1) the governing board of the institution determines that the employment is in the best interests of the institution; and

(2) the person has been retired for at least 30 days before the effective date of the employment, except that a person retired under the optional retirement program may be rehired after retirement without a break in service.

(b) The governing board may pay a person employed under this section an amount considered by the governing board to be appropriate, notwithstanding any other provision of law.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 2.04, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 2.06, eff. June 20, 2003.

Sec. 51.9645. PROHIBITION AGAINST CERTAIN ACTIVITIES BY FINANCIAL AID EMPLOYEES. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Student loan" means a loan for which the loan agreement requires that all or part of the loan proceeds be used to assist a person in attending an institution of higher education or other postsecondary institution.

(3) "Student loan lender" means a person whose primary business is:

(A) making, brokering, arranging, or accepting applications for student loans; or

(B) a combination of activities described by Paragraph (A).

(b) A person employed by an institution of higher education in the financial aid office of the institution may not:

(1) own stock or hold another ownership interest in a student loan lender, other than through ownership of shares in a publicly traded mutual fund or similar investment vehicle in which the person does not exercise any discretion regarding the investment of the assets of the fund or other investment vehicle; or

(2) solicit or accept any gift from a student loan lender.

(c) A person who violates this section is subject to dismissal or other appropriate disciplinary action.

Added by Acts 2009, 81st Leg., R.S., Ch. 1344 (S.B. 194), Sec. 1, eff. June 19, 2009.

Sec. 51.965. EMPLOYEE NOTIFICATION. (a) If a state law requires an institution of higher education as defined by Section 61.003 to provide written notification to its officers or employees of any requirement, right, duty, or responsibility provided by state law, the institution may provide the notification by use of electronic media.

(b) An institution of higher education may adopt rules and guidelines to ensure that notification provided by electronic media under this section is effective and that any required notification is provided to officers and employees who do not have access to electronic media.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 2.05, eff. Sept. 1, 2001.

Sec. 51.966. INSURANCE COVERAGE. (a) The governing board of an institution of higher education may purchase insurance insuring the institution and its employees against any liability, risk, or exposure and covering the losses of any institutional property.

(b) The governing board may pay the cost of any insurance from any funds of the institution.

(c) Section 612.002(b), Government Code, does not apply to an institution of higher education or university system purchasing insurance under this section.

(d) In this section, "governing board," "institution of higher education," and "university system" have the meanings assigned by Section 61.003.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 1.02, eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 2.04, eff. June 17, 2011.

Sec. 51.967. LIMITATION ON EDUCATIONAL DEBT. No statute of limitations shall apply to a lawsuit, to the enforcement of a judgment, or to any other legal action to collect an educational debt owed to an institution of higher education or to the Texas Higher Education Coordinating Board.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 3.04, eff. Sept. 1, 2001.

Sec. 51.968. UNDERGRADUATE COURSE CREDIT FOR HIGH SCHOOL

STUDENTS COMPLETING POSTSECONDARY-LEVEL PROGRAM. (a) In this section:

(1) "Advanced Placement examination" means an examination administered through the Advanced Placement Program.

(2) "CLEP examination" means an examination administered through the College-Level Examination Program.

(3) "Coordinating board" means the Texas Higher Education Coordinating Board.

(4) "Institution of higher education" means an institution of higher education, as defined by Section 61.003, that offers freshman-level courses.

(5) "International Baccalaureate Diploma Program" means the curriculum and examinations leading to an International Baccalaureate diploma awarded by the International Baccalaureate Organization.

(b) Each institution of higher education that offers freshman-level courses shall adopt and implement a policy to grant undergraduate course credit to entering freshman students who have successfully completed the International Baccalaureate Diploma Program, who have achieved required scores on one or more examinations in the Advanced Placement Program or the College-Level Examination Program, or who have successfully completed one or more courses offered through concurrent enrollment in high school and at an institution of higher education.

(c) In the policy, the institution shall:

(1) establish the institution's conditions for granting course credit, including the minimum required scores on CLEP examinations, Advanced Placement examinations, and examinations for courses constituting the International Baccalaureate Diploma Program; and

(2) based on the correlations identified under Subsection (f), identify the specific course credit or other academic requirements of the institution, including the number of semester credit hours or other course credit, that the institution will grant to a student who successfully completes the diploma program, who successfully completes a course through concurrent enrollment, or who achieves required scores on CLEP examinations or Advanced Placement examinations.

(c-1) In establishing the minimum required score on an Advanced Placement examination for granting course credit for a particular lower-division course under Subsection (c), an institution of higher

education may not require a score of more than three unless the institution's chief academic officer determines, based on evidence, that a higher score on the examination is necessary to indicate a student is sufficiently prepared to be successful in a related, more advanced course for which the lower-division course is a prerequisite.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1049, Sec. 9.01(b)(3), eff. September 1, 2013.

(e) On request of an applicant for admission as an entering freshman, an institution of higher education, based on information provided by the applicant, shall determine and notify the applicant regarding:

(1) the amount and type of any course credit that would be granted to the applicant under the policy; and

(2) any other academic requirement that the applicant would satisfy under the policy.

(f) The coordinating board, in consultation with the Texas Education Agency, shall:

(1) identify correlations between the subject matter and content of courses offered by each institution of higher education and the subject matter and content of courses and examinations in the International Baccalaureate Diploma Program, the Advanced Placement Program, and the College-Level Examination Program; and

(2) make that information available to the public on the coordinating board's Internet website.

(g) Except as otherwise provided by this subsection, an institution of higher education shall grant at least 24 semester credit hours or equivalent course credit in appropriate subject areas to an entering freshman student for successful completion of the International Baccalaureate Diploma Program. The institution may grant fewer than 24 semester credit hours if the student received a score of less than four on an examination administered as part of the diploma program. The institution may grant fewer credit hours only with respect to courses that are substantially related to the subject of that examination.

Added by Acts 2005, 79th Leg., Ch. 293 (S.B. 111), Sec. 2, eff. September 1, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 9.01(b)(3),

eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 318 (H.B. 1992), Sec. 1, eff. June 3, 2015.

Sec. 51.9685. REQUIRED FILING OF DEGREE PLAN. (a) In this section:

(1) "Degree plan" means a statement of the course of study requirements that an undergraduate student at an institution of higher education must complete in order to be awarded an associate or bachelor's degree from the institution.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) Except as otherwise provided by Subsection (c), each student enrolled in an associate or bachelor's degree program at an institution of higher education shall file a degree plan with the institution not later than the end of the second regular semester or term immediately following the semester or term in which the student earned a cumulative total of 45 or more semester credit hours for coursework successfully completed by the student, including transfer courses, international baccalaureate courses, dual credit courses, and any other course for which the institution the student attends has awarded the student college course credit, including course credit awarded by examination.

(c) A student to whom this section applies who begins the student's first semester or term at an institution of higher education with 45 or more semester credit hours of course credit for courses described by Subsection (b) shall file a degree plan with the institution not later than the end of the student's second regular semester or term at the institution.

(d) An institution of higher education shall provide to students to whom this section applies information regarding the degree plan filing requirement under this section and options for consulting with an academic advisor for that purpose, which may include consultation through electronic communication.

(e) At each registration for a semester or term, a student who is required to have filed a degree plan under this section before that semester or term shall verify to the institution that:

(1) the student has filed a degree plan with the institution; and

(2) the courses for which the student is registering are consistent with that degree plan.

(f) If a student to whom this section applies does not timely file a degree plan, the institution of higher education in which the student is enrolled shall notify the student that the degree plan is required by law and require the student to consult with an academic advisor for that purpose in accordance with the consulting options under Subsection (d) during the semester or term in which the student receives the notice. The student may not obtain an official transcript from the institution until the student has filed a degree plan with the institution.

(g) The Texas Higher Education Coordinating Board, in consultation with institutions of higher education, may adopt rules as necessary for the administration of this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1038 (H.B. 3025), Sec. 1, eff. June 17, 2011.

Sec. 51.96851. LEARNING OUTCOMES FOR UNDERGRADUATE COURSES. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003.

(b) To foster a transparent student learning environment at institutions of higher education and to facilitate the universal articulation of undergraduate courses that are transferable for credit among all institutions of higher education, each institution of higher education shall identify, adopt, and make available for public inspection measurable learning outcomes for each undergraduate course offered by the institution other than:

(1) a course with a highly variable subject content that is tailored specifically to an individual student, such as an independent study or directed reading course; or

(2) a laboratory, practicum, or discussion section that is an intrinsic and required component of a lecture course.

(c) An institution of higher education may adopt learning outcomes for a course under this section that are the same as or based on those identified for that course by the institution's recognized accrediting agency.

(d) In consultation with institutions of higher education, the Texas Higher Education Coordinating Board shall adopt any rules the

coordinating board considers appropriate for the administration of this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1109 (S.B. 1726), Sec. 1, eff. June 17, 2011.

Sec. 51.969. ELIGIBILITY FOR SCHOLARSHIP; STATEMENT REQUIRED. (a) In this section, "institution of higher education" and "university system" have the meanings assigned by Section 61.003.

(b) A person is not eligible to receive a scholarship originating from and administered by an institution of higher education or university system if the person is related to a current member of the governing board of the institution or system, unless:

(1) the scholarship is granted by a private organization or third party not affiliated with the institution of higher education or university system;

(2) the scholarship is awarded exclusively on the basis of prior academic merit;

(3) the scholarship is an athletic scholarship; or

(4) the relationship is not within the third degree by consanguinity or the second degree by affinity, as determined under Subchapter B, Chapter 573, Government Code.

(c) Before receiving a scholarship originating from and administered by an institution of higher education or university system, a person must file a written statement with the institution or system indicating whether the person is related within the third degree by consanguinity or the second degree by affinity to a current member of the governing board of the institution or system.

(d) The Texas Higher Education Coordinating Board shall adopt rules for the administration of this section and shall prescribe the statement to be used under this section. The coordinating board shall notify each institution of higher education and university system of the required statement and applicable rules.

(e) A person commits an offense if the person knowingly files a false statement under Subsection (c).

(f) An offense under Subsection (e) is a Class B misdemeanor.

Added by Acts 2007, 80th Leg., R.S., Ch. 422 (S.B. 1325), Sec. 1, eff. September 1, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1017 (H.B. 4244), Sec. 1, eff. June 19, 2009.

Sec. 51.970. INSTRUCTIONAL MATERIAL FOR BLIND AND VISUALLY IMPAIRED STUDENTS AND STUDENTS WITH DYSLEXIA. (a) In this section:

(1) "Blind or visually impaired student" includes any student whose visual acuity is impaired to the extent that the student is unable to read the print in the standard instructional material used in a course in which the student is enrolled.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

(3) "Dyslexia" means a condition of dyslexia considered to be a disability under the Americans with Disabilities Act (42 U.S.C. Section 12101 et seq.) or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794).

(4) "Institution of higher education" has the meaning assigned by Section 61.003.

(5) "Instructional material" means a printed textbook or other printed instructional material or a combination of a printed book and supplementary printed instructional material that:

(A) conveys information to or otherwise contributes to the learning process of a student; and

(B) was published on or after January 1, 2004.

(6) "Special instructional material" means instructional material in Braille, large print, audio format, digital text, or any other medium or any apparatus that conveys information to or otherwise contributes to the learning process of a blind or visually impaired student or a student with dyslexia.

(b) This section applies only to instructional material that is:

(1) written and published primarily for postsecondary instruction of students; and

(2) required or essential for a student's success in a course at an institution of higher education, as identified by the instructor of the course for which the instructional material will be used, in consultation with the person at the institution with primary responsibility for services for students with disabilities and in accordance with rules adopted under Subsection (i)(1).

(c) To assist the institution in producing special

instructional material, a publisher or manufacturer of instructional material assigned by an institution of higher education for use by students in connection with a course at the institution shall provide to the institution on the institution's request in accordance with this section a copy in an electronic format of the instructional material. The publisher or manufacturer, as applicable, shall provide the electronic copy not later than the 15th business day after the date of receipt of the request.

(d) A request made by an institution of higher education under Subsection (c) must:

(1) certify that for each blind or visually impaired student or student with dyslexia who will use specialized instructional material based on the requested copy of the material in an electronic format for a course in which the student is enrolled at the institution, either the institution or the student has purchased a printed copy of the instructional material; and

(2) be signed by the person at the institution with primary responsibility for services for students with disabilities.

(e) A publisher or manufacturer may require that a request made by an institution of higher education under Subsection (c) include from each student for whom the institution is making the request a signed statement in which the student agrees:

(1) to use the requested electronic copy and related special instructional material only for the student's own educational purposes; and

(2) not to copy or otherwise distribute in a manner that violates 17 U.S.C. Section 101 et seq. the requested electronic copy or the instructional material on which the requested electronic copy is based.

(f) Each electronic copy of instructional material must:

(1) be in a format that:

(A) except as provided by Subsection (g), contains all of the information that is in the instructional material, including any text, sidebar, table of contents, chapter headings, chapter subheadings, footnotes, index, glossary, and bibliography, and is approved by the publisher or manufacturer, as applicable, and the institution of higher education as a format that will contain that material; and

(B) is compatible with commonly used Braille translation and speech synthesis software; and

(2) include any correction or revision available at the time the electronic copy is provided.

(g) If the publisher or manufacturer and the institution of higher education are not able to agree on a format as required by Subsection (f)(1)(A), the publisher or manufacturer, as applicable, shall provide the electronic copy of the instructional material in a format that can be read by a word processing application and that contains as much of the material specified by that subsection as is practicable.

(h) The coordinating board may impose a reasonable administrative penalty, not to exceed $250 per violation, against a publisher or manufacturer that knowingly violates this section. The coordinating board shall provide for a hearing to be held, in accordance with coordinating board rule, to determine whether a penalty is to be imposed and the amount of any penalty. The coordinating board shall base the amount of any penalty on:

(1) the seriousness of the violation;

(2) any history of a previous violation;

(3) the amount necessary to deter a future violation;

(4) any effort to correct the violation; and

(5) any other matter justice requires.

(i) The coordinating board, in consultation with an advocacy organization for persons who are blind or visually impaired, an advocacy organization for persons with dyslexia, representatives from one or more instructional material publishing companies or publishing associations, and institutions of higher education, shall adopt rules for administering this section, including rules that address:

(1) the method for identifying instructional material considered to be required or essential for a student's success in a course;

(2) the procedures and standards relating to distribution of electronic copies of instructional material under this section; and

(3) any other matter considered necessary or appropriate for the administration of this section.

(j) Notwithstanding any other provision of this section, a publisher or manufacturer is not required to comply with Subsection (c) or (f), as applicable, if the coordinating board, using procedures and criteria adopted by coordinating board rule and based on information provided by the publisher or manufacturer, determines

that:

(1) compliance by the manufacturer or publisher would violate a law, rule, or regulation relating to copyrights; or

(2) the instructional material on which the requested electronic copy is based is:

(A) out of print; or

(B) in a format that makes it impracticable to convert the material into an electronic format.

Added by Acts 2007, 80th Leg., R.S., Ch. 1267 (H.B. 3382), Sec. 1, eff. June 15, 2007.

Sec. 51.9701. ASSESSMENT FOR DYSLEXIA. Unless otherwise provided by law, an institution of higher education, as defined by Section 61.003, may not reassess a student determined to have dyslexia for the purpose of assessing the student's need for accommodations until the institution of higher education reevaluates the information obtained from previous assessments of the student.

Added by Acts 2011, 82nd Leg., R.S., Ch. 635 (S.B. 866), Sec. 5, eff. June 17, 2011.

Sec. 51.9705. NOTICE REGARDING AVAILABILITY OF TEXTBOOKS THROUGH MULTIPLE RETAILERS. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "University-affiliated bookstore" means a bookstore that:

(A) sells textbooks for courses offered by an institution of higher education, regardless of whether the bookstore is located on the campus of the institution; and

(B) is operated by or with the approval of the institution through ownership, a management agreement, a lease or rental agreement, or otherwise.

(b) The Texas Higher Education Coordinating Board shall prescribe procedures by which each institution of higher education shall provide to each student enrolled at the institution written notice regarding the availability of required or recommended textbooks through university-affiliated bookstores and through

retailers other than university-affiliated bookstores. The procedures must require the institution to provide the notice:

(1) to each student of the institution during the week preceding each fall and spring semester;

(2) to each student enrolled at the institution in a semester or summer term during the first three weeks of the semester or the first week of the summer term, as applicable; and

(3) to students or prospective students of the institution attending an orientation conducted by or for the institution.

(c) The notice shall be provided in a hard-copy or electronic format in a manner that ensures that the notice is reasonably likely to come to the attention of a student receiving the notice. The notice must contain the following:

"A student of this institution is not under any obligation to purchase a textbook from a university-affiliated bookstore. The same textbook may also be available from an independent retailer, including an online retailer."

(d) The coordinating board shall adopt rules to administer this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 348 (H.B. 1096), Sec. 1, eff. June 19, 2009.

Sec. 51.971. COMPLIANCE PROGRAM. (a) In this section:

(1) "Compliance program" means a process to assess and ensure compliance by the officers and employees of an institution of higher education with applicable laws, rules, regulations, and policies, including matters of:

(A) ethics and standards of conduct;

(B) financial reporting;

(C) internal accounting controls; or

(D) auditing.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(b) An institution of higher education that maintains a compliance program may establish procedures, such as a telephone hotline, to permit private access to the compliance program office and to preserve the confidentiality of communications and the anonymity of a person making a compliance report or participating in

a compliance investigation.

(c) The following are confidential:

(1) information that directly or indirectly reveals the identity of an individual who made a report to the compliance program office of an institution of higher education, sought guidance from the office, or participated in an investigation conducted under the compliance program; and

(2) information that directly or indirectly reveals the identity of an individual as a person who is alleged to have or may have planned, initiated, or participated in activities that are the subject of a report made to the compliance program office of an institution of higher education if, after completing an investigation, the office determines the report to be unsubstantiated or without merit.

(d) Subsection (c) does not apply to information related to an individual who consents to disclosure of the information.

(e) Information is excepted from disclosure under Chapter 552, Government Code, if it is collected or produced:

(1) in a compliance program investigation and releasing the information would interfere with an ongoing compliance investigation; or

(2) by a systemwide compliance office for the purpose of reviewing compliance processes at a component institution of higher education of a university system.

(f) Information made confidential or excepted from public disclosure by this section may be made available to the following on request in compliance with applicable law and procedure:

(1) a law enforcement agency or prosecutor;

(2) a governmental agency responsible for investigating the matter that is the subject of a compliance report, including the Texas Workforce Commission civil rights division or the federal Equal Employment Opportunity Commission; or

(3) an officer or employee of an institution of higher education or a compliance officer or employee of a university system administration who is responsible under institutional or system policy for a compliance program investigation or for reviewing a compliance program investigation.

(g) A disclosure under Subsection (f) is not a voluntary disclosure for purposes of Section 552.007, Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1015 (H.B. 4189), Sec. 3, eff. June 19, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 188 (S.B. 1327), Sec. 1, eff. May 28, 2011.

Sec. 51.9715. RELEASE OF STUDENT ACADEMIC INFORMATION. (a) An institution of higher education may request the submission of a signed consent form authorizing the institution to release academic course, grade, and credit information with each:

(1) application for undergraduate transfer admission to the institution, if the institution is a general academic teaching institution, to be used for the purposes of Section 61.833; or

(2) request from a student for a release of the student's transcript by the institution.

(b) An institution of higher education may release student information in accordance with Subsection (a) through:

(1) the National Student Clearinghouse; or

(2) a similar national electronic data sharing and exchange platform operated by an agent of the institution that meets nationally accepted standards, conventions, and practices.

Added by Acts 2015, 84th Leg., R.S., Ch. 635 (S.B. 1714), Sec. 1, eff. June 16, 2015.

Sec. 51.972. ON-SITE RECLAIMED SYSTEM TECHNOLOGIES CURRICULUM. The Texas Higher Education Coordinating Board shall encourage each institution of higher education to develop curriculum and provide related instruction regarding on-site reclaimed system technologies, including rainwater harvesting, condensate collection, or cooling tower blow down.

Added by Acts 2007, 80th Leg., R.S., Ch. 1352 (H.B. 4), Sec. 9, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1430 (S.B. 3), Sec. 2.25, eff. September 1, 2007.
Renumbered from Education Code, Section 51.969 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(8), eff. September 1, 2009.

Sec. 51.973. INFORMATION REGARDING GANG-FREE ZONES. The governing board of each institution of higher education shall ensure that any student handbook or similar publication for the institution includes information on gang-free zones and the consequences of engaging in organized criminal activity within those zones.

Added by Acts 2009, 81st Leg., R.S., Ch. 1130 (H.B. 2086), Sec. 5, eff. June 19, 2009.

Sec. 51.974. INTERNET ACCESS TO COURSE INFORMATION. (a) Each institution of higher education, other than a medical and dental unit, as defined by Section 61.003, shall make available to the public on the institution's Internet website the following information for each undergraduate classroom course offered for credit by the institution:

(1) a syllabus that:

(A) satisfies any standards adopted by the institution;

(B) provides a brief description of each major course requirement, including each major assignment and examination;

(C) lists any required or recommended reading; and

(D) provides a general description of the subject matter of each lecture or discussion;

(2) a curriculum vitae of each regular instructor that lists the instructor's:

(A) postsecondary education;

(B) teaching experience; and

(C) significant professional publications; and

(3) if available, a departmental budget report of the department under which the course is offered, from the most recent semester or other academic term during which the institution offered the course.

(a-1) A curriculum vitae made available on the institution's Internet website under Subsection (a) may not include any personal information, including the instructor's home address or home telephone number.

(b) The information required by Subsection (a) must be:

(1) accessible from the institution's Internet website home

page by use of not more than three links;

(2) searchable by keywords and phrases; and

(3) accessible to the public without requiring registration or use of a user name, a password, or another user identification.

(c) The institution shall make the information required by Subsection (a) available not later than the seventh day after the first day of classes for the semester or other academic term during which the course is offered. The institution shall continue to make the information available on the institution's Internet website until at least the second anniversary of the date on which the institution initially posted the information.

(d) The institution shall update the information required by Subsection (a) as soon as practicable after the information changes.

(e) The governing body of the institution shall designate an administrator to be responsible for ensuring implementation of this section. The administrator may assign duties under this section to one or more administrative employees.

(f) Not later than January 1 of each odd-numbered year, each institution of higher education shall submit a written report regarding the institution's compliance with this section to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over higher education.

(g) The Texas Higher Education Coordinating Board may adopt rules necessary to administer this section.

(h) Institutions of higher education included in this section shall conduct end-of-course student evaluations of faculty and develop a plan to make evaluations available on the institution's website.

Added by Acts 2009, 81st Leg., R.S., Ch. 681 (H.B. 2504), Sec. 1, eff. June 19, 2009.

Sec. 51.9741. INTERNET ACCESS TO FINANCIAL TRANSACTIONS. (a) Each institution of higher education, as defined by Section 61.003, shall post on the institution's Internet website a copy of the institution's financial transactions to the extent necessary to provide, for each payment drawn from money appropriated from the state general revenue fund or received as student tuition or fee

payments:

(1) the amount of the payment;

(2) the date of the payment;

(3) a brief description of the purpose of the payment; and

(4) the name of the payee.

(b) An institution of higher education may comply with this section by providing on the institution's Internet website an easily noticeable direct link, the purpose of which is clearly identifiable, to an Internet website maintained by the comptroller that provides information concerning the institution that is similar to the information required under Subsection (a).

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.03, eff. June 17, 2011.

Sec. 51.9745. INTERNET ACCESS TO FACULTY INFORMATION. (a) Each general academic teaching institution, as defined by Section 61.003, shall make available to the public on the institution's Internet website the following information for the institution:

(1) the student/faculty ratio;

(2) the percentage of all full-time equivalent faculty members with teaching responsibility who are tenured or tenure track;

(3) the percentage of semester credit hours taken by students classified as freshmen or sophomores that are taught by tenured and tenure track faculty members;

(4) the number of faculty members in each of the following faculty ranks, including a breakdown for each rank showing the numbers of faculty members by race, ethnicity, and gender:

(A) professor;

(B) associate professor;

(C) assistant professor;

(D) instructor;

(E) nontenured or nontenure track; and

(F) teaching assistant;

(5) average faculty salaries by rank;

(6) the amount of money appropriated by the legislature per full-time equivalent faculty member and full-time equivalent student;

(7) the total revenue the institution spent per full-time equivalent faculty member and full-time equivalent student;

(8) the amount of federal and private research expenditures per tenured or tenure track full-time equivalent faculty member;

(9) the number and percentage of faculty members holding extramural research grants;

(10) the number and names of awards to faculty members from nationally recognized entities, including those identified by The Center for Measuring University Performance; and

(11) the number of endowed professorships or chairs.

(b) Each institution to which this section applies shall update the information required by Subsection (a) for the preceding academic or fiscal year, as applicable, not later than December 31 of each year.

(c) The administrator designated under Section 51.974 by an institution to which this section applies is responsible for ensuring implementation of this section. The administrator may assign duties under this section to one or more administrative employees.

(d) The Texas Higher Education Coordinating Board may adopt rules necessary to administer this section, including rules to ensure the consistency of information made available under this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 1, eff. June 17, 2011.

Sec. 51.9746. INTERNET ACCESS TO EMPLOYMENT DATA. (a) In this section, "general academic teaching institution" and "public state college" have the meanings assigned by Section 61.003.

(b) Each general academic teaching institution other than a public state college shall maintain in a prominent location on the institution's Internet website a link to the Texas Consumer Resource for Education and Workforce Statistics ("Texas CREWS") report on gainful employment applicable to the institution for the most recent year for which that report is available.

Added by Acts 2015, 84th Leg., R.S., Ch. 720 (H.B. 1287), Sec. 1, eff. June 17, 2015.

Sec. 51.975. SHARING OF UNDERUSED CLASSROOMS. (a) A public institution of higher education may make the institution's classrooms not scheduled for use by the institution or by students, student

organizations, or faculty of the institution between 5 p.m. and 10 p.m. on one or more weekdays or between 8 a.m. and 5 p.m. on one or more Saturdays available for that day to another public junior college on request for teaching courses in the core curriculum, as defined by Section 61.821, or continuing education courses.

(b) A public institution of higher education that under Subsection (a) makes a classroom available to another institution shall continue to make that classroom, or a comparable classroom, available to the other institution for the duration of the semester or other academic term.

(c) An institution of higher education may charge another institution for the use of a classroom under this section at a rate not to exceed the rate permitted for this purpose as determined by the Texas Higher Education Coordinating Board. The coordinating board shall establish those rates in an amount to reimburse the host institution for utility costs and other costs, such as maintenance and custodial services, based on the infrastructure formula funding that the host institution would receive if teaching a course in that space itself for that time.

Added by Acts 2009, 81st Leg., R.S., Ch. 608 (H.B. 746), Sec. 1, eff. June 19, 2009.

Sec. 51.976. TRAINING AND EXAMINATION PROGRAM FOR EMPLOYEES OF CAMPUS PROGRAMS FOR MINORS ON WARNING SIGNS OF SEXUAL ABUSE AND CHILD MOLESTATION. (a) In this section:

(1) "Camper" means a minor who is attending a campus program for minors.

(2) "Campus program for minors" means a program that:

(A) is operated by or on the campus of an institution of higher education or a private or independent institution of higher education;

(B) offers recreational, athletic, religious, or educational activities for at least 20 campers who:

(i) are not enrolled at the institution; and

(ii) attend or temporarily reside at the camp for all or part of at least four days; and

(C) is not a day camp or youth camp as defined by Section 141.002, Health and Safety Code, or a facility or program

required to be licensed by the Department of Family and Protective Services.

(3) "Department" means the Department of State Health Services.

(4) "Institution of higher education" has the meaning assigned by Section 61.003.

(5) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(6) "Program operator" means a person who owns, operates, or supervises a campus program for minors, regardless of profit.

(7) "Training and examination program on sexual abuse and child molestation" means a program approved by the department under Subsection (f).

(b) A program operator may not employ an individual in a position involving contact with campers at a campus program for minors unless:

(1) the individual submits to the program operator or the campus program for minors has on file documentation that verifies the individual within the preceding two years successfully completed the training and examination program on sexual abuse and child molestation; or

(2) the individual successfully completes the campus program for minors training and examination program on sexual abuse and child molestation, which must be approved by the department, during the individual's first five days of employment by the campus program for minors and the campus program issues and files documentation verifying successful completion.

(c) Subsection (b) does not apply to an individual who is a student enrolled at the institution of higher education or private or independent institution of higher education that operates the campus program for minors or at which the campus program is conducted and whose contact with campers is limited to a single class of short duration.

(d) A program operator must:

(1) submit to the department:

(A) on the form and within the time prescribed by the department verification that each employee of the campus program for minors has complied with the requirements of this section; and

(B) the fee assessed by the department under Subsection (g); and

(2) retain in the operator's records a copy of the documentation required or issued under Subsection (b) for each employee until the second anniversary of the examination date.

(e) A person applying for or holding an employee position involving contact with campers at a campus program for minors must successfully complete the training and examination program on sexual abuse and child molestation during the applicable period prescribed by Subsection (b).

(f) The executive commissioner of the Health and Human Services Commission by rule shall establish criteria and guidelines for the training and examination program on sexual abuse and child molestation required by this section. The program must include training and an examination on the topics listed in Section 141.0095(e), Health and Safety Code. The department may approve training and examination programs on sexual abuse and child molestation offered by trainers under contract with campus programs for minors or by online training organizations or may approve programs offered in another format authorized by the department.

(g) The department may assess a fee in the amount necessary to cover the costs of administering this section to:

(1) each person that applies for the department's approval of a training and examination program on sexual abuse and child molestation under this section; and

(2) each program operator who files with the department the verification form required under Subsection (d)(1)(A).

(h) The department at least every five years shall review each training and examination program on sexual abuse and child molestation approved by the department under Subsection (f) to ensure the program continues to meet the criteria and guidelines established by rule under that subsection.

(i) The department may investigate a person the department suspects of violating this section or a rule adopted under this section. A person who violates this section is subject to the enforcement provisions of Section 141.015, Health and Safety Code, as if the person violated Chapter 141, Health and Safety Code, or a rule adopted under that chapter.

(j) The program operator and the institution that operates the campus program for minors or at which the campus program is conducted are immune from civil or criminal liability for any act or omission of an employee for which the employee is immune under Section

261.106, Family Code.

(k) A program operator shall consider the costs of compliance with this section in determining any charges or fees imposed and collected for participation in the campus program for minors.

Added by Acts 2011, 82nd Leg., R.S., Ch. 447 (S.B. 1414), Sec. 1, eff. September 1, 2011.

Sec. 51.9761. CHILD ABUSE REPORTING POLICY AND TRAINING. (a) In this section, "other maltreatment" has the meaning assigned by Section 42.002, Human Resources Code.

(b) Each institution of higher education shall adopt a policy governing the reporting of child abuse and neglect as required by Chapter 261, Family Code, for the institution and its employees. The policy must require each employee of the institution to report child abuse and neglect in the manner required by Chapter 261, Family Code.

(c) Each institution of higher education shall provide training for employees who are professionals as defined by Section 261.101, Family Code, in prevention techniques for and the recognition of symptoms of sexual abuse and other maltreatment of children and the responsibility and procedure of reporting suspected occurrences of sexual abuse and other maltreatment. The training must include:

(1) techniques for reducing a child's risk of sexual abuse or other maltreatment;

(2) factors indicating a child is at risk for sexual abuse or other maltreatment;

(3) the warning signs and symptoms associated with sexual abuse or other maltreatment and recognition of those signs and symptoms; and

(4) the requirements and procedures for reporting suspected sexual abuse or other maltreatment as provided by Chapter 261, Family Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 592 (S.B. 939), Sec. 4, eff. September 1, 2013.

Sec. 51.977. EMPLOYMENT POLICIES FOR NURSES IN MEDICAL AND DENTAL UNITS. (a) The president of a medical and dental unit, as defined by Section 61.003, shall determine whether a nurse employed

by the unit for patient care or clinical activities is a full-time employee for purposes of:

(1) employees group benefits under Chapter 1551 or 1601, Insurance Code;

(2) leave under Chapter 661 or 662, Government Code;

(3) longevity pay under Section 659.043, Government Code.

(b) A determination under Subsection (a) does not entitle a nurse who works less than 40 hours a week to the full state contribution to the cost of any coverage or benefits. However, from money other than money appropriated from the general revenue fund, the employing medical and dental unit may contribute to that cost amounts in excess of the state contribution.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 72, eff. September 1, 2007.
Redesignated from Education Code, Section 51.969 by Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.001(9), eff. September 1, 2013.

Sec. 51.978. TEMPORARY HOUSING BETWEEN ACADEMIC TERMS FOR CERTAIN STUDENTS FORMERLY UNDER CONSERVATORSHIP OF DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Academic term" includes a summer session.

(b) To be eligible to receive housing assistance from an institution of higher education under Subsection (c), a student must:

(1) have been under the conservatorship of the Department of Family and Protective Services or its predecessor in function on the day preceding:

(A) the student's 18th birthday; or

(B) the date the student's disabilities of minority are removed by a court under Chapter 31, Family Code;

(2) be enrolled full-time at the institution during the academic term immediately preceding the period for which the student requests the housing assistance;

(3) be registered or otherwise have taken the actions required by the institution to permit the student to enroll full-time at the institution during the academic term immediately following the

period for which the student requests the housing assistance; and

(4) lack other reasonable temporary housing alternatives between the academic terms described by Subdivisions (2) and (3), as determined by the institution.

(c) On the student's request, each institution of higher education shall assist an eligible student in locating temporary housing for any period beginning on the last day of an academic term and ending on the first day of the immediately following academic term, according to the institution's academic calendar.

(d) For each eligible student under Subsection (b) who also demonstrates financial need, the institution may:

(1) provide a stipend to cover any reasonable costs of the temporary housing that are not covered by other financial aid immediately available to the student for that purpose; or

(2) provide temporary housing directly to the student for the applicable period.

(e) The receipt of a stipend under Subsection (d) does not prohibit the student from receiving additional stipends under that subsection in one or more subsequent periods, based on the student's demonstrated financial need.

(f) An institution of higher education may use any available revenue, including legislative appropriations, and may solicit and accept gifts, grants, and donations for the purposes of this section. The institution shall use any gifts, grants, and donations received for the purposes of this section before using other revenue.

Added by Acts 2011, 82nd Leg., R.S., Ch. 703 (H.B. 452), Sec. 1, eff. June 17, 2011.
Redesignated from Education Code, Section 51.976 by Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.001(10), eff. September 1, 2013.

CHAPTER 51A. ONLINE INSTITUTION RESUMES FOR INSTITUTIONS OF HIGHER EDUCATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 51A.001. DEFINITIONS. In this chapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution," "institution

of higher education," "medical and dental unit," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Sec. 51A.002. POWERS AND DUTIES OF COORDINATING BOARD RELATING TO INSTITUTION RESUMES; GENERAL REQUIREMENTS FOR INSTITUTION RESUMES. (a) The coordinating board, in consultation with each institution of higher education to which this chapter applies, shall develop and maintain online resumes for each of those institutions.

(b) The coordinating board shall:

(1) request from each institution of higher education to which this chapter applies any information the coordinating board considers necessary for the coordinating board to include information or calculate data required to be included in the institution's resume;

(2) establish for each institution of higher education to which this chapter applies a list of representative in-state and out-of-state peer institutions and maintain that list on the coordinating board's Internet website;

(3) ensure that each of an institution of higher education's online resumes:

(A) is available to the public on the coordinating board's Internet website, in a one-page format if possible, and is accessible through a link that appears on the first frame of the coordinating board's Internet website home page in a font that is larger than the font of the majority of the text on the home page;

(B) uses enhanced, user-friendly search capabilities to ensure that the information required to be included in the resume is easily accessible to the persons for whom the resume is designed; and

(C) includes a clearly identifiable link to information on the coordinating board's Internet website regarding the coordinating board's higher education accountability system; and

(4) ensure that the information provided in each resume is accurate and up to date and includes the most recent data available for out-of-state peer institutions.

(c) The coordinating board may modify, as the coordinating

board considers necessary, national data regarding an institution's out-of-state peer institutions to ensure uniformity in the comparison of that data to data regarding the institution for which the resume is created and the institution's in-state peer institutions in a resume under this chapter.

(d) The coordinating board is not required to include in the resume any category of information that is unavailable to the coordinating board.

(e) The data relating to student loans, grants, or scholarships included by the coordinating board on an institution's resume under this subchapter must be the same as that published in regard to the institution by the United States Department of Education on its "College Navigator" website, or a successor or related website maintained by the United States Department of Education.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 2, eff. June 17, 2011.

Sec. 51A.003. DUTIES OF INSTITUTIONS OF HIGHER EDUCATION RELATING TO INSTITUTION RESUMES. Each institution of higher education to which this chapter applies shall:

(1) submit to the coordinating board any information requested by the coordinating board as necessary for the coordinating board to include information or calculate data required to be included in the institution's resumes; and

(2) ensure that the first frame of the institution's Internet website home page includes, in a font that is larger than the font of the majority of the text on the home page, an accessible link to the institution's online resumes maintained on the coordinating board's Internet website.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 3, eff. June 17, 2011.

Sec. 51A.004. LINK TO FEDERAL STUDENT FINANCIAL AID INFORMATION. An institution may satisfy a requirement of this chapter relating to student loan, grant, or scholarship information by linking the online resume of the institution to that information as it appears on the website known as "College Navigator," or a successor or related website, maintained by the National Center for Education Statistics of the U.S. Department of Education.

Added by Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 4, eff. June 17, 2011.

SUBCHAPTER B. ONLINE INSTITUTION RESUMES FOR FOUR-YEAR GENERAL ACADEMIC TEACHING INSTITUTIONS

Sec. 51A.051. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to general academic teaching institutions, other than public state colleges.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Sec. 51A.052. INSTITUTION RESUME FOR LEGISLATORS AND OTHER POLICY MAKERS. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume that is designed for use by legislators and other interested policy makers.

(b) The resume required by this section must identify:

(1) the institutional grouping to which the institution is assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state and out-of-state peer institutions.

(c) For purposes of this section, information required to be included in the resume regarding the institution's in-state or out-of-state peer institutions must be listed in the form of the average of that information for those institutions unless otherwise prescribed by coordinating board rule.

(d) The resume must include the following information relating to the institution for the most recent state fiscal year for which the information is available and compare that information to the same information for the state fiscal year preceding the most recent state

fiscal year for which the information is available and the state fiscal year preceding the most recent state fiscal year for which the information is available by five years:

(1) under the heading "ENROLLMENT":

(A) the total number of students enrolled in the institution during the fall semester that ended in the fiscal year covered by the resume; and

(B) the percentage of undergraduate students enrolled in the institution for the first time during the fall semester that ended in the fiscal year covered by the resume who are transfer students;

(2) under the heading "COSTS":

(A) the average annual total academic costs for a resident undergraduate student enrolled in 30 semester credit hours:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions;

(B) the percentage of undergraduate students receiving student loans:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions;

(C) the average annual amount of an undergraduate student's student loans:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions;

(D) the percentage of undergraduate students receiving federal or state grants:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions; and

(E) the average annual amount of federal and state grants received by an undergraduate student:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions;

(3) under the heading "STUDENT SUCCESS":

(A) the retention rate of first-time, full-time, degree-seeking entering undergraduate students:

(i) enrolled in the institution after one academic year and after two academic years; and

(ii) enrolled in the institution's in-state peer institutions after two academic years;

(B) the percentage of undergraduate students requiring developmental education who, after six years from entering the institution, graduated from or are still enrolled in:

(i) the institution; and

(ii) the institution's in-state peer institutions;

(C) the four-year, five-year, and six-year graduation rates of full-time bachelor's degree-seeking students:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions; and

(D) the average number of fall and spring semesters of enrollment attempted by a student to obtain a bachelor's degree:

(i) at the institution; and

(ii) at the institution's in-state peer institutions; and

(4) under the heading "FUNDING":

(A) the total amount of money appropriated by the legislature to the institution, including money appropriated for faculty and staff health coverage and retirement benefits, for that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total amount of money appropriated by the legislature represents;

(B) the total amount of federal funds from all federal sources, including grants and research funds, received by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total amount of federal funds represents;

(C) the total academic costs charged to students by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total academic costs represent; and

(D) the total amount of money from any source available to the institution in that state fiscal year.

(e) In addition to the information required by Subsection (d)(2), the resume must include under the heading "COSTS" the average annual amount and percentage by which the total academic costs

charged to a resident undergraduate student enrolled in 30 semester credit hours have increased in each of the five most recent state fiscal years for which the information is available:

(1) at the institution; and

(2) at the institution's in-state and out-of-state peer institutions.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 5, eff. June 17, 2011.

Sec. 51A.053. INSTITUTION RESUME FOR PROSPECTIVE STUDENTS, PARENTS, AND MEMBERS OF THE PUBLIC. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume that is designed for use by prospective students of the institution, their parents, and other interested members of the public. A resume required for an institution under this section is not required to include information that the coordinating board considers to be substantially duplicative of information reported and available to the public through the Voluntary System of Accountability Program.

(b) The resume must identify:

(1) the institutional grouping to which the institution is assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state peer institutions.

(c) Except as otherwise provided by the coordinating board under Subsection (a), the resume must include the following information relating to the most recent state fiscal year for which the information is available:

(1) under the heading "ENROLLMENT":

(A) the total number of students enrolled in the institution during the fall semester that ended in the fiscal year covered by the resume;

(B) the percentage of undergraduate students enrolled in the institution for the first time during the fall semester that ended in the fiscal year covered by the resume who are transfer

students; and

(C) a clearly identifiable link to the information described by Paragraph (A) disaggregated by student ethnicity;

(2) under the heading "DEGREES AWARDED":

(A) the number of bachelor's degrees, number of master's degrees, number of doctoral degrees, and number of professional degrees awarded by the institution; and

(B) a clearly identifiable link to the information described by Paragraph (A) disaggregated by student ethnicity;

(3) under the heading "COSTS":

(A) the average annual total academic costs for a resident undergraduate student enrolled in 30 semester credit hours at the institution;

(B) clearly identifiable links to information regarding:

(i) the rate or rates of tuition per semester credit hour charged by the institution; and

(ii) any mandatory fees, as defined by the coordinating board, imposed by the institution;

(C) the average cost of on-campus room and board per student; and

(D) the average cost to a resident undergraduate student enrolled in 30 semester credit hours for total academic costs and on-campus room and board, excluding the cost of books, supplies, transportation, or other expenses;

(4) under the heading "FINANCIAL AID":

(A) the percentage of undergraduate students enrolled in the institution who receive need-based grants or scholarships;

(B) the percentage of undergraduate students enrolled in the institution who receive need-based grants, scholarships, loans, or work-study funds;

(C) the percentage of undergraduate students enrolled in the institution who receive student loans;

(D) the average amount of an undergraduate student's need-based grant and scholarship package;

(E) the average amount of an undergraduate student's need-based grant, scholarship, loan, and work-study package; and

(F) the average amount of an undergraduate student's student loans;

(5) under the heading "ADMISSIONS":

(A) the middle 50 percent test score range of first-time undergraduate students at the institution whose Scholastic Assessment Test (SAT) scores were in the 25th to 75th percentile of students' scores at that institution;

(B) the middle 50 percent test score range of first-time undergraduate students at the institution whose American College Test (ACT) scores were in the 25th to 75th percentile of students' scores at that institution; and

(C) the percentage of the students who applied for first-time undergraduate admission to the institution who were offered admission to the institution;

(6) under the heading "INSTRUCTION":

(A) the student/faculty ratio at the institution;

(B) the percentage of organized undergraduate classes offered by the institution in which fewer than 20 students are enrolled;

(C) the percentage of organized undergraduate classes offered by the institution in which more than 50 students are enrolled; and

(D) the percentage of teaching faculty members of the institution who are tenured or tenure-track;

(7) under the heading "BACCALAUREATE SUCCESS":

(A) four-year, five-year, and six-year graduation rates for full-time bachelor's degree-seeking students at the institution, and links to that information disaggregated by student ethnicity;

(B) the average number of fall and spring semesters of enrollment attempted by a student to obtain a bachelor's degree; and

(C) the retention rate of first-time, full-time, degree-seeking entering undergraduate students enrolled in the institution after one academic year and after two academic years;

(8) under the heading "FIRST-TIME LICENSURE OR CERTIFICATION EXAMINATION PASS RATES," the first-time licensure or certification examination pass rates in the fields of education, law, pharmacy, nursing, and engineering of students enrolled in the institution or who have graduated from the institution; and

(9) under the heading "FUNDING":

(A) the total amount of money appropriated by the legislature to the institution, including money appropriated for faculty and staff health coverage and retirement benefits, for that state fiscal year and the corresponding percentage of the

institution's operating budget for that state fiscal year that the total amount of money appropriated by the legislature represents;

(B) the total amount of federal funds from all federal sources, including grants and research funds, received by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total amount of federal funds represents;

(C) the total academic costs charged to students by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total academic costs represent; and

(D) the total amount of money from any source available to the institution in that state fiscal year.

(d) In addition to the information required by Subsection (c)(3), the resume must include under the heading "COSTS" the average annual amount and percentage by which the total academic costs charged to a resident undergraduate student enrolled in 30 semester credit hours have increased in each of the five most recent state fiscal years for which the information is available:

(1) at the institution; and

(2) at the institution's in-state peer institutions.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 6, eff. June 17, 2011.

SUBCHAPTER C. INSTITUTION RESUMES FOR LOWER-DIVISION INSTITUTIONS

Sec. 51A.101. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to the following institutions of higher education:

(1) public junior colleges;

(2) public technical institutes; and

(3) public state colleges.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Sec. 51A.102. INSTITUTION RESUME FOR LEGISLATORS AND OTHER

POLICY MAKERS. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume for the institution designed for use by legislators and other interested policy makers.

(b) The resume must identify:

(1) the institutional grouping to which the institution is assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state peer institutions.

(c) For purposes of this section, information required to be included in the resume regarding the institution's in-state peer institutions must be listed in the form of the average of that information for those institutions unless otherwise prescribed by coordinating board rule.

(d) The resume must include the following information relating to the institution for the most recent state fiscal year for which the information is available and compare that information to the same information for the state fiscal year preceding the most recent state fiscal year for which the information is available and the state fiscal year preceding the most recent state fiscal year for which the information is available by five years:

(1) under the heading "ENROLLMENT":

(A) the total number of students enrolled in the institution for course credit during the fall semester that ended in the fiscal year covered by the resume;

(B) the percentage of students enrolled in the institution who are enrolled in one or more developmental education courses; and

(C) the percentage of students enrolled in the institution who are enrolled in one or more dual credit courses;

(2) under the heading "COSTS":

(A) the average annual total academic costs, which for a junior college must include those costs for an in-district and an out-of-district student, for a student enrolled in 30 semester credit hours toward a two-year degree or certificate:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(B) the percentage of students receiving student loans:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(C) the average annual amount of student loans received by a student:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(D) the percentage of students receiving federal or state grants:

(i) at the institution; and

(ii) at the institution's in-state peer institutions; and

(E) the average annual amount of federal and state grants received by a student:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(3) under the heading "STUDENT SUCCESS":

(A) the retention rate of first-time, full-time, credential-seeking entering undergraduate students:

(i) enrolled in the institution after two academic years; and

(ii) enrolled in the institution's in-state peer institutions after two academic years;

(B) the percentage of undergraduate students requiring developmental education who, after three years from entering the institution, graduated from or are still enrolled in:

(i) the institution; and

(ii) the institution's in-state peer institutions;

(C) the three-year, four-year, and six-year graduation rates of full-time credential-seeking students:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(D) the percentage of students who transferred to a general academic teaching institution or equivalent institution of higher education, as determined using the accountability system definition of a transfer student:

(i) from the institution; and

(ii) from the institution's in-state peer

institutions; and

(E) the percentage of graduates from the preceding academic year who, as of the fall semester that ended in the fiscal year covered by the resume, were either employed or enrolled in a general academic teaching institution or equivalent institution of higher education for:

(i) the institution; and

(ii) the institution's in-state peer institutions; and

(4) under the heading "FUNDING":

(A) the total amount of money appropriated by the legislature to the institution, including money appropriated for faculty and staff health coverage and retirement benefits, for that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total amount of money appropriated by the legislature represents;

(B) the total amount of money from any source available to the institution in that state fiscal year;

(C) the total amount of federal funds from all federal sources, including grants and research funds, received by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total amount of federal funds represents;

(D) the total academic costs charged to students by the institution in that state fiscal year and the corresponding percentage of the institution's operating budget for that state fiscal year that the total academic costs represent; and

(E) the tax rate per $100 valuation of taxable property imposed by the junior college district, if the institution is a public junior college.

(e) In addition to the information required by Subsection (d)(2), the resume must include under the heading "COSTS" the average annual amount and percentage by which the total academic costs charged to a student enrolled in 30 semester credit hours toward a two-year degree or certificate have increased in each of the five most recent state fiscal years for which the information is available:

(1) at the institution; and

(2) at the institution's in-state peer institutions.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 7, eff. June 17, 2011.

Sec. 51A.103. INSTITUTION RESUME FOR PROSPECTIVE STUDENTS, PARENTS, AND OTHER MEMBERS OF THE PUBLIC. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume that is designed for use by prospective students of the institution, their parents, and other interested members of the public.

(b) The resume must identify:

(1) the institutional grouping to which the institution is assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state peer institutions.

(c) For purposes of this section, information required to be included in the resume regarding the institution's in-state peer institutions must be listed in the form of the average of that information for those institutions unless otherwise prescribed by coordinating board rule.

(d) The resume must include the following information relating to the most recent state fiscal year for which the information is available:

(1) under the heading "ENROLLMENT":

(A) the total number of students enrolled during the fall semester that ended in the fiscal year covered by the resume:

(i) at the institution; and

(ii) at the institution's in-state peer institutions; and

(B) a clearly identifiable link to information described by Paragraph (A) disaggregated by student ethnicity;

(2) under the heading "DEGREES AND CERTIFICATES AWARDED":

(A) the number of degrees or certificates awarded for each level, type, or other category of degree or certificate specified by the coordinating board for purposes of this paragraph:

(i) by the institution; and

(ii) by the institution's in-state peer

institutions; and

(B) a clearly identifiable link to the information described by Paragraph (A) disaggregated by student ethnicity;

(3) under the heading "COSTS," the average annual total academic costs, which for a junior college must include those costs for an in-district and out-of-district student, for a student enrolled in 30 semester credit hours toward a two-year degree:

(A) at the institution; and

(B) at the institution's in-state peer institutions;

(4) under the heading "FINANCIAL AID":

(A) the percentage of students who receive need-based grants or scholarships:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(B) the percentage of students who receive need-based grants, scholarships, loans, or work-study funds:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(C) the average amount of a student's need-based grant and scholarship package:

(i) at the institution; and

(ii) at the institution's in-state peer institutions; and

(D) the average amount of a student's need-based grant, scholarship, loan, and work-study package:

(i) at the institution; and

(ii) at the institution's in-state peer institutions; and

(5) under the heading "STUDENT SUCCESS":

(A) the retention rate of first-time, full-time, credential-seeking entering undergraduate students:

(i) enrolled in the institution after two academic years; and

(ii) enrolled in the institution's in-state peer institutions after two academic years;

(B) the percentage of students requiring developmental education who, after three years from entering the institution, have graduated from or are still enrolled in:

(i) the institution; and

(ii) the institution's in-state peer institutions;

(C) the three-year, four-year, and six-year graduation rates of full-time degree-seeking students:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(D) the percentage of students who transferred to a general academic teaching institution or equivalent institution of higher education, as determined using the accountability system definition of a transfer student:

(i) from the institution; and

(ii) from the institution's in-state peer institutions; and

(E) the percentage of graduates from the preceding academic year who, as of the fall semester that ended in the fiscal year covered by the resume, were either employed or enrolled in a general academic teaching institution or equivalent institution of higher education for:

(i) the institution; and

(ii) the institution's in-state peer institutions.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

SUBCHAPTER D. ONLINE INSTITUTION RESUMES FOR MEDICAL AND DENTAL UNITS

Sec. 51A.151. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to medical and dental units.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Sec. 51A.152. INSTITUTION RESUME FOR LEGISLATORS AND OTHER POLICY MAKERS. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume designed for use by legislators and other interested policy makers.

(b) The resume must identify:

(1) the institutional grouping to which the institution is

assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state and out-of-state peer institutions.

(c) For purposes of this section, information required to be included in the resume regarding the institution's in-state or out-of-state peer institutions must be listed in the form of the average of that information for those institutions unless otherwise prescribed by coordinating board rule.

(d) The resume must include the following information relating to the institution for the most recent state fiscal year for which the information is available and compare that information to the same information for the state fiscal year preceding the most recent state fiscal year for which the information is available and the state fiscal year preceding the most recent state fiscal year for which the information is available by five years:

(1) under the heading "ENROLLMENT":

(A) the total number of students enrolled in the institution during the fall semester that ended in the fiscal year covered by the resume;

(B) if applicable, the total number of students enrolled in the institution's medical school during that fall semester; and

(C) if applicable, the total number of physicians certified by the institution annually on September 1 as training in residency programs accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association;

(2) under the heading "COSTS," the average annual total academic costs, including those costs identified by type of degree program if required by coordinating board rule, for a resident, full-time undergraduate student and for a resident, full-time graduate student:

(A) at the institution; and

(B) at the institution's in-state and out-of-state peer institutions;

(3) under the heading "STUDENT SUCCESS":

(A) if applicable, the percentage of medical school students who pass Part 1 or Part 2 of any examination administered or accepted for a medical license under Subtitle B, Title 3, Occupations Code:

(i) at the institution; and

(ii) at the institution's in-state and out-of-state peer institutions;

(B) if applicable, the percentage of medical school students who are practicing primary care in this state:

(i) after graduating from the institution; and

(ii) after graduating from the institution's in-state peer institutions;

(C) the number of nursing degrees or allied health degrees awarded for each level:

(i) by the institution; and

(ii) by the institution's in-state and out-of-state peer institutions; and

(D) the estimated total amount of the institution's research expenditures for the most recent state fiscal year available; and

(4) under the heading "FUNDING":

(A) the total amount of money appropriated by the legislature to the institution, including money appropriated for faculty and staff health coverage and retirement benefits, for that state fiscal year; and

(B) the total amount of money from any source available to the institution for that state fiscal year.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

Sec. 51A.153. INSTITUTION RESUME FOR PROSPECTIVE STUDENTS, PARENTS, AND OTHER MEMBERS OF THE PUBLIC. (a) The coordinating board shall maintain for each institution to which this subchapter applies an online resume that is designed for use by prospective students of the institution, their parents, and other interested members of the public.

(b) The resume must identify:

(1) the institutional grouping to which the institution is assigned under the coordinating board's higher education accountability system; and

(2) the institution's in-state and out-of-state peer institutions.

(c) For purposes of this section, information required to be included in the resume regarding the institution's in-state peer institutions must be listed in the form of the average of that information for those institutions unless otherwise prescribed by coordinating board rules.

(d) The resume must include the following information relating to the most recent state fiscal year for which the information is available:

(1) under the heading "ENROLLMENT," with clearly identifiable links to the information disaggregated by student ethnicity:

(A) the total number of students enrolled in the institution during the fall semester that ended in the fiscal year covered by the resume;

(B) if applicable, the total number of students enrolled in the institution's medical school during that fall semester; and

(C) if applicable, the total number of physicians certified by the institution annually on September 1 as training in residency programs accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association at the institution on the most recent September 1 for which the information is available;

(2) under the heading "COSTS":

(A) the average annual total academic costs, including those costs identified by type of degree program if required by coordinating board rule, for a resident, full-time student at the institution;

(B) clearly identifiable links to information regarding:

(i) the tuition per academic year charged by the institution under Section 54.051;

(ii) any mandatory fees, as defined by the coordinating board, imposed by the institution; and

(iii) the amount and percentage by which the institution has increased tuition for a degree program or course level during the five state fiscal years preceding the state fiscal year covered by the resume; and

(C) the average cost to a resident undergraduate student enrolled in 30 semester credit hours for tuition and fees;

(3) under the heading "FINANCIAL AID":

(A) the percentage of graduate students enrolled in the institution who receive need-based grants or scholarships;

(B) the percentage of graduate students enrolled in the institution who receive need-based grants, scholarships, loans, or work-study funds;

(C) the average amount of a graduate student's need-based grant and scholarship package; and

(D) the average amount of a graduate student's need-based grant, scholarship, loan, and work-study package;

(4) under the heading "STUDENT SUCCESS":

(A) if applicable, the percentage of medical school students who pass Part 1 or Part 2 of any examination administered or accepted for a medical license under Subtitle B, Title 3, Occupations Code:

(i) at the institution; and

(ii) at the institution's in-state peer institutions;

(B) if applicable, the percentage of medical school students who are practicing primary care in this state:

(i) after graduating from the institution; and

(ii) after graduating from the institution's in-state peer institutions;

(C) the number of nursing degrees or allied health degrees awarded for each level:

(i) by the institution; and

(ii) by the institution's in-state peer institutions; and

(D) the estimated total amount of the institution's research expenditures; and

(5) under the heading "FIRST-TIME LICENSURE OR CERTIFICATION EXAMINATION PASS RATES," the first-time licensure or certification examination pass rates in applicable fields of students who are enrolled in or have graduated from:

(A) the institution; and

(B) the institution's in-state peer institutions.

Added by Acts 2009, 81st Leg., R.S., Ch. 723 (S.B. 174), Sec. 3, eff. June 19, 2009.

CHAPTER 52. STUDENT LOAN PROGRAM
SUBCHAPTER A. ADMINISTRATION

Sec. 52.01. ADMINISTRATION. The Texas Higher Education Coordinating Board, or its successors, shall administer the student loan program authorized by this chapter pursuant to Sections 50b-4, 50b-5, 50b-6, and 50b-7, Article III, Texas Constitution, and any former provision of the Texas Constitution authorizing bonds to finance educational loans to students. Personnel and other expenses required to properly administer this chapter shall be funded by:

(1) the general appropriations acts; or

(2) any other source of revenue received by the board in connection with the operation of the student loan program.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 1.

Acts 2011, 82nd Leg., R.S., Ch. 1251 (S.B. 1799), Sec. 1.

Sec. 52.02. DELEGATION OF POWERS AND DUTIES. The board may delegate to the commissioner of higher education the powers, duties, and functions authorized by this chapter, except those relating to the sale of bonds and the letting of contracts for insurance.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 52.03. BOARD INTEREST AND SINKING FUNDS. (a) The board by resolution may establish one or more interest and sinking funds as accounts in the state treasury.

(b) A board interest and sinking fund established under this section consists of deposits made by the board as provided by this chapter.

(c) A board interest and sinking fund established under this section may be used for any purpose related to the student loan program.

(d) The board by resolution may create and provide the terms of administration and use of one or more accounts in a board interest and sinking fund established under this section.

Added by Acts 1993, 73rd Leg., ch. 571, Sec. 4, eff. Aug. 30, 1993.

Sec. 52.04. BOARD STUDENT LOAN FUNDS. (a) The board by resolution may establish one or more board student loan funds as accounts in the state treasury.

(b) A board student loan fund established under this section consists of deposits made by the board as provided by this chapter.

(c) A board student loan fund established under this section may be used for any purpose related to the student loan program.

(d) The board by resolution may create and provide the terms of administration and use of one or more accounts in a board student loan fund established under this section.

Added by Acts 1993, 73rd Leg., ch. 571, Sec. 4, eff. Aug. 30, 1993.

SUBCHAPTER B. BONDS

Sec. 52.11. ISSUANCE OF BONDS. (a) The board may from time to time provide by resolution for the issuance of negotiable bonds in a total aggregate amount not exceeding $285 million.

(b) All bonds shall be on a parity and shall be called the Texas College Student Loan Bonds.

(c) The proceeds from the sale of bonds shall be placed in the Texas Opportunity Plan Fund.

(d) To assure the orderly and economical marketing of the bonds and the reasonable availability of money in the Texas Opportunity Plan Fund, the bonds may be issued in installments.

(e) The bonds of each issue shall be dated and shall bear interest at rates prescribed by the board, subject to the limitations imposed by law. At the option of the board, the interest may be payable annually or semiannually.

(f) The bonds shall mature serially or otherwise not later than 40 years from their date and may be redeemable before maturity, at the option of the board, at a price or prices and under terms and conditions fixed by the board in the resolution providing for the issuance of the bonds.

(g) The board shall determine the form of the bonds, including the form of any interest coupon to be attached to the bonds, and shall fix the denomination or denominations of the bonds and the place or places for the payment of the principal and interest.

(h) The bonds shall be executed on behalf of the coordinating board, or its successor, as general obligations of the State of Texas in the following manner: They shall be signed by the chairman or vice chairman and the secretary of the board, and the seal of the board shall be impressed on them. They shall be signed by the governor and attested by the secretary of state and the state seal impressed on them. The resolution authorizing the issuance of any installment or series of bonds may prescribe the extent to which facsimile signatures and facsimile seals may be used in executing the bonds and appurtenant coupons. Interest coupons may be signed with the facsimile signatures of the chairman or vice chairman and the secretary of the board. In the event any officer whose manual or facsimile signature appears on any bond or coupon ceases to hold that office before the delivery of the bond or coupon, the signature will nevertheless be valid and sufficient for all purposes as if he had remained in office until the delivery had been made.

(i) The resolution may provide for registration of the bonds as to ownership and for successive conversion and reconversion from registered to bearer bonds and vice versa.

(j) Before any of the bonds issued are delivered to the purchasers, the record pertaining to the bonds shall be examined by the attorney general and the records and the bonds shall be approved by him. After approval by the attorney general, the bonds shall be registered in the office of the comptroller of public accounts. When approved, registered, and delivered to the purchasers, the bonds are incontestable and constitute general obligations of the State of Texas.

(k) The performance of official duties prescribed by Article III, Section 50b, of the Texas Constitution, in reference to the provision for the payment and the payment of the bonds may be enforced in any court of competent jurisdiction through mandamus or other appropriate proceedings.

(l) All bonds issued in accordance with the provisions of this chapter are negotiable instruments under the laws of this state.

(m) The board may provide for the replacement of any bond which is mutilated, lost, or destroyed.

(n) This section applies only to bonds issued under Article III, Section 50b, of the Texas Constitution.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971. Amended by Acts 1993, 73rd Leg., ch. 300, Sec. 28, eff. Aug. 30, 1993; Acts 1993, 73rd Leg., ch. 571, Sec. 5, eff. Aug. 30, 1993.

Sec. 52.12. REFUNDING BONDS. (a) The board may provide by resolution for the issuance of refunding bonds for the purpose of refunding any bonds issued under the provisions of this chapter and then outstanding, together with accrued interest on them.

(b) The issuance of the refunding bonds, the maturities, and all other details of the bonds, the rights of the holders, and the duties of the board with respect to the bonds, shall be governed by the applicable provisions of Section 52.11 of this code.

(c) The refunding bonds may be exchanged for the outstanding bonds or may be sold and the proceeds used to retire the outstanding bonds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 52.13. BONDS AS INVESTMENTS. All bonds issued pursuant to the provisions of this chapter are legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees, and guardians, and for the sinking funds of cities, towns, villages, counties, school districts, and all other political subdivisions and public agencies of the State of Texas. The bonds, when accompanied by all unmatured coupons appurtenant to them, are lawful and sufficient security for all deposits of state funds and of all funds of any agency or political subdivision of the state, and of counties, school districts, cities, and all other municipal corporations or subdivisions at the par value of the bonds. The bonds and the income from them, including the profits made on their sale, shall at all times be free from taxation in this state.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 52.16. PROCEEDS FROM BOND SALE. All proceeds from the

sale of bonds authorized by Article III, Section 50b, 50b-1, or 50b-2 of the Texas Constitution shall be deposited in the state treasury in the Texas Opportunity Plan Fund.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 571, Sec. 6, eff. Aug. 30, 1993.

Sec. 52.17. INTEREST AND SINKING FUNDS. (a) Each fiscal year a sufficient portion of the funds received by the board as repayment of student loans granted under this chapter, as interest on the loans, and as other available funds relating to the student loan program shall be deposited in the state treasury in the Texas college interest and sinking fund or a board interest and sinking fund to:

(1) pay the interest and principal coming due during the next fiscal year on all outstanding bonds issued under this chapter that are secured by money in, as applicable, the Texas college interest and sinking fund or a board interest and sinking fund; and

(2) establish and maintain any reserves required by the board resolution authorizing the issuance of the bonds.

(a-1) With respect to any bonds that remain outstanding under this chapter, the board may, subject to the terms of the applicable board resolution authorizing the issuance of those bonds:

(1) reduce, eliminate, or replace any reserve portion of the Texas college interest and sinking fund or a board interest and sinking fund; and

(2) apply any excess money in accordance with Subsection (b).

(b) If in any year funds are received in excess of the foregoing requirements, then the excess may be:

(1) deposited in the Texas Opportunity Plan Fund, the student loan auxiliary fund, or a board interest and sinking fund;

(2) used to pay any costs of the board related to the operation of the student loan program;

(3) used for any lawful purpose related to the student loan program; or

(4) used for the same purposes and upon the same terms and conditions prescribed for the proceeds derived from the sale of the bonds.

(c) If funds received by the board in any fiscal year as repayment of student loans and as interest on the loans are insufficient to pay the interest coming due and the principal maturing on the bonds during the next fiscal year as described by Subsection (a), the comptroller shall transfer into the Texas college interest and sinking fund and each board interest and sinking fund out of the first money coming into the treasury that is not otherwise appropriated by the constitution an additional amount sufficient to pay that interest and principal.

(d) The resolution authorizing the issuance of the bonds may provide for the deposit, from bond proceeds, of not more than 36 months' interest, and may provide for the use of bond proceeds as a reserve for the payment of principal of and interest on the bonds.

(e) Amounts paid to the board by the federal Lender's Special Allowance program may:

(1) be deposited in:

(A) the Texas college interest and sinking fund; or

(B) a board interest and sinking fund; or

(2) be used by the board for the administration of student loan and grant programs administered by the board, including the making of grants under Subchapter M, Chapter 56.

(f) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 518, Sec. 1, eff. June 12, 1985; Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 13.05, eff. Aug. 22, 1991; Acts 1993, 73rd Leg., ch. 571, Sec. 7, eff. Aug. 30, 1993; Acts 1997, 75th Leg., ch. 1423, Sec. 5.10, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 1420, Sec. 8.214, eff. Sept. 1, 2001. Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 4, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 6(a), eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(5), eff. September 1, 2013.

Sec. 52.18. DUTIES OF COMPTROLLER. The comptroller of public

accounts shall make the transfers required under the provisions of this chapter and shall pay or cause to be paid the principal of and interest on the bonds as they mature and come due.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.11, eff. Sept. 1, 1997.

Sec. 52.19. INVESTMENT OF FUNDS. All money in the Texas college interest and sinking fund and in each board interest and sinking fund, including any reserve portion, and all money in the Texas Opportunity Plan Fund and in the student loan auxiliary fund in excess of the amount necessary for student loans, and all money in each board student loan fund shall be invested by the comptroller in the investments prescribed by board resolution. The board shall furnish to the comptroller a copy of the resolution prescribing authorized investments. The board may sell any instruments owned in the Texas college interest and sinking fund, a board interest and sinking fund, the Texas Opportunity Plan Fund, the student loan auxiliary fund, or a board student loan fund at the prevailing market price. Income from these investments may be deposited in any of those funds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 4, Sec. 2, eff. Feb. 28, 1991; Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 2, eff. Aug. 29, 1991; Acts 1993, 73rd Leg., ch. 571, Sec. 8, eff. Aug. 30, 1993; Acts 1997, 75th Leg., ch. 1423, Sec. 5.12, eff. Sept. 1, 1997.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 6(b), eff. September 1, 2007.

Sec. 52.20. STUDENT LOAN NOTES. (a) Promissory notes evidencing student loans made by the board with proceeds from bonds may be deposited and held in any fund as directed by the board resolution that authorized the issuance of the bonds.

(b) The board may pledge and grant a security interest in all or any portion of those promissory notes to any person to further secure the payment of principal and interest on bonds issued under

this chapter or of obligations under any contracts entered into by the board relating to the issuance of a series of bonds.

Added by Acts 1993, 73rd Leg., ch. 571, Sec. 9, eff. Aug. 30, 1993.

SUBCHAPTER C. STUDENT LOANS

Sec. 52.31. PARTICIPATING INSTITUTIONS. In this subchapter, "participating higher educational institution" means a public or private nonprofit institution of higher education, including a junior college, accredited by a recognized accrediting agency as defined by Section 61.003, or a regional education service center or other entity that offers an alternative educator certification program approved by the State Board for Educator Certification, that:

(1) is located in this state; and

(2) complies with the provisions of this chapter and the rules of the board promulgated in accordance with this chapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 5, eff. September 1, 2005.

Sec. 52.32. QUALIFICATIONS FOR LOANS. (a) The board may authorize loans from the Texas Opportunity Plan Fund to a qualified applicant who:

(1) is a resident of this state as defined by the board in accordance with Subchapter B, Chapter 54;

(2) has been accepted for enrollment at a participating higher educational institution, provided that if the institution is a public or private postsecondary educational institution, the institution must be approved by an agency of the United States government for the purpose of guaranteeing the maker of such loans against loss due to the death, disability, or default of the borrower;

(3) has established that the student has insufficient resources to finance the student's college education or alternative educator certification program;

(4) has submitted to the board at least two references,

including the names of the persons giving those references and appropriate contact information for those persons; and

(5) has complied with other requirements established by the rules adopted by the board in conformity with this chapter.

(a-1) Except as provided by Subsection (b), if the institution to which the applicant has been accepted for enrollment was not a participating institution, as defined by Section 52.31, on May 1, 1985, the applicant must provide evidence that the applicant is unable to obtain a guaranteed student loan from a commercial lender.

(b) If a loan applicant is enrolled at a career school or college in a degree program that is approved by the board or at a regional education service center or other entity in an alternative educator certification program that is approved by the State Board for Educator Certification, the applicant is not required to provide evidence that the applicant is unable to obtain a guaranteed student loan from a commercial lender under Subsection (a-1).

(c) In no event may a higher standard of academic performance be required of an applicant than the minimum standard required for enrollment in the participating institution. The student must be meeting the minimum academic requirements of the institution in the semester any loan is made.

(d) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1334, Sec. 6(e)(2), eff. September 1, 2007.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 892, Sec. 1, eff. Sept. 1, 1985; Acts 1987, 70th Leg., 2nd C.S., ch. 23, Sec. 1, eff. Aug. 3, 1987; Acts 1989, 71st Leg., ch. 1084, Sec. 2.01, eff. Sept. 1, 1989; Acts 2003, 78th Leg., ch. 364, Sec. 2.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.16, eff. Sept. 1, 2003. Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 6, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 6(e)(2), eff. September 1, 2007.

Sec. 52.321. STANDARDS CONCERNING ABILITY TO REPAY CERTAIN LOANS. In establishing requirements to be met by applicants for student loans authorized by the board under this chapter, the board

may not establish standards relating to demonstration of ability to repay a federally insured student loan that are stricter for a certain class of applicants than for other applicants, except in cases where the applicant attends a school with a loan default rate of 15 percent or more.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.02, eff. Sept. 1, 1989.

Sec. 52.33. AMOUNT OF LOAN. The amount of the loan to any qualified applicant shall be limited to the difference between the financial resources available to the applicant, including but not limited to the applicant's income from parents and other sources, scholarships, gifts, grants, other financial aid, and the amount the applicant can reasonably be expected to earn, and the amount necessary to pay the applicant's reasonable expenses as a student at the participating institution of higher education where the applicant has been accepted for enrollment, under the rules and regulations adopted by the board. The total loan to any individual student may never be more than the amount the student can reasonably be expected to repay in the maximum loan period provided by board rule, except as otherwise provided for in this chapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., 2nd C.S., ch. 23, Sec. 2, eff. Aug. 3, 1987.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 7, eff. September 1, 2005.

Sec. 52.34. PAYMENTS TO STUDENT. (a) No payment may be made to any student until the student has executed a note payable to the Texas Opportunity Plan Fund for the full amount of the authorized loan plus interest.

(b) For the purposes of this chapter, a student has the capacity to contract and is bound by any contract executed by the student, and the defense that the student was a minor at the time the student executed the note is not available to the student in any action arising on the note.

(c) Payments to students executing notes may be made annually, semiannually, quarterly, monthly, or for each semester as the board may determine, depending on the demonstrated capacity of the student to manage the student's financial affairs.

(d) Disbursements may be made by the board or by the participating institution pursuant to a contract between the board and the institution executed in conformity with this chapter.

(e) Money may be distributed to a participating institution only to make payments to a student under a loan authorized by this chapter.

(f) The board shall distribute money to a participating institution through the electronic funds transfer system maintained by the Texas Guaranteed Student Loan Corporation for disbursing loan funds from commercial lenders participating in the guaranteed student loan program under Chapter 57, except that at the request of a participating institution the board may distribute the money through other means. The board shall enter into a contract with the corporation for the use of the system, and the corporation shall make the system available to the board as necessary to carry out this subsection.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 45, eff. Sept. 1, 2003.

Sec. 52.35. TERM OF LOANS. The term of all authorized loans must be for the shortest possible period consistent with general practice by issuers of student loans, as determined by the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3339, ch. 1024, art. 2, Sec. 7, eff. Sept. 1, 1971; Acts 1987, 70th Leg., 2nd C.S., ch. 23, Sec. 3, eff. Aug. 3, 1987.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 8, eff. September 1, 2005.

Sec. 52.36. LOAN INTEREST AND FEES. (a) The board shall from time to time fix the interest to be charged for any student loan at a

rate sufficient to pay the interest on outstanding bonds, any expenses incident to their issuance, sale, and retirement, and all or a portion of the board's expenses related to the operation of the student loan program. Interest shall be postponed by the board as long as a student is enrolled at a participating institution and may be postponed at the board's discretion as long as a student is enrolled at any other higher educational institution, provided that the total interest paid is to be equal to that fixed at the time the note evidencing the loan is executed.

(b) The board may charge and collect loan origination fees from borrowers for use in offsetting in whole or in part the operating expenses for the loans.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 785, ch. 347, Sec. 1, eff. June 6, 1979; Acts 1987, 70th Leg., 2nd C.S., ch. 23, Sec. 4, eff. Aug. 3, 1987; Acts 1993, 73rd Leg., ch. 571, Sec. 10, eff. Aug. 30, 1993.

Sec. 52.37. INSURANCE. The board may contract with any insurance company or companies licensed to do business in Texas for insurance on the life of any student borrower in an amount sufficient to retire the principal and interest owed under a loan made under the provisions of this chapter. The cost of the insurance shall be paid by the student borrower. No contract for insurance as provided for in this section may be approved except by the board during a regular meeting attended by a quorum of the total board membership.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 52.38. REPAYMENT OF LOANS. Repayment of any loan and interest authorized under this chapter shall be made monthly and shall begin not later than nine months after the date the student borrower is last enrolled in a participating institution or any other institution of higher education and in no event later than five years from the date the first note evidencing a loan under this chapter is executed. The board may, however, authorize a longer period before beginning repayment of loans to medical students, dental students,

and other students seeking professional or graduate degrees. The board may extend the time for beginning repayment for unusual financial hardships, with the approval of the attorney general. Repayment shall be made directly to the board or to a participating institution pursuant to a contract executed by the board in accordance with its rules and regulations.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3339, ch. 1024, art. 2, Sec. 7, eff. Sept. 1, 1971.

Sec. 52.39. DEFAULT; SUIT. When any person who has received or cosigned as a guarantor for a loan authorized by this chapter has failed or refused to make as many as six monthly payments due in accordance with an executed note, then the full amount of the remaining principal and interest becomes due and payable immediately, and the amount due, the person's name and last known address, and other necessary information shall be reported by the board to the attorney general. Suit for the remaining sum shall be instituted by the attorney general, unless the attorney general finds reasonable justification for delaying suit and so advises the board in writing. Venue for a suit arising under this section is exclusively conferred on a court of competent jurisdiction in Travis County.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 3, eff. September 1, 2013.

Sec. 52.40. CANCELLATION OF CERTAIN LOAN REPAYMENTS. (a) The board may cancel the repayment of a loan received by a student who earns a doctorate of psychology degree and who, prior to the date on which repayment of the loan is to commence, is employed by the Department of Aging and Disability Services, the Department of State Health Services, or the Health and Human Services Commission and performs duties formerly performed by employees of the Texas Department of Human Services or Texas Department of Mental Health and Mental Retardation, the Texas Juvenile Justice Department, or the

Texas Department of Criminal Justice.

(b) A person who wishes to apply for a loan cancellation shall enter into a contract with the board which contains the following provisions:

(1) No payment is due from the person as long as he is employed by one of the designated state agencies.

(2) Half of the total amount of the loan plus interest due is to be cancelled after two years of the appropriate service, and the remainder is to be cancelled after two additional years of service.

(3) Repayment of the loan and interest is to commence immediately if the person leaves the designated state agency before the expiration of two years; repayment of one-half of the loan and interest is to commence immediately if the person leaves the designated state agency after completing two years service; upon completion of four years service, the loan, principal and interest, shall be fully cancelled.

(4) Interest continues to accrue until the loan is cancelled or repaid.

(c) Loans and interest on loans may be cancelled under the Texas Opportunity Plan Fund in any year in a total amount not to exceed the amount appropriated for that purpose from general revenue funds.

(d) The board shall publicize the availability of the loan cancellation procedures provided in this section at all institutions of higher education which offer graduate programs in psychology.

Added by Acts 1975, 64th Leg., p. 1344, ch. 503, Sec. 1, eff. Sept. 1, 1975. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 28, art. III, part K, Sec. 1, eff. Sept. 1, 1984; Acts 1985, 69th Leg., ch. 264, Sec. 33, eff. Aug. 26, 1985; Acts 1985, 69th Leg., ch. 517, Sec. 2, eff. Sept. 1, 1985; Acts 1989, 71st Leg., ch. 1084, Sec. 2.03, eff. Sept. 1, 1989.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.052, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 36, eff. September 1, 2015.

Sec. 52.41. RESTRICTION ON ISSUANCE OF CERTAIN FEDERALLY INSURED STUDENT LOANS. (a) Except as provided by Subsection (c), the board may issue a student loan under the Federal Family Education Loan Program (20 U.S.C. Section 1071 et seq.), as amended, only to a borrower who has been or will be issued a student loan under another student loan program administered by the board.

(b) The board may service any outstanding student loans issued by the board under the Federal Family Education Loan Program.

(c) The board may issue student loans under the Federal Family Education Loan Program to borrowers other than borrowers described by Subsection (a) if the commissioner of higher education determines that market conditions warrant the issuance of those loans.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 46, eff. Sept. 1, 2003.

SUBCHAPTER D. GENERAL PROVISIONS

Sec. 52.501. DEFINITIONS. In this chapter:

(1) "Board" means the Texas Higher Education Coordinating Board.

(2) "Board interest and sinking fund" means an interest and sinking fund established by the board under Section 52.03 of this code.

(3) "Board student loan fund" means a student loan fund established by the board under Section 52.04 of this code.

(4) "Bond" means a general obligation bond issued by the board under Section 50b-4, 50b-5, 50b-6, or 50b-7, Article III, Texas Constitution, or any former provision of the Texas Constitution authorizing bonds to finance educational loans to students.

(5) "Student loan program" means the student loan program administered by the board under this chapter.

Added by Acts 1993, 73rd Leg., ch. 571, Sec. 1, eff. Aug. 30, 1993.
Amended by Acts 1995, 74th Leg., ch. 300, Sec. 2, eff. Nov. 7, 1995; Acts 1999, 76th Leg., ch. 144, Sec. 2, eff. Nov. 2, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 2.

Acts 2011, 82nd Leg., R.S., Ch. 1251 (S.B. 1799), Sec. 2.

Sec. 52.51. ADVISORY COMMITTEES. The board may appoint

advisory committees from outside its membership as it deems necessary to assist it in achieving the purposes of this chapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 52.52. CONTRACTS. (a) Except as provided by this section, in achieving the goals outlined in this chapter and the performance of functions assigned to it, the board may contract with any other state governmental agency as authorized by law, with any agency of the United States, and with corporations, associations, partnerships, and individuals.

(b) The board may not make an agreement with a guarantor concerning any insured student loans the board authorizes that requires the board to file suit or take other action to collect on a defaulted loan beyond the 365th day after the official default date occurs on the loan, unless such a requirement is imposed by the guarantor on other lenders making the same kind of insured student loans.

(c) Not later than January 1, 1991, the board shall amend its contract with the United States Department of Education that requires the board to file suit to obtain judgment on a defaulted loan before filing a claim on the defaulted loan with the guarantor to reflect the requirement in Subsection (b) of this section.

(d) The board may approve and enter into agreements that are necessary for the operation of the student loan program or that relate to the issuance of bonds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 2.04, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 571, Sec. 11, eff. Aug. 30, 1993.

Sec. 52.521. FILING OF CLAIMS ON LOANS IN DEFAULT. (a) The board shall file a claim with the appropriate guarantor on an insured loan in default as soon as it is practicable to do so in accordance with the guarantor's rules.

(b) The board shall deposit funds obtained as a result of any claims, including claims filed on loans in default that have been

litigated as provided under a contract with the United States Department of Education, filed with a guarantor in the Texas Opportunity Plan Fund or in the student loan auxiliary fund in the appropriate account to be used for making student loans.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.05, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 3.

Sec. 52.53. GIFTS AND GRANTS. The board may accept gifts, grants, or donations of real or personal property from any individual, group, association, or corporation or the United States, subject to limitations or conditions set by law. The board shall deposit gifts, grants, or donations of money in the Texas Opportunity Plan Fund or in the student loan auxiliary fund and shall separately account for and expend the funds in accordance with the specific purpose for which given and under such conditions as are imposed by the donor and as provided by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 4.

Sec. 52.54. RULES AND REGULATIONS. (a) The board shall adopt and publish rules and regulations to effectuate the purposes of this chapter in accordance with and under the conditions applied to other agencies by Chapter 274, Acts of the 57th Legislature, Regular Session, 1961, as amended (Article 6252-13, Vernon's Texas Civil Statutes).

(b) The board may adopt rules and regulations necessary for participation in the federal guaranteed loan program provided by the Higher Education Act of 1965 (Public Law 89-329).

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3340, ch. 1024, art. 2, Sec. 7, eff. Sept. 1, 1971.

Sec. 52.541. ACCOUNTS FOR LOAN PROGRAMS. (a) The board shall establish separate accounting within the Texas Opportunity Plan Fund and the student loan auxiliary fund for each of its existing loan

programs, including accounting for the federally insured loans that are insured by the United States Department of Education, the federally insured loans that are insured by the United States Department of Health and Human Services, and each loan program that consists of loans insured by the State of Texas.

(b) If a loan program is established after September 1, 1989, the board shall establish separate accounting within the Texas Opportunity Plan Fund and the student loan auxiliary fund for that loan program.

(c) The board may transfer funds between the Texas Opportunity Plan Fund and the student loan auxiliary fund and among the separate accounts established under this section within those funds if:

(1) the transfer is approved by the board and is necessary to administer the Texas Opportunity Plan Fund or the student loan auxiliary fund; and

(2) the reason for the transfer is documented in the accounting of the funds.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.06, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 4. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 6(c), eff. September 1, 2007.

Sec. 52.55. AUDIT. All transactions under the provisions of this chapter are subject to audit by the state auditor.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER E. COLLEGE SAVINGS BONDS

Sec. 52.61. DEFINITIONS. In this subchapter:

(1) "College savings bond" means a general obligation bond issued by the board under Article III, Section 50b-2, of the Texas Constitution.

(2) "Postsecondary educational institution" includes an institution of higher education as that term is defined by Section 61.003 of this code and private institutions approved for purposes of the tuition equalization program under Subchapter F of Chapter 61 of

this code.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.62. ESTABLISHMENT OF SAVINGS BONDS PROGRAM; USE OF BOND PROCEEDS. (a) The college savings bonds program is established to provide the public with a method of saving that encourages enrollment at postsecondary educational institutions.

(b) The college savings bonds issued by the board under this subchapter are part of the Texas Opportunity Plan Fund, and the proceeds from the bonds shall be invested as provided by Subchapter B of this chapter and may be used for student loans as provided by Subchapter C of this chapter.

(c) The proceeds from the college savings bonds issued under this subchapter may be used for the costs associated with the issuance of the bonds, including the cost of marketing the bonds.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.63. PUBLIC PURPOSE. The legislature finds and declares that this subchapter:

(1) by authorizing the issuance of general obligation bonds as college savings bonds provides the public with a method of saving that encourages enrollment at postsecondary educational institutions; and

(2) by encouraging enrollment at postsecondary educational institutions, this subchapter promotes the public welfare and economic development of this state and, consequently, serves an important public purpose.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.64. ADMINISTRATION OF SAVINGS BONDS PROGRAM; RULES. (a) The board shall administer the college savings bonds program.

(b) The board may adopt any rules necessary to administer this subchapter.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.65. EFFECT ON OTHER FINANCIAL AID. In determining the eligibility of a student for a scholarship, grant, or other monetary assistance awarded by a state agency, an amount of $10,000 or less in proceeds from savings bonds, including principal and accumulated interest, may not be considered in determining the amount or form of financial assistance to provide to the student.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.66. AUTHORITY TO ISSUE. (a) The board shall issue and sell college savings bonds in a total aggregate amount not exceeding $75 million authorized under Article III, Section 50b-2, of the Texas Constitution.

(b) The college savings bonds may be sold in the manner and in the amounts determined by the board and as provided by this subchapter.

(c) College savings bonds may be sold at a negotiated sale if the board determines that a negotiated sale will result in either a more efficient and economic sale of the college savings bonds or greater access to the college savings bonds by residents of this state.

(d) If any college savings bonds are sold at a negotiated sale, the underwriter to whom those bonds are sold must, in the judgment of the board, have sufficient capability to make a broad distribution of those bonds to investors resident in this state.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.67. SECURITY OF SAVINGS BONDS; GENERAL OBLIGATION. The college savings bonds authorized under Article III, Section 50b-2, of the Texas Constitution and issued in accordance with this subchapter are general obligations of this state.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.68. TERMS. (a) Savings bonds issued under this

subchapter must mature serially or otherwise not more than 25 years after they are issued.

(b) The college savings bonds:

(1) must be zero coupon bonds, capital appreciation bonds, compound interest bonds, municipal multiplier bonds, capital accumulator bonds, or a similar type of bond that will encourage the purchaser to hold the bond until maturity; and

(2) must be issued in small denominations of $1,000 or less at a price the board determines to be the most advantageous reasonably obtainable and that renders the bonds attractive for the purpose of financing the costs of higher education.

(c) The college savings bonds may not be redeemed by the state before maturity.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.69. DETERMINATION OF AGGREGATE PRINCIPAL AMOUNT OF BONDS. The aggregate principal amount of the college savings bonds issued under this subchapter shall be the aggregate of the initial offering prices, not including accrued interest, at which those bonds are offered for sale to the public, including private or negotiated sales, or sold to the initial purchasers in a private placement, without a reduction for an underwriter's discount or fees of a placement agent or other intermediary.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.70. MARKETING AND DISTRIBUTION OF BONDS. (a) The board shall coordinate the marketing and distribution of the college savings bonds.

(b) The board may use its staff to assist in the marketing and distribution of the college savings bonds or may contract with another entity for services to carry out some or all of those duties.

(c) In marketing the college savings bonds, the board shall emphasize the use of those bonds to finance the costs of higher education.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.71. MANDAMUS. The performance of official duties prescribed by this subchapter and Article III, Section 50b-2, of the Texas Constitution, in reference to the payment of the college savings bonds, may be enforced in a court of competent jurisdiction by mandamus or other appropriate proceedings.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.72. REPLACEMENT OF BOND. The board may provide for the replacement of any college savings bond that is mutilated, lost, or destroyed.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.73. APPROVAL AND REGISTRATION. (a) College savings bonds issued by the board and the records relating to their issuance must be submitted to the attorney general for examination as to their validity.

(b) If the attorney general finds that the college savings bonds have been authorized in accordance with law, the attorney general shall approve them, and the comptroller of public accounts shall register the bonds.

(c) Following approval and registration, the college savings bonds are incontestable and are binding obligations according to their terms.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

Sec. 52.74. EXEMPTION FROM TAXATION. College savings bonds issued under this subchapter may not be taxed by the state or any of its political subdivisions.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 2.08.

SUBCHAPTER F. ADDITIONAL BONDS

Sec. 52.81. DEFINITIONS. In this subchapter:

(1) "Board" means the Texas Higher Education Coordinating

Board.

(2) "Bond" means a general obligation bond issued by the board under former Section 50b-3 or Section 50b-4, 50b-5, 50b-6, or 50b-7, Article III, Texas Constitution.

(3) "Fund" means the student loan auxiliary fund.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1. Amended by Acts 1995, 74th Leg., ch. 300, Sec. 3, eff. Nov. 7, 1995; Acts 1999, 76th Leg., ch. 144, Sec. 3, eff. Nov. 2, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 3.

Acts 2011, 82nd Leg., R.S., Ch. 1251 (S.B. 1799), Sec. 3.

Sec. 52.82. ISSUANCE; SALE. (a) The board may by resolution authorize the issuance of general obligation bonds. The principal amount of outstanding bonds issued under this section must at all times be equal to or less than the amount provided by Section 50b-7, Article III, Texas Constitution.

(b) Before the board may issue bonds under this subchapter, the Bond Review Board must review and approve the bonds under Chapter 1231, Government Code.

(c) The board may sell the bonds at a negotiated sale if the board determines that a negotiated sale is a more efficient and economical method of selling the bonds. If the board has determined that the bonds will be sold by competitive bid, the board by resolution shall prescribe the manner of giving notice of the sale.

(d) The total amount of bonds issued by the board in a state fiscal year may not exceed $350 million.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1. Amended by Acts 1995, 74th Leg., ch. 300, Sec. 4; Acts 1999, 76th Leg., ch. 144, Sec. 4; Acts 2001, 77th Leg., ch. 1420, Sec. 8.215, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 779, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 4.

Acts 2007, 80th Leg., R.S., Ch. 1334 (S.B. 1640), Sec. 6(d), eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1251 (S.B. 1799), Sec. 4.

Sec. 52.83. TERMS. (a) Except as provided by this subchapter, the board by resolution may provide the terms and name of the bonds.

(b) The bonds must be dated and bear interest at a rate or rates prescribed by the board in accordance with the resolution for the issuance of the bonds, except that the rate may not exceed the maximum net effective rate allowed by law. The resolution may provide for:

(1) any type of rate, including a fixed, variable, floating, or adjustable rate; and

(2) any arrangement for the periodic determination of interest rates, including a formula, index, or contract.

(c) The bonds must mature serially or otherwise not later than the 40th year after the date of their issuance.

(d) The bonds may have a different face value from other bonds issued by the board.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1. Amended by Acts 1993, 73rd Leg., ch. 571, Sec. 12, eff. Aug. 30, 1993.

Sec. 52.84. EXECUTION; REGISTRATION. The resolution authorizing the issuance of the bonds may provide for the manner of execution and for the registration of ownership of the bonds.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1.

Sec. 52.85. MARKETING; DISTRIBUTION. (a) The board shall coordinate the marketing and distribution of the bonds.

(b) The board may use its staff to market and distribute the bonds or may contract with another entity to market and distribute the bonds.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1.

Sec. 52.86. APPROVAL AND REGISTRATION. (a) The attorney general shall examine the bonds and the records relating to the bonds' issuance.

(b) If the attorney general finds that the bonds have been issued in accordance with law, the attorney general shall approve the

bonds, and the comptroller of public accounts shall register the bonds.

(c) Following approval and registration, the bonds are incontestable and are binding obligations according to their terms.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1.

Sec. 52.87. MANDAMUS. The performance of official duties prescribed by this subchapter and by former Section 50b-3 and Sections 50b-4, 50b-5, 50b-6, and 50b-7, Article III, Texas Constitution, in reference to the payment of the bonds, may be enforced in a court of competent jurisdiction by mandamus or other appropriate proceedings.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1251 (S.B. 1799), Sec. 5.

Sec. 52.88. REPLACEMENT OF BOND. The board may provide for the replacement of a bond that is mutilated, lost, or destroyed.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1.

Sec. 52.89. FUND. (a) A special fund to be known as the student loan auxiliary fund is created in the state treasury.

(b) The fund consists of proceeds from the sale of the bonds deposited in accordance with this section, gifts or grants made to the board for purposes of the fund, and deposits made as authorized by this chapter.

(c) The board shall deposit to the credit of the fund any proceeds from the sale of bonds, excluding:

(1) any accrued interest on the bonds which shall be deposited in the board interest and sinking fund relating to the bonds; and

(2) proceeds from the sale of bonds issued by the board under Section 56.464(b), as that subsection existed immediately before September 1, 2015.

(c-1) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1243 , Sec. 8(1), eff. September 1, 2015.

(d) The board by resolution may create and provide the terms of the administration and use of an interest and sinking account or other accounts in the fund.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1. Amended by Acts 1993, 73rd Leg., ch. 571, Sec. 13, eff. Aug. 30, 1993; Acts 2003, 78th Leg., ch. 779, Sec. 3, eff. June 20, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 1, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 8(1), eff. September 1, 2015.

Sec. 52.90. LOANS FROM FUND. (a) The board shall make a loan from the fund to a student who qualifies for a loan under Subchapter C.
(b) Loans from the fund are governed by Subchapter C.
(c) The board may charge and collect a loan origination fee from a person who receives a loan from the fund. The board may use the fee to pay operating expenses for making loans under this section.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 5, Sec. 1. Amended by Acts 2003, 78th Leg., ch. 779, Sec. 4, eff. June 20, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 2, eff. September 1, 2015.

Sec. 52.91. BONDS FOR FORMER TEXAS B-ON-TIME STUDENT LOAN PROGRAM. (a) The board shall deposit to the credit of the Texas B-On-time student loan account established under Section 56.0092 any proceeds from the sale of bonds issued by the board to fund Texas B-On-time student loans under Section 56.464(b), as that subsection existed immediately before September 1, 2015, other than accrued interest on the bonds, which shall be deposited to the credit of the interest and sinking fund related to the bonds.
(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1243 , Sec. 8(1), eff. September 1, 2015.
(c) The board shall repay bonds described by Subsection (a)

using proceeds from the bonds, legislative appropriations, and money collected by the board as repayment for Texas B-On-time student loans awarded by the board under Section 56.0092(c) for a semester or term occurring before the 2020 fall semester. The board may also repay the bonds by using tuition set aside under Section 56.465, as that section existed immediately before September 1, 2015, for a semester or term occurring before the 2015 fall semester. The board may not repay the bonds with money collected by the board as repayment for student loans awarded by the board under Subchapter C.

Added by Acts 2003, 78th Leg., ch. 779, Sec. 4, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 9, eff. September 1, 2005.
Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 2, eff. June 18, 2005.
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 3, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 4, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 8(1), eff. September 1, 2015.

CHAPTER 53. HIGHER EDUCATION FACILITY AUTHORITIES FOR PUBLIC SCHOOLS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 53.01. SHORT TITLE. This chapter may be cited as the Higher Education Facility Authority for Public Schools Act.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.02. DEFINITIONS. In this chapter:

(1) "City" means an incorporated city or town in this state.

(2) "Governing body" means the council, commission, or other governing body of a city.

(3) "Authority" means a higher education facility authority

created under this chapter.

(4) "Board" means the board of directors of an authority.

(5) "Institution of higher education" means any institution of higher education as defined by Subdivision (8) of Section 61.003.

(6) "Educational facility" means a classroom building, laboratory, science building, faculty or administrative office building, or other facility used exclusively for the conduct of the educational and administrative functions of an institution of higher education.

(7) "Housing facility" means a single- or multi-family residence used exclusively for housing or boarding, or housing and boarding students, faculty, or staff members of an institution of higher learning. The term includes infirmary and student union building, but does not include a housing or boarding facility for the use of a fraternity, sorority, or private club.

(8) "Bond resolution" means the resolution authorizing the issuance of revenue bonds.

(9) "Trust indenture" means the mortgage, deed of trust, or other instrument pledging revenue or property, or creating a mortgage lien on property, or both, to secure the revenue bonds issued by the authority.

(10) "Authorized charter school" means an open-enrollment charter school that holds a charter granted under Subchapter D, Chapter 12, and includes an open-enrollment charter school designated as a charter district as provided by Section 12.135.

(11) "Borrower" means any of the following entities that is the recipient of a loan made under Section 53.34:

(A) an institution of higher education;

(B) a nonprofit corporation:

(i) incorporated by and under the exclusive control of an institution of higher education; or

(ii) incorporated and operating for the exclusive benefit of an institution of higher education and authorized by the governing board of the institution to enter into a transaction as a borrower under this chapter; or

(C) an accredited or authorized charter school.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3067, ch. 807, Sec. 1, eff. June 17, 1981; Acts 1983, 68th Leg., p. 860, ch. 200, Sec. 1,

2, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 659, Sec. 1, eff. June 18, 1987; Acts 1997, 75th Leg., ch. 1232, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1335, Sec. 4, eff. June 19, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 2.02, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.17, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1266, Sec. 1.05, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 7, eff. June 20, 2003.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.19, eff. September 28, 2011.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 53.11. CREATION OF AUTHORITY. When the governing body of a city finds that it is to the best interest of the city and its inhabitants to create a higher education facility authority, it shall pass an ordinance creating the authority and designating the name by which it shall be known. If the governing bodies of two or more cities find that it is to the best interest of the cities to create an authority to include those cities, each governing body shall pass an ordinance creating the authority and designating the name by which it shall be known.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.12. TERRITORY. The authority comprises only the territory included within the boundaries of the city or cities creating it.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.13. CORPORATE POWERS. An authority is a body politic and corporate having the power of perpetual succession. It shall have a seal; it may sue and be sued; and it may make, amend, and repeal its bylaws.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.131. AUTHORITY'S EARNINGS. A private person may not share in any of an authority's earnings.

Added by Acts 1983, 68th Leg., p. 861, ch. 200, Sec. 3, eff. Aug. 29, 1983.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.14. BOARD OF DIRECTORS. (a) The authority shall be governed by a board of directors consisting of not less than 7 nor more than 11 members to be determined at the time of creating the authority. The directors shall be appointed by the governing body of the city or by the governing bodies of the cities, and they shall serve until their successors are appointed as provided by this section. If the authority includes more than one city, each governing body shall appoint an equal number of directors unless otherwise agreed by the cities.

(b) The members of the board serve for two-year terms.

(c) No officer or employee of any such city is eligible for appointment as a director. Directors are not entitled to compensation for services but are entitled to reimbursement for expenses incurred in performing such service.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 861, ch. 200, Sec. 4, eff. Aug. 29, 1983.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.15. ORGANIZATION OF BOARD; QUORUM; EMPLOYEES; COUNSEL. (a) The board shall elect from among its members a president and vice president, and shall elect a secretary and a treasurer who may or may not be directors, and may elect other officers as authorized by the authority's bylaws. The offices of secretary and treasurer may be combined.

(b) The president has the same right to vote on all matters as other members of the board.

(c) A majority constitutes a quorum, and when a quorum is present action may be taken by a majority vote of directors present.

(d) The board may employ a manager or executive director of the facilities and other employees, experts, and agents as it sees fit. It may delegate to the manager the power to employ and discharge employees.

(e) The board may employ legal counsel.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 53.31. NO TAXING POWER. An authority has no power to tax.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.32. NO POWER OF EMINENT DOMAIN. The authority does not have the power of eminent domain.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.33. LIMITED POWER TO ACQUIRE, OWN, AND OPERATE

EDUCATIONAL AND HOUSING FACILITIES. (a) An authority or a nonprofit instrumentality created under Section 53.35(b) may acquire, own, hold title to, lease, or operate an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, but only if:

(1) the facility is or will be located within the corporate limits of the city that created the authority or nonprofit instrumentality;

(2) the governing body of an institution of higher education officially requests the authority or nonprofit instrumentality to acquire and own the facility for the benefit of the institution of higher education;

(3) the institution of higher education officially agrees to accept, and has authority to receive legal title to, the facility not later than the date on which any bonds or other obligations issued to acquire the facility are paid in full; and

(4) the ownership of the facility by the authority or the nonprofit instrumentality is approved by official action of the governing body of:

(A) the city that created the authority or nonprofit instrumentality;

(B) the school district in which the facility is or will be located; and

(C) the county in which the facility is or will be located.

(b) An authority or instrumentality that exercises the powers granted by Subsection (a) may contract for the operation of the facility by public or private entities or persons on the terms and conditions set forth in a contract relating to the operation of the facility.

(c) The changes in law made by the amendment of this section by the 78th Legislature, Regular Session, 2003, do not affect the acquisition, ownership, construction, or improvement of a facility, or the acquisition and ownership of land that were approved by official action of the authority or nonprofit corporate instrumentality before March 15, 2003, and the law in effect immediately before the effective date of the amendment of this section by the 78th Legislature, Regular Session, 2003, is continued in effect for that purpose.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 862, ch. 200, Sec. 5, eff. Aug. 29, 1983; Acts 2003, 78th Leg., ch. 1266, Sec. 1.06, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 8, eff. June 20, 2003.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.331. REFINANCING FACILITIES. The authority may refinance any educational or housing facility acquired, constructed, or improved.

Added by Acts 1983, 68th Leg., p. 863, ch. 200, Sec. 6, eff. Aug. 29, 1983.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.34. REVENUE BONDS. (a) An authority or a nonprofit instrumentality created under Section 53.35(b), including an authority or nonprofit instrumentality authorized to own facilities under Section 53.33(a), may issue and execute revenue bonds or other obligations to loan or otherwise provide funds to a borrower if:

(1) the governing body of the borrower by official action requests the issuer of the bonds or other obligations to loan the proceeds under this subsection;

(2) the purpose of the loan is to enable the borrower to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds or other obligations; and

(3) under the terms of the loan, and unless a mortgage lien granted to secure the loan is in default, the ownership of the facility is required to be at all times under the exclusive control, and held for the exclusive benefit, of the borrower.

(b) In issuing revenue bonds or other obligations under this

chapter, the issuer of the bonds or other obligations is considered to be acting on behalf of the city by which it was created.

(c) Bonds or other obligations issued under Subsection (a) shall be payable from and secured by a pledge of the revenues, income, or assets pledged for the purpose by the borrower. The bonds or other obligations may be additionally secured by a mortgage, deed of trust, or chattel mortgage on real or personal property, or on both real and personal property, if granted by the borrower.

(d) A facility financed with the proceeds of a loan or loans made to a borrower under Subsection (a) is not required to be located within the corporate limits of the city that created the issuer of the bonds or other obligations.

(e) An authority or a nonprofit instrumentality that is authorized to acquire and own educational facilities and housing facilities under Section 53.33(a) may issue and execute revenue bonds and other obligations for the purpose of acquiring, owning, and operating the educational and housing facilities, to create operating reserves for the facilities, and to create debt service reserves for and to pay issuance costs related to the bonds or other obligations.

(f) Bonds or other obligations issued under Subsection (e) shall be payable from and secured by a pledge of all or any part of the gross or net revenues to be derived from the operation of the educational facilities and housing facilities being acquired and any other revenues, income, or assets, including the revenues and income of the educational facilities or housing facilities previously acquired or subsequently to be acquired. The bonds or other obligations may be additionally secured by a mortgage, deed of trust, or chattel mortgage on real or personal property, or on both real and personal property, if granted by the authority or nonprofit instrumentality issuing the bonds or other obligations.

(g) The changes in law made by the amendment of this section by the 78th Legislature, Regular Session, 2003, affect and apply only to transactions involving bonds or other obligations that are issued or executed under this chapter on or after March 15, 2003. Bonds or other obligations that are issued or executed under this chapter before March 15, 2003, are governed by the law in effect immediately before the amendment of this section by the 78th Legislature, Regular Session, 2003, and that former law is continued in effect for that purpose.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 863, ch. 200, Sec. 7, eff. Aug. 29, 1983; Acts 1997, 75th Leg., ch. 1232, Sec. 2, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 1266, Sec. 1.07, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 9, eff. June 20, 2003.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.35. ISSUANCE OF BONDS; PROCEDURE; ETC. (a) The bonds shall be authorized by resolution adopted by a majority vote of a quorum of the board. Bonds authorized under this section shall be issued in accordance with Chapter 1201, Government Code. The bonds shall mature serially or otherwise in not to exceed 50 years. The rate of interest to be borne by the bonds shall not exceed the maximum rate prescribed by Chapter 1204, Government Code.

(b) In addition to or in lieu of establishing an authority under the provisions of this chapter, the governing body of a city or cities may request or order created one or more nonprofit corporations to act on its behalf and as its duly constituted authority and instrumentality to exercise the powers granted to an authority under the provisions of Sections 53.33 and 53.34. If a nonprofit corporation is created for such purposes or agrees to such request, the directors thereof shall thereafter be appointed and be subject to removal by the governing body of the city or cities. In addition to the powers granted under, and subject to the limitations provided by, Sections 53.33 and 53.34, the corporation shall have all powers granted under the Texas Non-Profit Corporation Act for the purpose of aiding institutions of higher education in providing educational facilities and housing facilities and facilities incidental, subordinate, or related thereto or appropriate in connection therewith. In addition to Sections 53.33 and 53.34 and the Texas Non-Profit Corporation Act, as amended (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), Sections 53.131, 53.14, 53.15, 53.31, 53.32, 53.331, 53.34, 53.35, 53.38, 53.40, and 53.41 of this code apply to and govern such corporation and its procedures, bonds, and other obligations.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971. Amended by Acts 1983, 68th Leg., p. 863, ch. 200, Sec. 8, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 659, Sec. 2, eff. June 18, 1987; Acts 2001, 77th Leg., ch. 1420, Sec. 8.216, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1266, Sec. 1.08, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 10, eff. June 20, 2003. Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 849 (S.B. 2240), Sec. 1, eff. June 19, 2009.

Sec. 53.351. BONDS FOR OPEN-ENROLLMENT CHARTER SCHOOL FACILITIES. (a) The Texas Public Finance Authority shall establish a nonprofit corporation to act on behalf of the state, as its duly constituted authority and instrumentality, to issue revenue bonds for authorized open-enrollment charter schools for the acquisition, construction, repair, or renovation of educational facilities of those schools.

(b) The Texas Public Finance Authority shall appoint the directors of the corporation in consultation with the commissioner of education and subject to the approval of the governor. Directors serve without compensation but are entitled to reimbursement for travel expenses incurred in attending board meetings. The board shall meet at least once a year.

(c) The corporation has all powers granted under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), or granted to a nonprofit corporation under the Business Organizations Code, for the purpose of aiding authorized open-enrollment charter schools in providing educational facilities. In addition, Sections 53.131, 53.15, 53.31, 53.32, 53.331, 53.34, 53.35, 53.38, 53.40, and 53.41 apply to and govern the corporation and its procedures and bonds. The corporation may exercise the powers granted to the governing body of an issuer with regard to the issuance of obligations and the execution of credit agreements under Chapter 1371, Government Code.

(d) The corporation shall adopt rules governing the issuance of bonds under this section.

(e) The comptroller shall establish a fund dedicated to the credit enhancement of bonds issued by any issuer under this

subchapter for any open-enrollment charter school. The fund may receive donations. The corporation may also use the money held under this subsection to provide loans or other credit support for the obligations of any open-enrollment charter school issued by any issuer in any manner not inconsistent with the Texas Non-Profit Corporation Act (Article 1396-1.01, Vernon's Texas Civil Statutes), or the provisions of the Business Organizations Code governing nonprofit corporations. The obligation of the fund is limited to an amount equal to the balance of the fund.

(f) Except as provided by Subsection (f-1), a revenue bond issued under this section is not a debt of the state or any state agency, political corporation, or political subdivision of the state and is not a pledge of the faith and credit of any of these entities. A revenue bond is payable solely from the revenue of the authorized open-enrollment charter school on whose behalf the bond is issued. A revenue bond issued under this section must contain on its face a statement to the effect that:

(1) neither the state nor a state agency, political corporation, or political subdivision of the state is obligated to pay the principal of or interest on the bond; and

(2) neither the faith and credit nor the taxing power of the state or any state agency, political corporation, or political subdivision of the state is pledged to the payment of the principal of or interest on the bond.

(f-1) Subsection (f) does not apply to a revenue bond issued under this section for a charter district if the bond is approved for guarantee by the permanent school fund under Subchapter C, Chapter 45.

(g) An educational facility financed in whole or in part under this section is exempt from taxation if the facility:

(1) is owned by an authorized open-enrollment charter school;

(2) is held for the exclusive benefit of the school; and

(3) is held for the exclusive use of the students, faculty, and staff members of the school.

Added by Acts 2001, 77th Leg., ch. 1504, Sec. 32, eff. Sept. 1, 2001.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1357 (H.B. 1400), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 59.20, eff. September 28, 2011.

Acts 2015, 84th Leg., R.S., Ch. 800 (H.B. 2851), Sec. 1, eff. June 17, 2015.

Sec. 53.352. LIMITATION ON LIABILITY OF CORPORATION. A director, officer, or employee of the nonprofit corporation established by the Texas Public Finance Authority under Section 53.351 is not personally liable:

(1) for damage, loss, or injury resulting from the performance of the person's duties under Section 53.351; or

(2) on any commitment or agreement executed on behalf of the corporation under Section 53.351.

Added by Acts 2015, 84th Leg., R.S., Ch. 800 (H.B. 2851), Sec. 2, eff. June 17, 2015.

Sec. 53.36. BOND RESOLUTION; NOTICE; ELECTION. (a) Before authorizing the issuance of bonds, other than refunding bonds, the board shall cause a notice to be issued stating that it intends to adopt a resolution authorizing the issuance of the bonds, the maximum amount thereof, and the maximum maturity thereof. The notice shall be published once each week for two consecutive weeks in a newspaper or newspapers having general circulation in the authority. The first publication shall be at least 14 days prior to the day set for adopting the bond resolution.

(b) If, prior to the day set for the adoption of the bond resolution, there is presented to the secretary or president of the board a petition signed by not less than 10 percent of the qualified voters residing in the city or cities comprising the authority, who own taxable property in the authority and who have duly rendered it for taxation to the city in which such property is located or situated, requesting an election on the proposition for the issuance of the bonds, the bonds shall not be issued unless an election is held and a majority vote is in favor of the bonds. The election shall be called and held in accordance with the procedure prescribed

in Chapter 1251, Government Code, with the board and the president and secretary performing the functions there assigned to the governing body of the city, the mayor and city secretary, respectively. If no such petition is filed, the bonds may be issued without an election. However, the board may call an election on its own motion without the filing of the petition.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.217, eff. Sept. 1, 2001.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.37. JUNIOR LIEN BONDS; PARITY BONDS. Bonds constituting a junior lien on the net revenue or properties may be issued unless prohibited by the bond resolution or trust indenture. Parity bonds may be issued under conditions specified in the bond resolution or trust indenture.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.38. RESERVES FOR OPERATING AND OTHER EXPENSES. Money for the payment of not more than two years' interest on the bonds and an amount estimated by the board to be required for operating expenses during the first year of operation may be set aside for those purposes out of the proceeds from the sale of the bonds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.39. REFUNDING BONDS. Bonds may be issued for the purpose of refunding outstanding bonds in the manner provided in this chapter for other bonds, and may be exchanged by the comptroller or

sold and the proceeds applied in accordance with the procedure prescribed by Subchapter B or C, Chapter 1207, Government Code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.218, eff. Sept. 1, 2001.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.40. APPROVAL OF BONDS; REGISTRATION; NEGOTIABILITY. (a) Bonds issued under this chapter and the record relating to their issuance shall be submitted to the attorney general, and if the attorney general finds that they have been issued in accordance with this chapter and constitute valid and binding obligations of the authority and are secured as recited therein, the attorney general shall approve them, and they shall be registered by the comptroller of public accounts, who shall certify the registration thereon. Thereafter they are incontestable. The bonds shall be negotiable and shall contain the following provision: "The holder hereof shall never have the right to demand payment thereof out of money raised or to be raised by taxation." If the attorney general does not find that the bonds have been issued in accordance with this chapter and constitute valid and binding obligations of the authority and are secured as recited therein, the attorney general may not approve the bonds, and the bonds may not be registered by the comptroller.

(b) When bonds to be issued to benefit an institution of higher education and the record relating to their issuance are submitted to the attorney general, the authority shall deliver notice of that action to the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board. The notice must include the amount of the bonds to be issued and a description of the facilities to be financed from the bond proceeds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 849 (S.B. 2240), Sec. 2, eff. June 19, 2009.

Sec. 53.41. AUTHORIZED INVESTMENTS. All bonds issued under this chapter are legal and authorized investments for all banks, savings banks, trust companies, building and loan associations, savings and loan associations, and insurance companies of all kinds and types, and for the interest and sinking funds and other public funds of any issuer. The bonds are also eligible and lawful security for all deposits of public funds of the State of Texas and of any issuer, to the extent of the value of the bonds, when accompanied by any unmatured interest coupons appurtenant to them.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.42. INVESTMENT OF FUNDS; SECURITY. To the extent it is applicable, the law as to the security for and the investment of funds, applicable to cities, controls the investment of funds belonging to authority. The bond resolution or the indenture or both may further restrict the making of investments. The authority may invest the proceeds of its bonds, until the money is needed, in the direct obligations of or obligations unconditionally guaranteed by the United States, to the extent authorized in the bond resolution or indenture or in both.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.43. DEPOSITORIES. The authority may select a depository or depositories according to the procedures provided by law for the selection of city depositories, or it may award its depository contract to the same depository or depositories selected by the city or cities and on the same terms.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.44. OPERATION OF FACILITIES; RATES CHARGED; RESERVE FUNDS. (a) The facilities may be operated by the authority without the intervention of private profit for the use and benefit of the public, or may be leased to an institution of higher education, or may be operated by the institution under a contract with the authority, the lease or contract to be in effect until any revenue bonds issued in connection with it have been finally retired.

(b) The board shall charge rates for the use of the facilities, or for their lease or operation, that are fully sufficient to pay all expenses in connection with the ownership, operation, and upkeep of the facilities, to pay the interest on the bonds as it becomes due, to create a sinking fund to pay the bonds as they become due, and to create and maintain a bond reserve fund and other funds and reserves that may be provided in the bond resolution or trust indenture. The bond resolution or trust indenture may prescribe systems, methods, routines, and procedures under which the facilities shall be operated.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.45. TRANSACTIONS WITH OTHER AGENCIES AND PERSONS. The authority may borrow money and accept grants from, and enter into contracts, leases, or other transactions with the United States, the State of Texas, any municipal corporation in the state, and any public or private person or corporation resident or authorized to do business in the state.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.46. AUTHORITY EXEMPT FROM TAXATION. Because the property owned by authority will be held for educational purposes only and will be devoted exclusively to the use and benefit of the students, faculty, and staff members of an accredited institution of higher education, it is exempt from taxation of every character.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

Sec. 53.48. BONDS FOR AUTHORIZED CHARTER SCHOOLS. In the same manner that a corporation may issue and execute bonds or other obligations under this chapter for an institution of higher education, a corporation created under Section 53.35(b) may issue and execute bonds or other obligations to finance or refinance educational facilities to be used by an authorized charter school.

Added by Acts 1995, 74th Leg., ch. 18, Sec. 1, eff. Aug. 28, 1995.
Amended by Acts 1997, 75th Leg., ch. 1232, Sec. 3, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1335, Sec. 5, eff. June 19, 1999; Acts 2003, 78th Leg., ch. 1266, Sec. 1.09, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 11, eff. June 20, 2003.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 1, eff. September 1, 2005.

CHAPTER 53A. HIGHER EDUCATION FACILITY AUTHORITIES FOR PRIVATE SCHOOLS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 53A.01. SHORT TITLE. This chapter may be cited as the Higher Education Facility Authority for Private Schools Act.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.02. DEFINITIONS. In this chapter:

(1) "City" means an incorporated city or town in this state.

(2) "Governing body" means the council, commission, or other governing body of a city.

(3) "Authority" means a higher education facility authority created under this chapter.

(4) "Board" means the board of directors of an authority.

(5) "Institution of higher education" means (i) a degree-granting college or university corporation accredited by the Texas Education Agency or by a recognized accrediting agency, as defined by Section 61.003(13), or (ii) a postsecondary career school or college accredited by the Association of Independent Colleges and Schools, the National Association of Trade and Technical Schools, or the National Accrediting Commission of Cosmetology Arts and Sciences.

(6) "Educational facility" means a classroom building, laboratory, science building, faculty or administrative office building, or other facility used for the conduct of the educational and administrative functions of an institution of higher education.

(7) "Housing facility" means a single- or multi-family residence used exclusively for housing or boarding, or housing and boarding students, faculty, or staff members of an institution of higher learning. The term includes infirmary and student union building, but does not include a housing or boarding facility for the use of a fraternity, sorority, or private club.

(8) "Bond resolution" means the resolution authorizing the issuance of revenue bonds.

(9) "Trust indenture" means the mortgage, deed of trust, or other instrument pledging revenue or property, or creating a mortgage lien on property, or both, to secure the revenue bonds issued by the authority.

(10) "Accredited primary or secondary school" means a primary or secondary school, including a preschool, that is accredited by an accreditation body that is a member of the Texas Private School Accreditation Commission.

(11) "Borrower" means any of the following entities that is the recipient of a loan made under Section 53A.34:

(A) an institution of higher education;

(B) a nonprofit corporation:

(i) incorporated by and under the exclusive control of an institution of higher education; or

(ii) incorporated and operating for the exclusive benefit of an institution of higher education and authorized by the

governing board of the institution to enter into a transaction as a borrower under this chapter; or

(C) an accredited primary or secondary school.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 849 (S.B. 2240), Sec. 3, eff. June 19, 2009.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 53A.11. CREATION OF AUTHORITY. When the governing body of a city finds that it is to the best interest of the city and its inhabitants to create a higher education facility authority, it shall pass an ordinance creating the authority and designating the name by which it shall be known. If the governing bodies of two or more cities find that it is to the best interest of the cities to create an authority to include those cities, each governing body shall pass an ordinance creating the authority and designating the name by which it shall be known.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.12. TERRITORY. The authority comprises only the territory included within the boundaries of the city or cities creating it.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.13. CORPORATE POWERS. An authority is a body politic and corporate having the power of perpetual succession. It shall have a seal; it may sue and be sued; and it may make, amend, and repeal its bylaws.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.131. AUTHORITY'S EARNINGS. A private person may not share in any of an authority's earnings.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.14. BOARD OF DIRECTORS. (a) The authority shall be governed by a board of directors consisting of not less than 7 nor more than 11 members to be determined at the time of creating the authority. The directors shall be appointed by the governing body of the city or by the governing bodies of the cities, and they shall serve until their successors are appointed as provided by this section. If the authority includes more than one city, each governing body shall appoint an equal number of directors unless otherwise agreed by the cities.

(b) The members of the board serve for two-year terms.

(c) Directors are not entitled to compensation for services but are entitled to reimbursement for expenses incurred in performing such service.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 849 (S.B. 2240), Sec. 4, eff. June 19, 2009.

Sec. 53A.15. ORGANIZATION OF BOARD; QUORUM; EMPLOYEES; COUNSEL. (a) The board shall elect from among its members a president and vice president, and shall elect a secretary and a treasurer who may or may not be directors, and may elect other officers as authorized by the authority's bylaws. The offices of secretary and treasurer may be combined.

(b) The president has the same right to vote on all matters as other members of the board.

(c) A majority constitutes a quorum, and when a quorum is present action may be taken by a majority vote of directors present.

(d) The board may employ a manager or executive director of the

facilities and other employees, experts, and agents as it sees fit. It may delegate to the manager the power to employ and discharge employees.

(e) The board may employ legal counsel.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 53A.31. NO TAXING POWER. An authority has no power to tax.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.32. NO POWER OF EMINENT DOMAIN. The authority does not have the power of eminent domain.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.33. LIMITED POWER TO ACQUIRE, OWN, AND OPERATE EDUCATIONAL AND HOUSING FACILITIES. (a) An authority or a nonprofit instrumentality created under Section 53A.35(b) may acquire, own, hold title to, lease, or operate an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, but only if:

(1) the facility is or will be located within the corporate limits of the city that created the authority or nonprofit instrumentality;

(2) the governing body of an institution of higher education officially requests the authority or nonprofit instrumentality to acquire and own the facility for the benefit of the institution of higher education;

(3) the institution of higher education officially agrees to accept, and has authority to receive legal title to, the facility not later than the date on which any bonds or other obligations

issued to acquire the facility are paid in full; and

(4) the ownership of the facility by the authority or the nonprofit instrumentality is approved by official action of the governing body of:

(A) the city that created the authority or nonprofit instrumentality;

(B) the school district in which the facility is or will be located; and

(C) the county in which the facility is or will be located.

(b) An authority or instrumentality that exercises the powers granted by Subsection (a) may contract for the operation of the facility by public or private entities or persons on the terms and conditions set forth in a contract relating to the operation of the facility.

(c) The changes in law made by the amendment of this section by the 78th Legislature, Regular Session, 2003, do not affect the acquisition, ownership, construction, or improvement of a facility, or the acquisition and ownership of land that were approved by official action of the authority or nonprofit corporate instrumentality before March 15, 2003, and the law in effect immediately before the effective date of the amendment of this section by the 78th Legislature, Regular Session, 2003, is continued in effect for that purpose.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.331. REFINANCING FACILITIES. The authority may refinance any educational or housing facility acquired, constructed, or improved.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.34. REVENUE BONDS. (a) An authority or a nonprofit instrumentality created under Section 53A.35(b), including an authority or nonprofit instrumentality authorized to own facilities under Section 53A.33(a), may issue and execute revenue bonds or other

obligations to loan or otherwise provide funds to a borrower if:

(1) the governing body of the borrower by official action requests the issuer of the bonds or other obligations to loan the proceeds under this subsection;

(2) the purpose of the loan is to enable the borrower to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds or other obligations; and

(3) under the terms of the loan, and unless a mortgage lien granted to secure the loan is in default, the ownership of the facility is required to be at all times under the exclusive control, and held for the exclusive benefit, of the borrower.

(b) In issuing revenue bonds or other obligations under this chapter, the issuer of the bonds or other obligations is considered to be acting on behalf of the city by which it was created.

(c) Bonds or other obligations issued under Subsection (a) shall be payable from and secured by a pledge of the revenues, income, or assets pledged for the purpose by the borrower. The bonds or other obligations may be additionally secured by a mortgage, deed of trust, or chattel mortgage on real or personal property, or on both real and personal property, if granted by the borrower.

(d) A facility financed with the proceeds of a loan or loans made to a borrower under Subsection (a) is not required to be located within the corporate limits of the city that created the issuer of the bonds or other obligations.

(e) An authority or a nonprofit instrumentality that is authorized to acquire and own educational facilities and housing facilities under Section 53A.33(a) may issue and execute revenue bonds and other obligations for the purpose of acquiring, owning, and operating the educational and housing facilities, to create operating reserves for the facilities, and to create debt service reserves for and to pay issuance costs related to the bonds or other obligations.

(f) Bonds or other obligations issued under Subsection (e) shall be payable from and secured by a pledge of all or any part of the gross or net revenues to be derived from the operation of the educational facilities and housing facilities being acquired and any

other revenues, income, or assets, including the revenues and income of the educational facilities or housing facilities previously acquired or subsequently to be acquired. The bonds or other obligations may be additionally secured by a mortgage, deed of trust, or chattel mortgage on real or personal property, or on both real and personal property, if granted by the authority or nonprofit instrumentality issuing the bonds or other obligations.

(g) The changes in law made by the amendment of this section by the 78th Legislature, Regular Session, 2003, affect and apply only to transactions involving bonds or other obligations that are issued or executed under this chapter on or after March 15, 2003. Bonds or other obligations that are issued or executed under this chapter before March 15, 2003, are governed by the law in effect immediately before the amendment of this section by the 78th Legislature, Regular Session, 2003, and that former law is continued in effect for that purpose.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.35. ISSUANCE OF BONDS; PROCEDURE; ETC. (a) The bonds shall be authorized by resolution adopted by a majority vote of a quorum of the board. Bonds authorized under this section shall be issued in accordance with Chapter 1201, Government Code. The bonds shall mature serially or otherwise in not to exceed 50 years. The rate of interest to be borne by the bonds shall not exceed the maximum rate prescribed by Chapter 1204, Government Code.

(b) In addition to or in lieu of establishing an authority under the provisions of this chapter, the governing body of a city or cities may request or order created one or more nonprofit corporations to act on its behalf and as its duly constituted authority and instrumentality to exercise the powers granted to an authority under the provisions of Sections 53A.33 and 53A.34. If a nonprofit corporation is created for such purposes or agrees to such request, the directors thereof shall thereafter be appointed and be subject to removal by the governing body of the city or cities. In addition to the powers granted under, and subject to the limitations provided by Sections 53A.33 and 53A.34, the corporation shall have all powers granted under the Texas Non-Profit Corporation Act for the

purpose of aiding institutions of higher education in providing educational facilities and housing facilities and facilities incidental, subordinate, or related thereto or appropriate in connection therewith. In addition to Sections 53A.33 and 53A.34 and the Texas Non-Profit Corporation Act, as amended (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), Sections 53A.131, 53A.14, 53A.15, 53A.31, 53A.32, 53A.331, 53A.34, 53A.35, 53A.38, and 53A.41 apply to and govern such corporation and its procedures, bonds, and other obligations.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.36. BOND RESOLUTION; NOTICE; ELECTION. (a) Before authorizing the issuance of bonds, other than refunding bonds, the board shall cause a notice to be issued stating that it intends to adopt a resolution authorizing the issuance of the bonds, the maximum amount thereof, and the maximum maturity thereof. The notice shall be published once each week for two consecutive weeks in a newspaper or newspapers having general circulation in the authority. The first publication shall be at least 14 days prior to the day set for adopting the bond resolution.

(b) If, prior to the day set for the adoption of the bond resolution, there is presented to the secretary or president of the board a petition signed by not less than 10 percent of the qualified voters residing in the city or cities comprising the authority, who own taxable property in the authority and who have duly rendered it for taxation to the city in which such property is located or situated, requesting an election on the proposition for the issuance of the bonds, the bonds shall not be issued unless an election is held and a majority vote is in favor of the bonds. The election shall be called and held in accordance with the procedure prescribed in Chapter 1251, Government Code, with the board and the president and secretary performing the functions there assigned to the governing body of the city, the mayor and city secretary, respectively. If no such petition is filed, the bonds may be issued without an election. However, the board may call an election on its own motion without the filing of the petition.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff.

September 1, 2005.

Sec. 53A.37. JUNIOR LIEN BONDS; PARITY BONDS. Bonds constituting a junior lien on the net revenue or properties may be issued unless prohibited by the bond resolution or trust indenture. Parity bonds may be issued under conditions specified in the bond resolution or trust indenture.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.38. RESERVES FOR OPERATING AND OTHER EXPENSES. Money for the payment of not more than two years' interest on the bonds and an amount estimated by the board to be required for operating expenses during the first year of operation may be set aside for those purposes out of the proceeds from the sale of the bonds.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.39. REFUNDING BONDS. Bonds may be issued for the purpose of refunding outstanding bonds in the manner provided in this chapter for other bonds, and may be exchanged by the comptroller or sold and the proceeds applied in accordance with the procedure prescribed by Subchapter B or C, Chapter 1207, Government Code.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.40. APPROVAL OF BONDS; REGISTRATION; NEGOTIABILITY. Bonds issued under this chapter and the record relating to their issuance shall be submitted to the attorney general, and if he finds that they have been issued in accordance with this chapter and constitute valid and binding obligations of the authority and are secured as recited therein he shall approve them, and they shall be registered by comptroller of public accounts who shall certify the registration thereon. Thereafter, they are incontestable. The bonds

shall be negotiable and shall contain the following provision: "The holder hereof shall never have the right to demand payment thereof out of money raised or to be raised by taxation."

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.41. AUTHORIZED INVESTMENTS. All bonds issued under this chapter are legal and authorized investments for all banks, savings banks, trust companies, building and loan associations, savings and loan associations, and insurance companies of all kinds and types, and for the interest and sinking funds and other public funds of any issuer. The bonds are also eligible and lawful security for all deposits of public funds of the State of Texas and of any issuer, to the extent of the value of the bonds, when accompanied by any unmatured interest coupons appurtenant to them.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.42. INVESTMENT OF FUNDS; SECURITY. To the extent it is applicable, the law as to the security for and the investment of funds, applicable to cities, controls the investment of funds belonging to authority. The bond resolution or the indenture or both may further restrict the making of investments. The authority may invest the proceeds of its bonds, until the money is needed, in the direct obligations of or obligations unconditionally guaranteed by the United States, to the extent authorized in the bond resolution or indenture or in both.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.43. DEPOSITORIES. The authority may select a depository or depositories according to the procedures provided by law for the selection of city depositories, or it may award its depository contract to the same depository or depositories selected by the city or cities and on the same terms.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.44. OPERATION OF FACILITIES; RATES CHARGED; RESERVE FUNDS. (a) The facilities may be operated by the authority without the intervention of private profit for the use and benefit of the public, or may be leased to an institution of higher education, or may be operated by the institution under a contract with the authority, the lease or contract to be in effect until any revenue bonds issued in connection with it have been finally retired.

(b) The board shall charge rates for the use of the facilities, or for their lease or operation, that are fully sufficient to pay all expenses in connection with the ownership, operation, and upkeep of the facilities, to pay the interest on the bonds as it becomes due, to create a sinking fund to pay the bonds as they become due, and to create and maintain a bond reserve fund and other funds and reserves that may be provided in the bond resolution or trust indenture. The bond resolution or trust indenture may prescribe systems, methods, routines, and procedures under which the facilities shall be operated.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.45. TRANSACTIONS WITH OTHER AGENCIES AND PERSONS. The authority may borrow money and accept grants from, and enter into contracts, leases, or other transactions with the United States, the State of Texas, any municipal corporation in the state, and any public or private person or corporation resident or authorized to do business in the state.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.46. AUTHORITY EXEMPT FROM TAXATION. Because the property owned by authority will be held for educational purposes only and will be devoted exclusively to the use and benefit of the students, faculty, and staff members of an accredited institution of

higher education, it is exempt from taxation of every character.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.48. BONDS FOR ACCREDITED PRIMARY OR SECONDARY SCHOOLS. In the same manner that a corporation may issue and execute bonds or other obligations under this chapter for an institution of higher education, a corporation created under Section 53A.35(b) may issue and execute bonds or other obligations to finance or refinance educational facilities or housing facilities to be used by an accredited primary or secondary school.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53A.49. BONDS FOR CERTAIN SCHOOLS OWNED AND OPERATED BY NONPROFIT CORPORATIONS. (a) In the same manner that a corporation may issue bonds under this chapter for an institution of higher education, a corporation created under Section 53A.35(b) may issue bonds to finance or refinance educational facilities to be used by a school that:

(1) is located in a county with a population of more than two million;

(2) is located within three miles of an area designated as an enterprise zone under Chapter 2303, Government Code;

(3) provides primary and secondary education to at least 1,000 students;

(4) is accredited by an organization approved by the Texas Education Agency for private school accreditation; and

(5) is owned and operated by a corporation created under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes).

(b) Notwithstanding Section 53A.34(b), bonds issued under this section may be payable from and secured by a pledge of any revenue or assets pledged for that purpose.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 12, eff. September 1, 2011.

CHAPTER 53B. HIGHER EDUCATION LOAN AUTHORITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 53B.01. SHORT TITLE. This chapter may be cited as the Higher Education Loan Authority Act.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.02. DEFINITIONS. In this chapter:

(1) "Accredited institution" means an institution that has either been recognized by a recognized accrediting agency, as defined by Section 61.003, or accredited by the Accrediting Commission for Independent Colleges and Schools, the Accrediting Commission for Career Schools and Colleges of Technology, or the National Accrediting Commission of Cosmetology Arts and Sciences.

(2) "Alternative education loan" means a loan other than a guaranteed student loan that is made to or for the benefit of a student for the purpose of financing all or part of the student's cost of attendance at an accredited institution.

(3) "Authority" means a higher education loan authority created under this chapter.

(4) "Board" means the board of directors of an authority.

(5) "Bond resolution" means the resolution authorizing the issuance of revenue bonds.

(6) "City" means an incorporated city or town in this state.

(7) "Cost of attendance" means all costs of a student incurred in connection with a program of study at an accredited institution, as determined by the institution, including tuition and instructional fees, the cost of room and board, books, computers, and supplies, and other related fees, charges, and expenses.

(8) "Governing body" means the council, commission, or other governing body of a city.

(9) "Guaranteed student loan" means a loan made by an

eligible lender under the Higher Education Act of 1965 (Pub. L. No. 89-329), as amended.

(10) "Qualified alternative education loan lender" means a nonprofit corporation incorporated under the laws of this state that:

(A) is a qualified nonprofit corporation;

(B) has serviced education loans made under the Higher Education Act of 1965, as amended, for a qualified nonprofit corporation for a period of not less than 10 years; or

(C) is a charitable organization qualified under Section 509(a)(2), Internal Revenue Code of 1986, as amended, that provides services to a qualified nonprofit corporation.

(11) "Qualified nonprofit corporation" means a nonprofit corporation:

(A) that issued bonds on or after January 1, 1990, and before January 1, 2001, that qualified as qualified student loan bonds under Section 144(b), Internal Revenue Code of 1986, as amended; or

(B) that the office of the governor, in consultation with the state student loan guaranty agency or any other public or private entity the office of the governor considers appropriate, has determined meets a need for student loan financing that existing qualified nonprofit corporations cannot meet, which determination may include information provided by the nonprofit corporation's plan for doing business that should include documented limitations in:

(i) the geographic coverage of existing qualified nonprofit corporations in the nonprofit corporation's proposed area of service;

(ii) the willingness of existing qualified nonprofit corporations to serve the eligible lenders in the proposed area of service; and

(iii) the ability of existing qualified nonprofit corporations to serve the eligible lenders in the proposed area of service.

(12) "Repurchase agreement" means a simultaneous agreement between a higher education loan authority and another entity in which one of the parties has agreed to purchase investment securities on a specified date and the other party has agreed to repurchase the investment securities at the same price plus accrued interest on a later date, in which the market value of the investment securities purchased is in excess of the amount of the repurchase agreement, and

in which the investment securities are so purchased and held separately from all other investment securities, in trust, in order to complete the contractual commitment.

(13) "Trust indenture" means the mortgage, deed of trust, or other instrument pledging revenue or property, or creating a mortgage lien on property, or both, to secure the revenue bonds issued by the authority.

(14) "Trustee" means the trustee under the trust indenture.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 53B.11. CREATION OF AUTHORITY. When the governing body of a city finds that it is to the best interest of the city and its inhabitants to create a higher education loan authority, it shall pass an ordinance creating the authority and designating the name by which it shall be known. If the governing bodies of two or more cities find that it is to the best interest of the cities to create an authority to include those cities, each governing body shall pass an ordinance creating the authority and designating the name by which it shall be known.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.12. TERRITORY. The authority comprises only the territory included within the boundaries of the city or cities creating it.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.13. CORPORATE POWERS. An authority is a body politic and corporate having the power of perpetual succession. It shall have a seal; it may sue and be sued; and it may make, amend, and repeal its bylaws.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.131. AUTHORITY'S EARNINGS. A private person may not share in any of an authority's earnings.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.14. BOARD OF DIRECTORS. (a) The authority shall be governed by a board of directors consisting of not less than 7 nor more than 11 members to be determined at the time of creating the authority. The directors shall be appointed by the governing body of the city or by the governing bodies of the cities, and they shall serve until their successors are appointed as provided by this section. If the authority includes more than one city, each governing body shall appoint an equal number of directors unless otherwise agreed by the cities.

(b) The members of the board serve for two-year terms.

(c) No officer or employee of any such city is eligible for appointment as a director. Directors are not entitled to compensation for services but are entitled to reimbursement for expenses incurred in performing such service.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.15. ORGANIZATION OF BOARD; QUORUM; EMPLOYEES; COUNSEL. (a) The board shall elect from among its members a president and vice president, and shall elect a secretary and a treasurer who may or may not be directors, and may elect other officers as authorized by the authority's bylaws. The offices of secretary and treasurer may be combined.

(b) The president has the same right to vote on all matters as other members of the board.

(c) A majority constitutes a quorum, and when a quorum is present action may be taken by a majority vote of directors present.

(d) The board may employ employees, experts, and agents as it

sees fit. It may delegate to the manager the power to employ and discharge employees.

(e) The board may employ legal counsel.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 53B.31. NO TAXING POWER. An authority has no power to tax.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.32. NO POWER OF EMINENT DOMAIN. The authority does not have the power of eminent domain.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.35. ISSUANCE OF BONDS; PROCEDURE; ETC. The bonds shall be authorized by resolution adopted by a majority vote of a quorum of the board. Bonds authorized under this section shall be issued in accordance with Chapter 1201, Government Code. The bonds shall mature serially or otherwise in not to exceed 50 years. The rate of interest to be borne by the bonds shall not exceed the maximum rate prescribed by Chapter 1204, Government Code.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.37. JUNIOR LIEN BONDS; PARITY BONDS. Bonds constituting a junior lien on the net revenue or properties may be issued unless prohibited by the bond resolution or trust indenture. Parity bonds may be issued under conditions specified in the bond resolution or trust indenture.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.38. RESERVES FOR OPERATING AND OTHER EXPENSES. Money for the payment of not more than two years' interest on the bonds and an amount estimated by the board to be required for operating expenses during the first year of operation may be set aside for those purposes out of the proceeds from the sale of the bonds.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.39. REFUNDING BONDS. Bonds may be issued for the purpose of refunding outstanding bonds in the manner provided in this chapter for other bonds, and may be exchanged by the comptroller or sold and the proceeds applied in accordance with the procedure prescribed by Subchapter B or C, Chapter 1207, Government Code.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.40. APPROVAL OF BONDS; REGISTRATION; NEGOTIABILITY. Bonds issued under this chapter and the record relating to their issuance shall be submitted to the attorney general, and if he finds that they have been issued in accordance with this chapter and constitute valid and binding obligations of the authority and are secured as recited therein he shall approve them, and they shall be registered by comptroller of public accounts who shall certify the registration thereon. Thereafter, they are incontestable. The bonds shall be negotiable and shall contain the following provision: "The holder hereof shall never have the right to demand payment thereof out of money raised or to be raised by taxation."

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.41. AUTHORIZED INVESTMENTS. All bonds issued under

this chapter are legal and authorized investments for all banks, savings banks, trust companies, building and loan associations, savings and loan associations, and insurance companies of all kinds and types, and for the interest and sinking funds and other public funds of any issuer. The bonds are also eligible and lawful security for all deposits of public funds of the State of Texas and of any issuer, to the extent of the value of the bonds, when accompanied by any unmatured interest coupons appurtenant to them.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.42. INVESTMENT OF FUNDS; SECURITY. To the extent it is applicable, the law as to the security for and the investment of funds, applicable to cities, controls the investment of funds belonging to authority. The bond resolution or the indenture or both may further restrict the making of investments. The authority may invest the proceeds of its bonds, until the money is needed, in the direct obligations of or obligations unconditionally guaranteed by the United States, to the extent authorized in the bond resolution or indenture or in both.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.43. DEPOSITORIES. The authority may select a depository or depositories according to the procedures provided by law for the selection of city depositories, or it may award its depository contract to the same depository or depositories selected by the city or cities and on the same terms.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.45. TRANSACTIONS WITH OTHER AGENCIES AND PERSONS. The authority may borrow money and accept grants from, and enter into contracts, leases, or other transactions with the United States, the State of Texas, any municipal corporation in the state, and any

public or private person or corporation resident or authorized to do business in the state.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.

Sec. 53B.47. GUARANTEED STUDENT LOANS AND ALTERNATIVE EDUCATION LOANS; BONDS FOR THE PURCHASE OF EDUCATION LOAN NOTES. (a) An authority may, upon approval of the city or cities which created the same, issue revenue bonds or otherwise borrow money to obtain funds to purchase or to make guaranteed student loans or alternative education loans. Revenue bonds issued for such purpose shall be issued in accordance with and with the effect provided in this chapter. Such bonds shall be payable from and secured by a pledge of revenues derived from or by reason of the ownership of guaranteed student loans or alternative education loans and investment income after deduction of such expenses of operating the loan program as may be specified by the bond resolution or trust indenture.

(b) An authority may cause money to be expended to make or purchase for its account guaranteed student loans that are guaranteed by the Texas Guaranteed Student Loan Corporation, other guaranteed student loans, or alternative education loans that are executed by or on behalf of students who:

(1) are residents of this state; or

(2) have been admitted to attend an accredited institution within this state.

(c) The authority shall contract with a nonprofit corporation, organized under the laws of this state, whereby such corporation will provide the reports and other information required for continued participation in the federally guaranteed loan program provided by the Higher Education Act of 1965, as amended, or in an alternative education loan program.

(d) The authority, as a municipal corporation of the state, is charged with a portion of the responsibility of the state to provide educational opportunities in keeping with all applicable state and federal laws. Nothing in this section shall be construed as a prohibition against establishing policies to limit the purchase of guaranteed student loans or alternative education loans executed by students attending school in a certain geographical area or by

students who are residents of the area.

(e) In addition to establishing an authority under the provisions of this chapter, the governing body of a city or cities may request a qualified nonprofit corporation to exercise the powers enumerated and provided in this section for and on its behalf. If the qualified nonprofit corporation agrees to exercise such powers, the directors of such corporation shall thereafter be appointed by and be subject to removal by the governing body of the city or cities, and except as provided in this section, Sections 53B.14, 53B.15, 53B.31, 53B.32, 53B.38, and 53B.41 through 53B.43 apply to and govern such corporation, its procedures, and bonds. Notwithstanding the provisions of Section 53B.42, a qualified nonprofit corporation which has been requested to exercise the powers enumerated and requested in this section may invest or cause a trustee or custodian on behalf of such qualified nonprofit corporation to invest its funds, including the proceeds of any bonds, notes, or other obligations issued by such qualified nonprofit corporation and any monies which are pledged to the payment thereof, in:

(1) certificates of deposit or other time or demand accounts of banks and savings and loan associations which are insured by the Federal Deposit Insurance Corporation, provided the amount of any certificate of deposit in excess of that covered by such insurance must be secured by a first and prior pledge of government obligations having a market value of not less than 100 percent of the excess unless a nationally recognized rating agency has given the senior securities of the bank issuing the certificate of deposit the highest or next to the highest investment rating available;

(2) repurchase agreements;

(3) guaranteed student loans and alternative education loans; or

(4) a security issued by another nonprofit corporation acting under this section.

(f) A nonprofit corporation, whether acting at the request of a city or cities under Subsection (e) or acting as a servicer or administrator for another corporation that purchases or makes guaranteed student loans or alternative education loans, or that on its own behalf issues securities or otherwise obtains funds to purchase or make guaranteed student loans or alternative education loans, may:

(1) exercise the powers granted by Chapters 20 and 22, Business Organizations Code, and any provision of Title 1, Business Organizations Code, applicable to a nonprofit corporation;

(2) service loans purchased or made from its funds or contract with another person to service the loans;

(3) grant a security interest in a trust estate securing its securities; and

(4) make investments as authorized by Subsection (e).

(g) A security interest in a trust estate granted under Subsection (f)(3) is attached and perfected at the time the security interest is executed and delivered by the nonprofit corporation. The security interest grants to the secured party a first prior perfected security interest in the trust estate for the benefit of the secured party without regard to the location of the assets that constitute the trust estate.

(h) An alternative education loan may be made under this section only by or on behalf of a qualified alternative education loan lender. An alternative education loan may not be in an amount in excess of the difference between the cost of attendance and the amount of other student assistance to the student, other than loans under Section 428B(a)(1), Higher Education Act of 1965 (20 U.S.C. Section 1078-2) (relating to parent loans), for which the student borrower may be eligible. An alternative education loan covered by this subsection is subject to Chapter 342, Finance Code, as applicable, except that:

(1) the maximum interest rate on the loan may not exceed the rate permitted under Subchapter A, Chapter 303, Finance Code; and

(2) application and origination fees may be agreed to by the parties and assessed at the inception of the loan, provided that if any such fees constitute additional interest under applicable law, the effective rate of interest agreed to over the stated term of the loan may not exceed the rate allowed by Subchapter A, Chapter 303, Finance Code, and accrued unpaid interest may be added to unpaid principal at the beginning of the agreed repayment period at the borrower's option and in accordance with the terms of the agreement for purposes of determining the total principal amount due at the inception of the repayment period.

(i) An authority or nonprofit corporation making education loans under this section is exempt from the licensing requirements of Chapter 342, Finance Code.

Added by Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 2, eff. September 1, 2005.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1304 (H.B. 2911), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 1304 (H.B. 2911), Sec. 2, eff. June 17, 2011.

Sec. 53B.48. QUALIFIED NONPROFIT CORPORATION ACTING FOR OR ON BEHALF OF TWO OR MORE CITIES. (a) A qualified nonprofit corporation described by Section 53B.47(e) that has agreed to exercise the powers enumerated under Section 53B.47 for and on behalf of two or more cities may withdraw from acting for and on behalf of any of those cities if the governing body of the applicable city consents to the withdrawal and rescinds its earlier request that the nonprofit corporation act for and on behalf of the city. A nonprofit corporation that completes a withdrawal described by this subsection continues to act under the authority of Section 53B.47(e) for and on behalf of the remaining city or cities.

(b) Following the qualified nonprofit corporation's withdrawal under this section from acting for and on behalf of a city:

(1) the applicable city is no longer:

(A) entitled to participate in the appointment or removal of a member of the board of directors of the nonprofit corporation under Section 53B.47(e); or

(B) authorized or required to participate in the approval of the issuance of revenue bonds or other borrowings by the nonprofit corporation under Section 53B.47(a); and

(2) members of the board of directors of the nonprofit corporation who were appointed by that city are no longer considered to be qualified directors of the nonprofit corporation.

(c) A qualified nonprofit corporation that withdraws from acting for and on behalf of a city may change the size of its board of directors to reflect the withdrawal, provided that its bylaws at all times require at least three directors. The governing body or bodies of the city or cities for and on behalf of which the nonprofit corporation continues to act retain the power to:

(1) appoint and remove the directors of the nonprofit corporation as provided by Section 53B.47(e); and

(2) approve the issuance of revenue bonds or other borrowings by the nonprofit corporation as provided by Section 53B.47(a).

Added by Acts 2015, 84th Leg., R.S., Ch. 420 (H.B. 3245), Sec. 1, eff. June 10, 2015.

CHAPTER 54. TUITION AND FEES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 54.001. DEFINITIONS. In this chapter:

(1) "Institution of higher education" has the same meaning as is assigned to it by Section 61.003 of this code.

(2) "Governing board" has the same meaning as is assigned to it by Section 61.003 of this code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 54.0015. ADOPTION OF CERTAIN DEFINITIONS BY RULE. In consultation with representatives of institutions of higher education, the Texas Higher Education Coordinating Board by rule shall adopt definitions related to the resident status of students for purposes of this title and to tuition and fee exemptions and waivers for students under this chapter as necessary to ensure consistency in the application of this chapter and other related state laws and policies.

Added by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 1, eff. September 1, 2005.

Sec. 54.002. APPLICABILITY OF CHAPTER. The provisions of this chapter apply to all institutions of higher education, except that as to junior colleges this chapter applies only to the extent provided by Section 130.003(b) of this code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 54.003. TUITION AND CHARGES TO BE AUTHORIZED BY LAW. No institution of higher education may collect from students attending the institution any tuition, fee, or charge of any kind except as permitted by law, and no student may be refused admission to or discharged from any institution for the nonpayment of any tuition, fee, or charge except as permitted by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 54.004. RETENTION AND USE OF FUNDS. All tuition, local funds, and fees collected by an institution of higher education shall be retained and expended by the institution and accounted for annually as provided in the general appropriations act.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 54.005. RIGHT TO COLLECT SPECIAL FEES. The provisions of this subchapter requiring the governing board of each institution of higher education to collect tuition fees do not deprive the board of the right to collect special fees authorized by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 54.006. REFUND OR ADJUSTMENT OF TUITION AND MANDATORY FEES FOR DROPPED COURSES AND STUDENT WITHDRAWALS. (a) A general academic teaching institution or medical and dental unit, as soon as practicable, shall refund the amount of tuition and mandatory fees collected for courses from which students drop within the first 12 days of a fall or spring semester or a summer term of 10 weeks or longer, within the first four days of a term or session of more than five weeks but less than 10 weeks, or within the period specified by the institution for that purpose for a term or session of five weeks or less that is substantially proportional to the period specified by this subsection for a longer term or session. The institution or medical and dental unit may not delay a refund under this subsection

on the grounds that the student may withdraw from the institution or unit later in the semester or term.

(a-1) An institution may assess a nonrefundable $15 matriculation fee if the student withdraws from the institution before the first day of classes.

(b) Except as provided by Subsections (b-1) and (b-2), a general academic teaching institution or medical and dental unit shall refund from the amount paid by a student withdrawing from the institution or unit an amount equal to the product of the amount of tuition and mandatory fees charged for each course in which the student is enrolled on the date the student withdraws multiplied by the applicable percentage derived from the following tables:

(1) if the student withdraws during a fall or spring semester or a summer term of 10 weeks or longer:

(A) prior to the first class day 100 percent

(B) during the first five class days 80 percent

(C) during the second five class days 70 percent

(D) during the third five class days 50 percent

(E) during the fourth five class days 25 percent

(F) after the fourth five class days None;

(2) if the student withdraws during a term or session of more than five weeks but less than 10 weeks:

(A) prior to the first class day 100 percent

(B) during the first, second, or third class day 80 percent

(C) during the fourth, fifth, or sixth class day 50 percent

(D) seventh day of class and thereafter None; and

(3) if the student withdraws from a term or session of five weeks or less:

(A) prior to the first class day 100 percent

(B) during the first class day 80 percent

(C) during the second class day 50 percent

(D) during the third class day and thereafter None.

(b-1) If a student has not paid the total amount of the tuition and mandatory fees charged to the student by the institution or unit for the courses in which the student is enrolled by the date the student withdraws from the institution or unit, instead of issuing the student a refund in the amount required under Subsection (b), the

institution or unit may credit the amount to be refunded toward the payment of the outstanding tuition and mandatory fees owed by the student. The institution or unit shall issue a refund to the student if any portion of the amount to be refunded remains after the outstanding tuition and mandatory fees have been paid.

(b-2) A general academic teaching institution or medical and dental unit may provide to a student withdrawing from the institution or unit a refund of a portion of the tuition and mandatory fees charged to the student by the institution or unit for the courses in which the student is enrolled on the date the student withdraws in an amount greater than the amount required by Subsection (b). The institution or unit may apply the portion of the refund authorized by this subsection toward the payment of any outstanding tuition and fees as provided by Subsection (b-1), and may refund the remainder of that portion in the form of, as the institution or unit considers appropriate:

(1) a payment made directly to the student; or

(2) credit toward payment of tuition and mandatory fees for a subsequent semester or other academic term at the institution or unit.

(c) Separate withdrawal refund schedules may be established for optional fees.

(d) A general academic teaching institution or medical and dental unit shall refund tuition and fees paid by a sponsor, donor, or scholarship to the source rather than directly to the student who has withdrawn if the funds were made available through the institution.

(e) A general academic teaching institution or medical and dental unit may terminate a student's student services and privileges, including health services, library privileges, facilities and technology usage, and athletic and cultural entertainment tickets, when the student withdraws from the institution.

(f) Beginning with the summer semester of 1990, if a student withdraws from an institution of higher education because the student is called to active military service, the institution, at the student's option, shall:

(1) refund the tuition and fees paid by the student for the semester in which the student withdraws;

(2) grant a student, who is eligible under the institution's guidelines, an incomplete grade in all courses by

designating "withdrawn-military" on the student's transcript; or

(3) as determined by the instructor, assign an appropriate final grade or credit to a student who has satisfactorily completed a substantial amount of coursework and who has demonstrated sufficient mastery of the course material.

(g) Repealed by Acts 2007, 80th Leg., R.S., Ch. 546, Sec. 4, eff. June 16, 2007.

Added by Acts 1977, 65th Leg., p. 220, ch. 106, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1987, 70th Leg., ch. 901, Sec. 1, eff. Aug. 31, 1987; Acts 1991, 72nd Leg., ch. 15, Sec. 1, eff. April 5, 1991; Acts 1993, 73rd Leg., ch. 253, Sec. 1, eff. Aug. 30, 1993.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 546 (S.B. 1231), Sec. 2, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 546 (S.B. 1231), Sec. 3, eff. June 16, 2007.

Acts 2007, 80th Leg., R.S., Ch. 546 (S.B. 1231), Sec. 4, eff. June 16, 2007.

Sec. 54.0065. TUITION REBATE FOR CERTAIN UNDERGRADUATES. (a) A qualified student is eligible for a rebate of a portion of the undergraduate tuition the student has paid if the student:

(1) is awarded a baccalaureate degree from a general academic teaching institution within:

(A) four calendar years after the date the student initially enrolled in the institution or another postsecondary educational institution if:

(i) the institution awarding the degree is a four-year institution; and

(ii) the student is awarded a degree other than a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete; or

(B) five calendar years after the date the student initially enrolled in the institution or another postsecondary educational institution if:

(i) the institution awarding the degree is a four-year institution; and

(ii) the student is awarded a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete; and

(2) has attempted no more than three hours in excess of the minimum number of semester credit hours required to complete the degree program:

(A) including:

(i) transfer credits; and

(ii) course credit earned exclusively by examination, except that, for purposes of this subsection, only the number of semester credit hours earned exclusively by examination in excess of nine semester credit hours is treated as hours attempted; and

(B) excluding:

(i) course credit that is earned to satisfy requirements for a Reserve Officers' Training Corps (ROTC) program but that is not required to complete the degree program; and

(ii) course credit, other than course credit earned exclusively by examination, that is earned before graduating from high school.

(b) The amount of tuition to be rebated to a student under this section is $1,000, unless the total amount of undergraduate tuition paid by the student to the institution of higher education awarding the degree was less than $1,000, in which event the amount of tuition to be rebated is an amount equal to the amount of undergraduate tuition paid by the student to the institution. However, a student who paid the institution awarding the degree an amount of undergraduate tuition less than $1,000 may qualify for an increase in the amount of the rebate, not to exceed a total rebate of $1,000, for any amount of undergraduate tuition the student paid to other institutions of higher education by providing the institution with proof of the total amount of that tuition paid to other institutions of higher education.

(c) A student who has transferred from another institution of higher education shall provide the institution awarding the degree an official transcript from each institution attended by the student in order that the period during which the student has been enrolled in a general academic teaching institution and the total number of hours attempted by the student can be verified.

(d) To qualify for a rebate under this section, the student

must have been a resident of this state and entitled to pay tuition at the rate provided by this chapter for a resident student at all times while pursuing the degree.

(e) All institutions of higher education shall notify each first-time freshman student of the tuition rebate program.

(f) The institution awarding the degree shall pay the rebate under this section from local funds.

(g) If a student entitled to a rebate under this section has an outstanding student loan, including an emergency loan, owed or guaranteed by this state, including the Texas Guaranteed Student Loan Corporation, the institution shall apply the amount of the rebate to the student's loan. If a student has more than one outstanding loan, the institution shall apply the amount of the rebate to the loans as directed by the student or, if the student fails to provide timely instructions on the application of the amount, the institution shall apply the amount of the rebate to the loans according to priorities established by the coordinating board. If the amount of the rebate exceeds the amount of the loan indebtedness, the institution shall pay the student the excess amount.

(h) The legislature shall account in the General Appropriations Act for the rebates authorized by this section in a way that provides a corresponding increase in the general revenue funds appropriated to the institution. It is the intent of the legislature that rebates authorized by this section shall be financed by savings to the state resulting from reductions in the number of courses taken by undergraduate students.

(i) The coordinating board, in consultation with the institutions of higher education, shall adopt rules for the administration of this section, including a rule to allow an otherwise eligible student to receive a rebate under this section if the student is not awarded a baccalaureate degree within the period required by Subsection (a)(1) solely as a result of a hardship or other good cause. The performance of active duty military service by a student shall be recognized as "good cause" for purposes of this section.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 1.09, eff. Aug. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 611, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 292 (S.B. 34), Sec. 3, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 270 (H.B. 86), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 593 (S.B. 176), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 5, eff. September 1, 2015.

Sec. 54.007. OPTION TO PAY TUITION BY INSTALLMENT. (a) The governing board of each institution of higher education shall provide for the payment of tuition and mandatory fees for a semester or term of 10 weeks or longer through one of the following alternatives:

(1) full payment of tuition and mandatory fees not later than the date established by the institution for purposes of this subdivision; or

(2) payment in installments under one or more payment plan options that require the first payment to be made not later than the date established by the institution for purposes of this subdivision.

(a-1) In providing for the payment of tuition and mandatory fees by installment under Subsection (a)(2), an institution of higher education must also establish subsequent dates at periodic intervals within the applicable semester or term by which subsequent installment payments are due.

(b) For a term of less than 10 weeks, the governing board of each institution of higher education:

(1) shall provide for the payment of tuition and mandatory fees by requiring full payment of tuition and mandatory fees not later than the date established by the institution for purposes of this subdivision; and

(2) may provide for the payment of tuition and mandatory fees by requiring payment in installments under one or more payment plan options that require the first payment to be made not later than the date established by the institution for purposes of this subdivision.

(b-1) A date established by an institution of higher education for purposes of Subsection (a)(1), (a)(2), (b)(1), or (b)(2) may not be later than the date established by the Texas Higher Education Coordinating Board for certifying student enrollment for the semester

or term for purposes of formula funding.

(b-2) An institution of higher education may collect on a due date subsequent to a due date established under Subsection (a) or (b):

(1) unpaid tuition and mandatory fee balances resulting from an adjustment to a student's enrollment status or an administrative action; or

(2) unpaid residual balances of tuition and mandatory fees constituting less than five percent of the total amount of tuition and mandatory fees charged to the student by the institution for that semester or term.

(c) The governing board of an institution of higher education may assess and collect incidental fees for students utilizing the payment alternative authorized by Subsection (a)(2) or (b)(2) and for students delinquent in payments. The fees must reasonably reflect the cost to the institution of handling those payments.

(d) A student who fails to make a full payment of the required amount of tuition and mandatory fees, including any incidental fees, by the applicable due date under this section may be prohibited from registering for classes until full payment is made. A student who fails to make full payment prior to the end of the semester or term may be denied credit for the work done that semester or term. The governing board of an institution of higher education may not impose on a student any sanction authorized by this subsection unless the governing board includes in any written or electronic agreement authorized by the student the following statement printed in bold-faced type or in capital letters: "A STUDENT WHO FAILS TO MAKE FULL PAYMENT OF TUITION AND MANDATORY FEES, INCLUDING ANY INCIDENTAL FEES, BY THE DUE DATE MAY BE PROHIBITED FROM REGISTERING FOR CLASSES UNTIL FULL PAYMENT IS MADE. A STUDENT WHO FAILS TO MAKE FULL PAYMENT PRIOR TO THE END OF THE SEMESTER OR TERM MAY BE DENIED CREDIT FOR THE WORK DONE THAT SEMESTER OR TERM." The governing board shall notify a student of any delinquent tuition or fee payment as soon as practicable. The institution's records may be adjusted to reflect the student's failure to have properly enrolled for that semester or term.

(e) In addition to other payment alternatives provided by this section, the governing board of a medical and dental unit or of a general academic teaching institution with a department or college of veterinary medicine may provide for the payment of tuition and

mandatory fees at the unit or at the department or college of veterinary medicine during any academic year through a one-fourth payment of tuition and mandatory fees in advance of the beginning of the year and subsequent one-fourth payments of tuition and mandatory fees to be made at periods designated by the governing board. Subsection (b) applies to tuition and mandatory fee payments under this subsection. In this subsection, "general academic teaching institution" and "medical and dental unit" have the meanings assigned by Section 61.003.

(f) A student may elect to pay the tuition and mandatory fees of an institution of higher education by installment under this section regardless of whether the student intends to apply a financial aid award administered by the institution toward the tuition and mandatory fees, except that a student whose financial aid award or awards are available to cover the total amount of tuition and mandatory fees may not pay by installment under this section. On receipt of notice of a student's election to pay tuition and mandatory fees by installment, the governing board of the institution shall apply any financial aid award administered for the student toward the amount of tuition and mandatory fees due for that semester or term until the tuition and mandatory fees are paid in full and shall immediately release any remaining amount of the award to the student, except that the institution is not required to apply the award or awards toward the total amount of tuition and mandatory fees in exigent circumstances as determined by the institution.

(g) The governing board of an institution of higher education shall require a student who elects to pay tuition and mandatory fees by installment under this section to enter into a written or electronic agreement reflecting the terms and conditions required by this section for the installment plan provided for the student by the governing board.

(h) In this section, "public junior college," "public technical institute," and "public state college" have the meanings assigned by Section 61.003.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 10, eff. Aug. 26, 1985. Amended by Acts 1989, 71st Leg., ch. 805, Sec. 1, eff. Aug. 28, 1989; Acts 1990, 71st Leg., 6th C.S., ch. 14, Sec. 1, eff. June 14, 1990; Acts 1997, 75th Leg., ch. 1115, Sec. 1, eff. June 19, 1997; Acts 2001, 77th Leg., ch. 32, Sec. 1, eff. May 3, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 536 (H.B. 993), Sec. 1, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 5, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 10, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 17.001(16), eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 987 (S.B. 1232), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 264 (H.B. 1341), Sec. 1, eff. June 17, 2011.

Sec. 54.0071. AUTHORITY OF INSTITUTION TO PROVIDE PAYMENT OPTIONS FOR STUDENT WITH DELAYED FINANCIAL AID. (a) The governing board of an institution of higher education may postpone the due date for the payment of all or part of the tuition and mandatory fees for a student for a semester or term in which the student will receive one or more delayed financial aid awards if:

(1) the student has not received the awards by the regular due date for payment of the tuition and mandatory fees; and

(2) the student agrees to assign to the institution a portion of the awards equal to the amount of tuition and mandatory fees for which the due date is postponed.

(b) A postponed due date under Subsection (a) applies only to the portion of tuition and mandatory fees to be covered by the student's delayed financial aid awards. When the financial aid awards become available, a governing board that postpones a due date under this section shall apply the awards toward the amount of tuition and mandatory fees due and immediately release any remaining amount of the awards to the student.

(c) If after the due date for a student's tuition and mandatory fees is postponed under this section the student becomes ineligible to receive one or more of the delayed financial aid awards, or the amount awarded is less than the amount of tuition and mandatory fees due, the governing board shall provide the student a reasonable period, not to exceed 30 days, to pay the unpaid amount of tuition and mandatory fees. The board may deny a student credit for work

done in the semester or term if the student fails to pay the tuition and mandatory fees by the end of that period.

(d) The Texas Higher Education Coordinating Board shall prescribe procedures for the administration of this section.

(e) If a student with delayed financial aid awards has elected to pay tuition and mandatory fees by installment as permitted by Section 54.007 and if the governing board elects to postpone the due date for the student's tuition and mandatory fees as authorized by this section, the governing board in the manner provided by this section shall postpone the due date for each installment payment that becomes due before the student receives the awards.

Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 11, eff. September 1, 2005.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 264 (H.B. 1341), Sec. 2, eff. June 17, 2011.

Sec. 54.008. TUITION RATE SET BY GOVERNING BOARD. (a) The tuition rates provided by Subchapter B of this chapter are minimum rates. Except as provided by Subsections (e), (f), and (g), the governing board of each institution of higher education shall set tuition for graduate programs for that institution at a rate that is at least equal to that prescribed by Subchapter B, but that is not more than twice the rate prescribed by Subchapter B. Between the maximum and minimum rates, the board may set the differential tuition among programs offered by an institution of higher education.

(b) The governing board of a university system is not required to set uniform tuition rates for graduate programs among the component institutions of the system.

(c) The limit on tuition rates provided by Subsection (a) of this section does not apply to tuition at a public junior college.

(d) The difference between the minimum rate prescribed by Subchapter B of this chapter and that set by the governing board of an institution of higher education for an institution shall not be accounted for in an appropriations act in such a way as to reduce the general revenue appropriations to that institution.

(e) The governing board of an institution of higher education shall set tuition for an optometry program at the institution at a

rate that is at least equal to the rate prescribed by Subchapter B of this chapter but not more than four times the rate prescribed by Subchapter B of this chapter.

(f) The governing board of an institution of higher education shall set tuition for an undergraduate pharmacy program at the institution at a rate that is at least equal to the rate prescribed by Subchapter B but not more than twice the rate prescribed by Subchapter B. The governing board of an institution of higher education shall set tuition for a graduate or professional pharmacy program at the institution at a rate that is at least equal to the rate prescribed by Subchapter B but not more than three times the rate prescribed by Subchapter B.

(g) The governing board of an institution of higher education shall set tuition for a law school at the institution at a rate that is at least equal to the rate prescribed by Subchapter B but not more than three times the rate prescribed by Subchapter B.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.10, eff. June 20, 1987. Amended by Acts 1995, 74th Leg., ch. 451, Sec. 1, eff. Aug. 28, 1995; Acts 1999, 76th Leg., ch. 89, Sec. 1, eff. May 14, 1999; Acts 2001, 77th Leg., ch. 655, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg, ch. 773, Sec. 1, eff. June 13, 2001.

Sec. 54.009. INCREASE IN TUITION RATE OR FEES. An institution of higher education that sets the tuition rates and fees for a semester or summer term and permits a student to register for that semester or summer term may not increase the tuition rate or fees charged that student for that semester or summer term after the student registers regardless of whether that student has paid the tuition and fees for that semester or summer term.

Added by Acts 1997, 75th Leg., ch. 711, Sec. 1, eff. Sept. 1, 1997.

Sec. 54.010. REDUCTION IN TUITION. (a) The governing board of an institution of higher education may reduce the amount of tuition charged to a student under this chapter to an amount less than the amount otherwise required by this chapter if the board:

(1) offers the tuition reduction to the student as part of an institutional policy adopted by the board to:

(A) increase the average semester credit hour course load of students enrolled at the institution; or

(B) improve the retention and graduation rate of students enrolled at the institution; and

(2) determines that the student is:

(A) enrolled in, and making satisfactory progress toward completion of, a degree program offered at the institution; and

(B) enrolled in at least 15 semester credit hours at the institution during the semester or term for which the reduction is offered.

(b) The governing board may offer a tuition reduction under this section in a fixed dollar amount, a percentage amount, or any other manner that the board considers appropriate.

(c) The amount of tuition reduction offered to a student under this section for a semester or term may not exceed the amount of tuition that would have been charged to the student under this chapter for enrollment in three semester credit hours during that semester or term.

(d) For a tuition reduction offered to a student under this section, the governing board may prorate the amount of the reduction based on:

(1) the number of semester credit hours in which the student is enrolled; or

(2) the length of the semester or term for which the student is enrolled.

(e) The governing board is not required to offer a tuition reduction under this section to all institutions of higher education under its governance or to all degree programs offered at an institution of higher education under its governance.

Added by Acts 1999, 76th Leg., ch. 1053, Sec. 1, eff. June 18, 1999.

Sec. 54.011. TUITION LIMIT IN CASES OF CONCURRENT ENROLLMENT. When a student registers at more than one public institution of higher education at the same time, the student's tuition charges shall be determined in the following manner:

(1) The student shall pay the full tuition charge to the first institution at which the student is registered; and in any

event the student shall pay an amount at least equal to the minimum tuition specified in this code.

(2) If the minimum tuition specified in this code for the first institution at which the student is registered is equal to or greater than the minimum tuition specified in this code for the second institution at which the student is registered concurrently, the student shall not be required to pay the specified minimum tuition charge to the second institution in addition to the tuition charge paid to the first institution, but shall pay only the hourly rates, as provided in this code, to the second institution.

(3) If the minimum tuition specified in this code for the first institution at which the student is registered is less than the specified minimum tuition charge at the second institution (that is, if the second institution has a higher minimum tuition charge specified in this code), then the student shall first register at the institution having the lower minimum tuition and shall pay to the second institution only the amount equal to the difference between the student's total tuition charge at the second institution and the student's total tuition charge at the first institution, but in no case shall the student pay to the second institution less than the hourly rates as provided in this code.

(4) If a student is considered to be a Texas resident and therefore qualified to pay Texas resident tuition rates by one institution at which the student is registered, the student shall be considered a Texas resident at each of the institutions at which the student is concurrently registered for the purposes of determining the proper tuition charges. Nothing in this subdivision shall be so construed as to allow a nonresident to pay resident tuition except at institutions covered by Section 54.231.

Added by Acts 1977, 65th Leg., p. 21, ch. 7, Sec. 1, eff. March 3, 1977.
Transferred from Education Code, Section 54.062 by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 8, eff. September 1, 2005.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 3, eff. January 1, 2012.

Sec. 54.012. TUITION RATES FOR CERTAIN DOCTORAL STUDENTS. The

governing board of an institution of higher education may charge a resident doctoral student who has more semester credit hours of doctoral work than allowed for purposes of state funding for the current state fiscal biennium under Section 61.059(l) tuition at the rate charged nonresident doctoral students. Tuition charged at the rate provided by this section shall be accounted for as if collected under Section 54.008.

Added by Acts 1993, 73rd Leg., ch. 27, Sec. 5, eff. April 13, 1993. Amended by Acts 1997, 75th Leg., ch. 690, Sec. 1, eff. Sept. 1, 1997. Transferred from Education Code, Section 54.066 by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 8, eff. September 1, 2005.

Sec. 54.014. TUITION FOR REPEATED OR EXCESSIVE UNDERGRADUATE HOURS. (a) An institution of higher education may charge a resident undergraduate student tuition at a higher rate than the rate charged to other resident undergraduate students, not to exceed the rate charged to nonresident undergraduate students, if before the semester or other academic session begins the student has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that exceeds by at least 30 hours the number of semester credit hours required for completion of the degree program in which the student is enrolled. For purposes of this subsection, an undergraduate student who is not enrolled in a degree program is considered to be enrolled in a degree program or programs requiring a minimum of 120 semester credit hours, including minors and double majors, and for completion of any certificate or other special program in which the student is also enrolled, including a program with a study-abroad component. An institution of higher education that charges students tuition at a higher rate under this subsection may adopt a policy under which the institution exempts from the payment of that higher rate a student that is subject to the payment of the higher rate solely as a result of hardship as determined by the institution under the policy.

(b) Semester credit hours or other credit listed in Section 61.0595(d) is not counted in determining the number of semester credit hours previously attempted by a student for purposes of Subsection (a).

(c) Subsection (a) applies only to the tuition charged to a student who initially enrolled as an undergraduate student in an institution of higher education during or after the 1999 fall semester, except that the institution of higher education may not require a student who initially enrolls as an undergraduate student in an institution of higher education before the 2006 fall semester to pay higher tuition as permitted by Subsection (a) until the number of semester credit hours previously attempted by the student as described by that subsection exceeds the number of semester credit hours required for the student's degree program by at least 45 hours.

(d) In its appropriations to institutions of higher education, the legislature shall compute the local funds available to each institution as if the tuition collected under Subsections (a) and (f) were not collected.

(e) Each institution of higher education shall inform each new undergraduate student enrolling at the institution in writing of the limitation provided by this section on the number of hours or type of courses that a Texas resident is entitled to complete while paying tuition at the rate provided for Texas residents.

(f) An institution of higher education may charge a resident undergraduate student tuition at a higher rate than the rate charged to other resident undergraduate students, not to exceed the rate charged to nonresident undergraduate students, for any course in which the student enrolls that is the same as or substantively identical to a course for which the student previously completed. The Texas Higher Education Coordinating Board shall adopt a rule that exempts a resident undergraduate student from this subsection if the student enrolls in a course that is the same as or substantially similar to a course that the student previously completed, solely as a result of a hardship or other good cause.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 1.08, eff. Aug. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 6, Sec. 2, eff. April 8, 1999.
Transferred from Education Code, Section 54.068 by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 8, eff. September 1, 2005.

Sec. 54.015. BILLING AND NOTIFICATION FOR TUITION. For billing and catalogue purposes, each governing board shall accumulate all the

tuition that it charges under this chapter into one tuition charge.

Added by Acts 2001, 77th Leg., ch. 655, Sec. 5, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 54.069 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(32), eff. Sept. 1, 2003.
Transferred from Education Code, Section 54.071 by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 8, eff. September 1, 2005.

Sec. 54.016. FIXED TUITION RATE PROGRAM FOR CERTAIN TRANSFER STUDENTS AT GENERAL ACADEMIC TEACHING INSTITUTIONS. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003.

(3) "Lower-division institution of higher education" means a public junior college, public state college, or public technical institute.

(b) A general academic teaching institution may develop a fixed tuition rate program for qualified students who agree to transfer to the institution within 12 months after successfully earning an associate degree at a lower-division institution of higher education. Under a program developed under this section, a general academic teaching institution must:

(1) guarantee to a participating student enrolled in an associate degree program at a lower-division institution of higher education, on successful completion of the associate degree program, transfer admission to the general academic teaching institution within the period prescribed above; and

(2) notwithstanding any other provision of this chapter, charge tuition to a participating student for any semester or other academic term during a period of at least 24 months following the student's initial enrollment in the institution at the same rate the general academic teaching institution would have charged to the student during the later of:

(A) the fall semester of the student's freshman year at another institution of higher education had the student entered the general academic teaching institution as a freshman student; or

(B) the fall semester of the second academic year

preceding the academic year of the student's initial enrollment in the general academic teaching institution.

(c) A general academic teaching institution that develops a fixed tuition rate program under this section shall prescribe eligibility requirements for participation in the program and notify applicants for transfer admission from lower-division institutions of higher education regarding the program.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1036 (H.B. 2999), Sec. 1, eff. June 17, 2011.

Sec. 54.017. FIXED TUITION PRICE PLAN FOR UNDERGRADUATE STUDENTS AT CERTAIN GENERAL ACADEMIC TEACHING INSTITUTIONS. (a) In this section, "general academic teaching institution" and "public state college" have the meanings assigned by Section 61.003.

(b) This section applies only to a general academic teaching institution other than a public state college.

(c) The governing board of an institution to which this section applies shall offer entering undergraduate students, including undergraduate students who transfer to the institution, the opportunity to participate in a fixed tuition price plan under which the institution agrees not to increase tuition charges per semester credit hour for a participating student for at least the first 12 consecutive semesters that occur after the date of the student's initial enrollment at any public or private institution of higher education, regardless of whether the student enrolls at any institution in those semesters, and subject to any restrictions or qualifications adopted by the governing board. For purposes of this section, one or more summer terms occurring in the same summer is considered a semester.

(d) Unless the institution does not offer other tuition payment options, an institution to which this section applies may require an entering undergraduate student to accept or reject participation in the fixed tuition price plan offered under this section before the date of the student's initial enrollment at the institution.

(e) This section does not require an institution to which this section applies to offer a variable tuition price plan or other tuition payment options to undergraduate students enrolled in the institution.

(f) Fees charged by an institution to a student participating in a fixed tuition price plan under this section may not exceed the fees charged by the institution to a similarly situated student who elects not to participate in the plan, if the institution offers other tuition payment options. For purposes of this subsection, students are similarly situated if they share the same residency status, degree program, course load, course level, and other circumstances affecting the fees charged to the students.

(g) This section does not apply to the tuition charged by an institution to which this section applies to a student who enters the institution for the first time before the 2014 fall semester.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1129 (H.B. 29), Sec. 1, eff. June 14, 2013.

SUBCHAPTER B. TUITION RATES

Sec. 54.0501. DEFINITIONS. In this subchapter:

(1) "Census date" means the date in an academic term on which an institution of higher education is required to certify a student's enrollment to the coordinating board for purposes of determining formula funding for the institution.

(2) "Dependent" means a person who:

(A) is less than 18 years of age and has not been emancipated by marriage or court order; or

(B) as provided by coordinating board rule, is eligible to be claimed as a dependent of a parent of the person for purposes of determining the parent's income tax liability under the Internal Revenue Code of 1986.

(3) "Domicile" means a person's principal, permanent residence to which the person intends to return after any temporary absence.

(4) "Nonresident tuition" means the amount of tuition paid by a person who is not a resident of this state and who is not entitled or permitted to pay resident tuition under this subchapter.

(5) "Parent" means a natural or adoptive parent, managing or possessory conservator, or legal guardian of a person.

(6) "Residence" means a person's home or other dwelling place.

(7) "Resident tuition" means the amount of tuition paid by

a person who is a resident of this state.

Added by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 2, eff. September 1, 2005.

Sec. 54.051. TUITION RATES. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003(3) of this code.

(3) "Medical and dental unit" has the meaning assigned by Section 61.003 of this code.

(4) "Public junior college" has the meaning assigned by Section 61.003(2) of this code.

(b) The governing board of each institution of higher education and of the Texas State Technical College System shall cause to be collected from students registering at the institution tuition or registration fees at the rates prescribed in this section.

(c) Unless a different rate is specified by this section, tuition for a resident student at a general academic teaching institution is $50 per semester credit hour.

(d) Unless a different rate is specified by this section, tuition for a nonresident student at a general academic teaching institution or medical and dental unit is an amount per semester credit hour equal to the average of the nonresident undergraduate tuition charged to a resident of this state at a public state university in each of the five most populous states other than this state, as computed by the coordinating board under this subsection. The coordinating board shall set the tuition rate provided by this subsection for each academic year and report that rate to each appropriate institution not later than January 1 of the calendar year in which the academic year begins, or as soon after that January 1 as practicable. In computing the tuition rate, the coordinating board shall use the nonresident tuition rates for the other states in effect for the academic year in progress when the board makes the computation.

(e) Tuition for a resident student registered only for thesis or dissertation credit that is the final credit hour requirement for the degree in progress is determined by the governing board of the

institution in which the student is enrolled.

(f) Tuition for a resident student enrolled in a program leading to an M.D. or D.O. degree is $6,550 per academic year. Tuition for a nonresident student enrolled in a program leading to an M.D. or D.O. degree is an amount per year equal to three times the rate that a resident student enrolled in a program leading to an M.D. or D.O. degree would pay during the corresponding academic year.

(g) Tuition for a resident student enrolled in a program leading to a D.D.S. degree is $5,400 per academic year. Tuition for a nonresident student enrolled in program leading to a D.D.S. degree is an amount per year equal to three times the rate that a resident student enrolled in a program leading to a D.D.S. degree would pay during the corresponding academic year.

(h) Tuition for a resident student enrolled in a program leading to a D.V.M. degree is $5,400 per academic year. Tuition for a nonresident student enrolled in a program leading to a D.V.M. degree is an amount per year equal to three times the rate that a resident student enrolled in a program leading to a D.V.M. degree would pay during the corresponding academic year.

(i) Tuition for a resident student registered at a law school is $80 per semester credit hour. Tuition for a nonresident student registered at a law school is the amount that can be charged a nonresident graduate student under Subsection (d) and Section 54.008.

(j) Tuition for a student registered in a program leading to a degree in nursing or in an allied health profession is the same as for students with the same residency registered at a general academic teaching institution.

(k) Tuition for a resident student registered at the Texas State Technical College System is the greater of $50 or an amount set by the governing board of the system at not less than $16 per semester credit hour. Tuition for a nonresident student registered at the Texas State Technical College System is an amount set by the governing board of the system at not less than $80 per semester credit hour.

(l) Resident students or nonresident students registered for a course or courses in art, architecture, drama, speech, or music, where individual coaching or instruction is the usual method of instruction, shall pay a fee, in addition to the regular tuition, set by the governing board of the institution.

(m) Unless the student establishes residency or is entitled or

permitted to pay resident tuition as provided by this subchapter, tuition for a student who is a citizen of any country other than the United States of America is the same as the tuition required of other nonresident students.

(n) Tuition for a resident student registered in a public junior college is determined by the governing board of each institution, but the tuition may not be less than $8 for each semester credit hour and may not total less than $25 for a semester. Tuition for a nonresident student is determined by the governing board of each institution but the tuition may not be less than $200 for each semester.

(o) Renumbered as V.T.C.A., Education Code Sec. 54.063 and amended by Acts 1985, 69th Leg., ch. 708, Sec. 8, eff. Aug. 26, 1985.

(p) Renumbered as V.T.C.A., Education Code Sec. 54.064 and amended by Acts 1985, 69th Leg., ch. 708, Sec. 9, eff. Aug. 26, 1985.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3352, ch. 1024, art. 2, Sec. 29, eff. Sept. 1, 1971; Acts 1973, 63rd Leg., p. 88, ch. 51, Sec. 8, eff. Aug. 27, 1973; Acts 1975, 64th Leg., p. 1358, ch. 515, Sec. 1, 2, eff. June 19, 1975; Acts 1975, 64th Leg., p. 2326, ch. 720, Sec. 2, eff. Sept. 1, 1975; Acts 1979, 66th Leg., p. 1382, ch. 617, Sec. 1, eff. Aug. 27, 1979; Acts 1984, 68th Leg., 2nd C.S., ch. 31, art. 10, Sec. 1; Acts 1985, 69th Leg., ch. 708, Sec. 1, 8, 9, eff. Aug. 26, 1985; Acts 1991, 72nd Leg., ch. 287, Sec. 26, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., 1st C.S., ch. 5, Sec. 6.01, eff. Sept. 1, 1992; Acts 1995, 74th Leg., ch. 451, Sec. 2, eff. Aug. 28, 1995; Acts 1997, 75th Leg., ch. 1073, Sec. 1.02, eff. Aug. 1, 1997; Acts 2001, 77th Leg., ch. 655, Sec. 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1392, Sec. 1, eff. June 16, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 6, eff. September 1, 2005.

Sec. 54.0513. DESIGNATED TUITION. (a) In addition to amounts that a governing board of an institution of higher education is authorized to charge as tuition under the other provisions of this chapter, the governing board, under the terms the governing board considers appropriate, may charge any student an amount designated as

tuition that the governing board considers necessary for the effective operation of the institution.

(b) A governing board may set a different tuition rate for each program and course level offered by each institution of higher education. A governing board may set a different tuition rate as the governing board considers appropriate to increase graduation rates, encourage efficient use of facilities, or enhance employee performance.

(c) Amounts collected by an institution of higher education under this section are institutional funds as defined by Section 51.009 of this code and shall be accounted for as designated funds. These funds shall not be accounted for in a general appropriations act in such a way as to reduce the general revenue appropriation to a particular institution.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 359, Sec. 16(1), eff. January 1, 2012.

(e) Section 56.033 of this code requiring certain percentage amounts of tuition to be set aside for grants and scholarships does not apply to tuition collected under this section.

(f) A governing board of an institution of higher education may continue to charge as tuition under this section the amount that it charged as the building use fee at that institution in the 1996-1997 academic year without holding a public hearing, but may not increase tuition under this section above that amount without holding a public hearing.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 1.01, eff. Aug. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 655, Sec. 4, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1321, Sec. 1, 2, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 16(1), eff. January 1, 2012.

Sec. 54.0515. LEGISLATIVE OVERSIGHT COMMITTEE ON HIGHER EDUCATION. (a) In this section, "committee" means the legislative oversight committee on higher education.

(b) The legislative oversight committee on higher education is composed of 12 members as follows:

(1) six members of the senate appointed by the lieutenant governor; and

(2) six members of the house of representatives appointed by the speaker of the house of representatives.

(c) The lieutenant governor shall designate one of the committee members appointed by the lieutenant governor as committee co-chair and the speaker shall designate one of the committee members appointed by the speaker as committee co-chair.

(d) An appointed member of the committee serves at the pleasure of the appointing official. In making appointments to the committee, the appointing officials shall attempt to appoint persons who represent the gender composition, minority populations, and geographic regions of the state.

(e) It is the legislature's intent that each institution of higher education, as a condition to tuition deregulation under Section 54.0513, reasonably implement the following:

(1) each institution shall make satisfactory progress towards the goals provided in its master plan for higher education and in "Closing the Gaps," the state's master plan for higher education; and

(2) each institution shall meet acceptable performance criteria, including measures such as graduation rates, retention rates, enrollment growth, educational quality, efforts to enhance minority participation, opportunities for financial aid, and affordability.

(f) The committee shall:

(1) meet at the call of either chair;

(2) monitor and regularly report to the legislature on each institution of higher education's compliance with the requirements of Subsection (e); and

(3) receive and review information concerning the affordability and accessibility of higher education, including the impact of tuition deregulation.

(g) The committee may request reports and other information from institutions of higher education and the Texas Higher Education Coordinating Board as necessary to carry out this section.

(h) The committee shall make recommendations for any legislative action the committee considers necessary to meet the criteria provided by Subsection (e), and such other criteria as the legislature may establish, and to improve higher education

affordability and access.

(i) This section does not create a cause of action.

Added by Acts 2003, 78th Leg., ch. 1321, Sec. 3, eff. Sept. 1, 2003.

Sec. 54.052. DETERMINATION OF RESIDENT STATUS. (a) Subject to the other applicable provisions of this subchapter governing the determination of resident status, the following persons are considered residents of this state for purposes of this title:

(1) a person who:

(A) established a domicile in this state not later than one year before the census date of the academic term in which the person is enrolled in an institution of higher education; and

(B) maintained that domicile continuously for the year preceding that census date;

(2) a dependent whose parent:

(A) established a domicile in this state not later than one year before the census date of the academic term in which the dependent is enrolled in an institution of higher education; and

(B) maintained that domicile continuously for the year preceding that census date; and

(3) a person who:

(A) graduated from a public or private high school in this state or received the equivalent of a high school diploma in this state; and

(B) maintained a residence continuously in this state for:

(i) the three years preceding the date of graduation or receipt of the diploma equivalent, as applicable; and

(ii) the year preceding the census date of the academic term in which the person is enrolled in an institution of higher education.

(b) For purposes of this section, the domicile of a dependent's parent is presumed to be the domicile of the dependent unless the person establishes eligibility for resident status under Subsection (a)(3).

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 1065, ch. 496, Sec. 1, eff. Aug. 27, 1979; Acts 1981, 67th Leg., p. 1813, ch. 402, Sec. 1,

eff. June 11, 1981; Acts 1989, 71st Leg., ch. 620, Sec. 2, eff. Aug. 28, 1989; Acts 1993, 73rd Leg., ch. 425, Sec. 1, eff. Aug. 30, 1993; Acts 2001, 77th Leg., ch. 1392, Sec. 2, eff. June 16, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September 1, 2005.

Sec. 54.053. INFORMATION REQUIRED TO ESTABLISH RESIDENT STATUS. A person shall submit the following information to an institution of higher education to establish resident status under this subchapter:

(1) if the person applies for resident status under Section 54.052(a)(1):

(A) a statement of the dates and length of time the person has resided in this state, as relevant to establish resident status under this subchapter; and

(B) a statement by the person that the person's presence in this state for that period was for a purpose of establishing and maintaining a domicile;

(2) if the person applies for resident status under Section 54.052(a)(2):

(A) a statement of the dates and length of time any parent of the person has resided in this state, as relevant to establish resident status under this subchapter; and

(B) a statement by the parent or, if the parent is unable or unwilling to provide the statement, a statement by the person that the parent's presence in this state for that period was for a purpose of establishing and maintaining a domicile; or

(3) if the person applies for resident status under Section 54.052(a)(3):

(A) a statement of the dates and length of time the person has resided in this state, as relevant to establish resident status under this subchapter; and

(B) if the person is not a citizen or permanent resident of the United States, an affidavit stating that the person will apply to become a permanent resident of the United States as soon as the person becomes eligible to apply.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Amended by:
Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September 1, 2005.

Sec. 54.054. CONTINUING RESIDENT STATUS. (a) Except as otherwise provided by Subsection (c) of this section or by Section 54.055 or 54.056, a person classified by an institution of higher education as a resident of this state under this subchapter is entitled, without submitting the information required by Section 54.053, to be classified as a resident by that institution in each subsequent academic term in which the person enrolls.

(b) Except as otherwise provided by Subsection (c) of this section or by Section 54.055 or 54.056, a person classified by an institution of higher education as a resident is entitled, without submitting the information required by Section 54.053 to the subsequent institution, to be classified as a resident by another institution of higher education in which the person subsequently enrolls.

(c) Subsections (a) and (b) do not apply to a person who enrolls in an institution of higher education after two or more consecutive regular semesters during which the person is not enrolled in an institution of higher education. To be classified as a resident on that enrollment, the person must submit the information required by Section 54.053 and satisfy all applicable requirements to establish resident status. If the person is classified as a resident on that enrollment, Subsections (a) and (b) apply to the person in a subsequent academic term.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3353, ch. 1024, art. 2, Sec. 29, eff. Sept. 1, 1971.
Amended by:
Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September 1, 2005.

Sec. 54.055. RECLASSIFICATION BASED ON ADDITIONAL OR CHANGED INFORMATION. (a) On the basis of additional or changed information, an institution of higher education may reclassify as a resident or

nonresident of this state under this subchapter a person who has previously been classified as a resident or nonresident under this subchapter.

(b) A reclassification does not apply to an academic term if the reclassification is made on or after the census date of that term.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3354, ch. 1024, art. 2, Sec. 29, eff. Sept. 1, 1971; Acts 1979, 66th Leg., p. 1066, ch. 496, Sec. 2, eff. Aug. 27, 1979.
Amended by:

Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September 1, 2005.

Sec. 54.056. ERRORS IN CLASSIFICATION. (a) If an institution of higher education erroneously classifies a person as a resident of this state and the person is not entitled or permitted to pay resident tuition under this subchapter, the institution of higher education shall charge nonresident tuition to the person beginning with the first academic term that begins after the date the institution discovers the error. Not earlier than the first day of that term, regardless of whether the person is still enrolled at the institution, the institution may request the person to pay the difference between resident and nonresident tuition for an earlier term as permitted by Section 54.057. For nonpayment of the amount owed, the institution may impose sanctions only as provided by that section. The institution may not require payment as a condition for any subsequent enrollment by the person in the institution.

(b) Regardless of the reason for the error, if an institution of higher education erroneously classifies a person as a nonresident of this state, the institution shall charge resident tuition to the person beginning with the academic term in which the institution discovers the error. The institution immediately shall refund to the person the amount of tuition the person paid in excess of resident tuition.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 708, Sec. 5, eff. Aug. 26, 1985.

Amended by:
Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September 1, 2005.

Sec. 54.057. LIABILITY FOR UNPAID NONRESIDENT TUITION. (a) The following persons are liable for the difference between resident and nonresident tuition for each academic term in which the person pays resident tuition as the result of an erroneous classification under this subchapter:

(1) a person who, in a timely manner after the information becomes available or on request by the institution of higher education, fails to provide to the institution information that the person reasonably should know would be relevant to an accurate classification by the institution under this subchapter; or

(2) a person who provides false information to the institution that the person reasonably should know could lead to an erroneous classification by the institution under this subchapter.

(b) The person shall pay the applicable amount to the institution not later than the 30th day after the date the person is notified of the person's liability for the amount owed. After receiving the notice and until the amount is paid in full, the person is not entitled to receive from the institution a certificate or diploma, if not yet awarded on the date of the notice, or official transcript that is based at least partially on or includes credit for courses taken while the person was erroneously classified as a resident of this state.

(c) A person who is erroneously classified as a resident of this state under this subchapter but who is entitled or permitted to pay resident tuition under this subchapter is not liable for the difference between resident and nonresident tuition under this section.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3354, ch. 1024, art. 2, Sec. 29, eff. Sept. 1, 1971; Acts 1989, 71st Leg., ch. 620, Sec. 1, eff. Aug. 28, 1989; Acts 2001, 77th Leg., ch. 1392, Sec. 4, eff. June 16, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 3, eff. September

1, 2005.

Sec. 54.0601. NONRESIDENT TUITION RATES AT CERTAIN INSTITUTIONS. On the written request of the governing board of a general academic teaching institution located not more than 100 miles from the boundary of this state with another state, the Texas Higher Education Coordinating Board may set a nonresident tuition rate that is lower than the nonresident tuition rate otherwise provided by this chapter if the coordinating board determines that the lower rate is in the best interest of the institution and will not cause unreasonable harm to any other institution of higher education.

Added by Acts 1995, 74th Leg., ch. 451, Sec. 5, eff. Aug. 28, 1995.

Sec. 54.061. REDUCED DESIGNATED TUITION RATES FOR COURSES PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. (a) This section applies only to a course offered by an institution of higher education:

(1) beginning at 6 p.m. or later during a weekday;

(2) on weekends; or

(3) at other times when the institution's instructional facilities would otherwise be underutilized, as determined by the governing board of the institution.

(b) In accordance with coordinating board rules and for the purposes stated in Section 61.0592, the governing board of an institution of higher education to which Section 61.0592 applies may establish tuition rates under Section 54.0513 for a course described by Subsection (a) that are not more than 25 percent lower than the rates that would otherwise apply to the course under that section.

(c) This section applies only if the legislature specifically appropriates money to institutions to which Section 61.0592 applies for the state fiscal biennium ending August 31, 2009, to cover the tuition revenue lost to the institutions by the application of this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 598 (H.B. 120), Sec. 2, eff. June 15, 2007.

Sec. 54.075. COORDINATING BOARD RULES; SUPPLEMENTATION OF RULES BY INSTITUTIONS LIMITED. (a) The coordinating board shall adopt rules to carry out the purposes of this subchapter.

(b) An institution of higher education may not require a person to provide evidence of resident status that is not required by coordinating board rule.

Added by Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 4, eff. September 1, 2005.

SUBCHAPTER D. WAIVERS, EXEMPTIONS, AND OTHER TUITION AND FEE BENEFITS

Sec. 54.2001. CONTINUED RECEIPT OF EXEMPTIONS OR WAIVERS CONDITIONAL. (a) Notwithstanding any other law but subject to Subsection (f), after initially qualifying under this subchapter for a mandatory or discretionary exemption or waiver from the payment of all or part of the tuition or other fees for enrollment during a semester or term at an institution of higher education, a person may continue to receive the exemption or waiver for a subsequent semester or term only if the person:

(1) as a graduate or undergraduate student, maintains a grade point average that satisfies the institution's grade point average requirement for making satisfactory academic progress toward a degree or certificate in accordance with the institution's policy regarding eligibility for financial aid; and

(2) as an undergraduate student, has not completed as of the beginning of the semester or term a number of semester credit hours that is considered to be excessive under Section 54.014, unless permitted to complete those hours by the institution on a showing of good cause.

(b) In determining whether a person has completed a number of semester credit hours that is considered to be excessive for purposes of Subsection (a)(2), semester credit hours completed include transfer credit hours that count toward the person's undergraduate degree or certificate program course requirements but exclude:

(1) hours earned exclusively by examination;

(2) hours earned for a course for which the person received credit toward the person's high school academic requirements; and

(3) hours earned for developmental coursework that an

institution of higher education required the person to take under Section 51.3062 or under the former provisions of Section 51.306.

(c) If on the completion of any semester or term a person fails to meet any requirement of Subsection (a), for the next semester or term in which the person enrolls the person may not receive the exemption or waiver described by Subsection (a). A person may become eligible to receive an exemption or waiver in a subsequent semester or term if the person:

(1) completes a semester or term during which the person is not eligible for an exemption or waiver; and

(2) meets each requirement of Subsection (a), as applicable.

(d) Each institution of higher education shall adopt a policy to allow a student who fails to maintain a grade point average as required by Subsection (a)(1) to receive an exemption or waiver in any semester or term on a showing of hardship or other good cause, including:

(1) a showing of a severe illness or other debilitating condition that could affect the student's academic performance;

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care could affect the student's academic performance;

(3) the student's active duty or other service in the United States armed forces or the student's active duty in the Texas National Guard; or

(4) any other cause considered acceptable by the institution.

(e) An institution of higher education shall maintain documentation of each exception granted to a student under Subsection (d).

(f) If a requirement imposed by this section for the continued receipt of a specific exemption or waiver conflicts with another requirement imposed by statute for that exemption or waiver, the stricter requirement prevails.

(g) This section does not apply to:

(1) the waiver provided by Section 54.216 or any other reduction in tuition provided to a high school student for enrollment in a dual credit course or other course for which the student may earn joint high school and college credit;

(2) the exemption provided by Section 54.341(a-2)(1)(A),

(B), (C), or (D) or (b)(1)(A), (B), (C), or (D);

(3) the exemption provided by Section 54.342 or 54.366; or

(4) any provision of this code that authorizes or requires the payment of tuition or fees at the rates provided for residents of this state by a person who is not a resident of this state for purposes of Subchapter B.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1196 (S.B. 1210), Sec. 1, eff. June 14, 2013.

Sec. 54.2002. EXEMPTIONS AND WAIVERS FOR STATE-FUNDED COURSES ONLY. Notwithstanding any other law, a mandatory or discretionary exemption or waiver from the payment of tuition or other fees under this subchapter or another provision of this code applies only to courses for which an institution of higher education receives formula funding.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1196 (S.B. 1210), Sec. 1, eff. June 14, 2013.

Sec. 54.2031. DEPENDENT CHILDREN OF RESIDENTS WHO ARE MEMBERS OF ARMED FORCES DEPLOYED ON COMBAT DUTY. (a) In this section:

(1) "Child" includes a stepchild or adopted child.

(2) "Dependent" means a person who:

(A) is claimed as a dependent on a federal income tax return filed for the preceding year; or

(B) will be claimed as a dependent on a federal income tax return filed for the current year.

(b) The governing board of an institution of higher education shall exempt from the payment of tuition at the institution a dependent child of a member of the armed forces of the United States who is a resident of this state or is entitled to pay resident tuition under this chapter, for any semester or other academic term during which the member of the armed forces is deployed on active duty for the purpose of engaging in a combative military operation outside the United States.

(c) The governing board of an institution of higher education granting an exemption under this section shall require each applicant claiming the exemption to submit satisfactory evidence that the

applicant qualifies for the exemption.

(d) A person may not receive an exemption provided for by this section for more than a cumulative total of 150 semester credit hours.

(e) A person may not receive an exemption under this section if the person is in default on a loan made or guaranteed for educational purposes by the State of Texas.

(f) In determining whether to admit a person to any certificate program or any baccalaureate, graduate, postgraduate, or professional degree program, an institution of higher education may not consider the fact that the person is eligible for an exemption under this section.

(g) In its appropriations to institutions of higher education, the legislature shall, based on availability, provide sufficient money to cover the full costs of the exemptions provided for by this section.

(h) If sufficient money is not available to cover the full costs to the institutions of higher education of the exemptions provided for by this section, the Texas Higher Education Coordinating Board shall prorate the available funding to each institution for purposes of this section in proportion to the total amount the institution would otherwise be entitled to receive for purposes of this section. An institution is required to grant an exemption from the payment of tuition under this section only to the extent money is available for that purpose.

(i) The Texas Higher Education Coordinating Board may adopt rules necessary to administer this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 404 (S.B. 639), Sec. 2, eff. June 17, 2011.

Sec. 54.206. FOREIGN SERVICE OFFICERS. A foreign service officer employed by the United States Department of State and enrolled in an institution of higher education is entitled to pay the tuition and fees at the rates provided for Texas residents if the person is assigned to an office of the department of state that is located in a foreign nation that borders on this state.

Transferred and redesignated from Education Code, Section 54.070 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1,

2012.

Sec. 54.211. FACULTY AND DEPENDENTS. A teacher or professor of an institution of higher education, and the spouse and children of such a teacher or professor, are entitled to register in an institution of higher education by paying the tuition fee and other fees or charges required for Texas residents without regard to the length of time the teacher or professor has resided in Texas. A teacher or professor of an institution of higher education and the teacher's or professor's family are entitled to the benefit of this section if the teacher or professor is employed at least one-half time on a regular monthly salary basis by an institution of higher education.

Transferred and redesignated from Education Code, Section 54.059 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.212. TEACHING OR RESEARCH ASSISTANT. A teaching assistant or research assistant of any institution of higher education and the spouse and children of such a teaching assistant or research assistant are entitled to register in a state institution of higher education by paying the tuition fees and other fees or charges required for Texas residents under Section 54.051 of this code, without regard to the length of time the assistant has resided in Texas, if the assistant is employed at least one-half time in a teaching or research assistant position which relates to the assistant's degree program under rules and regulations established by the employer institution.

Transferred and redesignated from Education Code, Section 54.063 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.213. SCHOLARSHIP STUDENT. (a) An institution of higher education may charge a nonresident student who holds a competitive scholarship of at least $1,000 for the academic year or summer term for which the student is enrolled resident tuition and

fees without regard to the length of time the student has resided in Texas. The student must compete with other students, including Texas residents, for the scholarship and the scholarship must be awarded by a scholarship committee officially recognized by the administration and be approved by the Texas Higher Education Coordinating Board under criteria developed by the coordinating board.

(b) The total number of students at an institution paying resident tuition under this section for a particular semester may not exceed five percent of the total number of students registered at the institution for the same semester of the preceding academic year.

(d) The difference between tuition charged to the student under this section and the tuition the student would be charged if this section did not apply to the student shall not be accounted for in such a way as to reduce the general revenue appropriation to an institution of higher education that charges a nonresident student resident tuition and fees under this section.

Transferred and redesignated from Education Code, Section 54.064 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.214. BIOMEDICAL RESEARCH PROGRAM; SCHOLARSHIP STUDENT. A student is entitled to pay the fees and charges required of Texas residents without regard to the length of time the student has resided in Texas if the student:

(1) holds a competitive academic scholarship or stipend;

(2) is accepted in a clinical and biomedical research training program designed to lead to both doctor of medicine and doctor of philosophy degrees; and

(3) is either a nonresident or a citizen of a country other than the United States of America.

Transferred and redesignated from Education Code, Section 54.065 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.216. STUDENTS ENROLLED IN COURSE FOR CONCURRENT HIGH SCHOOL AND COLLEGE-LEVEL CREDIT; OPTIONAL WAIVER. The governing board of an institution of higher education may waive all or part of

the tuition and fees charged by the institution for a student enrolled in a course for which the student is entitled to simultaneously receive both:

(1) course credit toward the student's high school academic requirements; and

(2) course credit toward a degree offered by the institution.

Added by Acts 2003, 78th Leg., ch. 812, Sec. 1, eff. June 20, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.217. STUDENTS ENROLLED IN FULLY FUNDED COURSES; OPTIONAL WAIVER. The governing board of an institution of higher education may waive tuition and fees for students attending courses that are fully funded by federal or other sources.

Added by Acts 1995, 74th Leg., ch. 327, Sec. 1, eff. June 8, 1995.
Renumbered from Sec. 54.212 by Acts 1999, 76th Leg., ch. 62, Sec. 19.01(11), eff. Sept. 1, 1999.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.218. DISTANCE LEARNING OR OFF-CAMPUS COURSES; OPTIONAL WAIVER. The governing board of an institution of higher education may waive a fee it is authorized to charge if the board determines that:

(1) a student is enrolled only in distance learning courses or other off-campus courses of the institution;

(2) the student cannot reasonably be expected to use the activities, services, or facilities on which the fee is based; and

(3) the waiver of the fee will not materially impair the ability of the institution either to service any debt on which the fee is based or to offer or operate the particular activity, service, or facility supported by the fee.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 1.03, eff. Aug. 1,

1997. Renumbered from Sec. 54.214 by Acts 1999, 76th Leg., ch. 62, Sec. 19.01(12), eff. Sept. 1, 1999.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.221. THE UNIVERSITY OF TEXAS SYSTEM; SCIENCE AND TECHNOLOGY DEVELOPMENT, MANAGEMENT, AND TRANSFER. To the extent provided for in an agreement authorized by Section 65.45, a person employed by the entity with whom the system enters into such an agreement, or the person's spouse or child, may pay the tuition and fees charged to residents of this state when enrolled in an institution of The University of Texas System.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.222. ECONOMIC DEVELOPMENT AND DIVERSIFICATION. (a) A person who registers at an institution of higher education without having established resident status in this state under Section 54.052 is entitled to pay tuition and required fees at the rate provided for residents of this state if:

(1) the person or, as determined by coordinating board rule, an adult member of the person's family who resides in the person's household and is a primary caretaker of the person establishes by the institution's enrollment date a residence in this state as a result of the person's or caretaker's employment by a business or organization that, not earlier than five years before the enrollment date, became established in this state as part of the program of state economic development and diversification authorized by the law of this state; and

(2) the person files with that institution of higher education a letter of intent to establish residency in this state.

(b) The Texas Higher Education Coordinating Board, in consultation with the Texas Economic Development and Tourism Office, shall establish procedures to determine:

(1) whether a business or organization meets the requirements of this section; and

(2) the date on which the business or organization became established in this state as part of the program of state economic development and diversification.

Transferred and redesignated from Education Code, Section 54.066 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.223. TUITION RATES FOR OLYMPIC ATHLETES. (a) A person enrolled in The University of Texas at Brownsville and Texas Southmost College is entitled to pay tuition and fees at the rates provided for Texas residents if the person:

(1) is in residence and in training as a participating athlete in a Community Olympic Development Program or at a United States Olympic training center located in this state;

(2) is residing permanently or temporarily in this state while in training as a participating athlete:

(A) in a Community Olympic Development Program located in this state; or

(B) at a United States Olympic training center located in this state in a program approved by the governing body for the athlete's Olympic sport; or

(3) is residing permanently or temporarily in this state while in training as a participating athlete at a facility in this state approved by the governing body for the athlete's Olympic sport, in a program approved by that body.

(b) Notwithstanding any other law, a person who is entitled to pay resident tuition and fees only as permitted by this section is not considered a Texas resident under this subchapter for purposes of a financial aid program offered by this state.

Transferred and redesignated from Education Code, Section 54.073 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.225. STUDENTS ENROLLED IN NON-SEMESTER-LENGTH DEVELOPMENTAL EDUCATION INTERVENTIONS. The governing board of an institution of higher education may exempt from the payment of tuition authorized by this chapter a student who is participating in

an approved non-semester-length developmental education intervention (including course-based, non-course-based, alternative-entry/exit, and other intensive developmental education activities).

Added by Acts 2011, 82nd Leg., R.S., Ch. 965 (H.B. 1244), Sec. 2, eff. June 17, 2011.

Sec. 54.231. RESIDENT OF BORDERING STATE OR NATION OR PARTICIPANT IN STUDENT EXCHANGE PROGRAM: TUITION. (a) The nonresident tuition fee prescribed by this chapter does not apply to a nonresident student who is a resident of Arkansas, Louisiana, New Mexico, or Oklahoma and who registers in Texas A&M University--Texarkana, Lamar State College--Orange, Lamar State College--Port Arthur, a Texas public junior college, or a public technical institute, if the institution is situated in a county immediately adjacent to the state in which the nonresident student resides. The nonresident tuition fee prescribed by this chapter does not apply to a nonresident student who is a resident of New Mexico or Oklahoma and who registers in a public technical institute that is situated in a county that is within 100 miles of the state in which the nonresident student resides and who is admitted for the purpose of utilizing available instructional facilities. The nonresident student described in this subsection shall pay an amount equivalent to the amount charged a Texas student registered at a similar school in the state in which the nonresident student resides.

(b) The foreign student tuition fee prescribed in this chapter does not apply to a foreign student who is a resident of a nation situated adjacent to Texas, demonstrates financial need as provided by Subsection (c), and registers in:

(1) any general academic teaching institution or component of the Texas State Technical College System located in a county immediately adjacent to the nation in which the foreign student resides;

(2) lower division courses at a community or junior college having a partnership agreement pursuant to Subchapter N, Chapter 51, with an upper-level university and both institutions are located in the county immediately adjacent to the nation in which the foreign student resides;

(3) Texas A&M University--Kingsville, Texas A&M University-

-Corpus Christi, or The University of Texas at San Antonio; or

(4) courses that are part of a graduate degree program in public health and are conducted in a county immediately adjacent to the nation in which the foreign student resides.

(c) A foreign student to whom Subsection (b) applies shall pay tuition equal to that charged Texas residents under Section 54.051. The coordinating board shall adopt rules governing the determination of financial need of students to whom Subsection (b) applies and rules governing a pilot project to be established at general academic teaching institutions and at components of the Texas State Technical College System in counties that are not immediately adjacent to the nation in which the foreign student resides.

(d) The coordinating board by rule shall establish a program with the United Mexican States and with Canada for the exchange of students and shall establish programs with other nations for the exchange of students to the extent practicable. The foreign student tuition fee prescribed in this chapter does not apply to a foreign student participating in an exchange program established under this section.

(e) The coordinating board shall adopt rules to determine the number of students who may participate in the programs provided by Subsections (b) and (d) and the students who may transfer from any general academic teaching institution or component of the Texas State Technical College System in a county immediately adjacent to the nation in which the foreign student resides to attend another general academic teaching institution or component of the Texas State Technical College System to complete a degree, certificate, or diploma or attend graduate school.

(f) The payment of resident tuition at Texas A&M University--Texarkana, Lamar State College--Orange, Lamar State College--Port Arthur, or a public technical institute as authorized by Subsection (a) or at an institution of higher education as authorized by Subsection (g) does not affect the constitutionally dedicated funding to which institutions of higher education are entitled under Section 17, Article VII, Texas Constitution.

(g) The nonresident tuition fee prescribed by this chapter does not apply to a nonresident student who is a resident of a county or parish of Arkansas, Louisiana, New Mexico, or Oklahoma that is adjacent to this state and who registers in an institution of higher education, the governing board of which has agreed to admit the

student at the resident tuition fee prescribed by this chapter. The state in which the student resides must allow a resident of a county of this state that is adjacent to that state to register in a public institution of higher education in that state at the tuition fee charged residents of that state. The student shall pay tuition equal to that charged residents of this state at the institution.

(h) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution" and "public technical institute" have the meanings assigned by Section 61.003.

Transferred, redesignated and amended from Education Code, Section 54.060 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.232. NATO AGREEMENT. A nonimmigrant alien who resides in this state in accordance with the Agreement between the Parties to the North Atlantic Treaty Regarding the Status of Their Forces (4 U.S.T. 1792) and the spouse or children of that alien are considered to be residents for tuition and fee purposes under this title.

Transferred and redesignated from Education Code, Section 54.074 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.233. ACADEMIC COMMON MARKET. The governing board of an institution of higher education shall charge nonresident students participating in the Academic Common Market and enrolled in programs designated under Section 160.07 the same amount charged resident students in such programs.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.241. MILITARY PERSONNEL AND DEPENDENTS. (a) Military personnel are classified as provided by this section.

(b) A person who is an officer, enlisted person, selectee, or

draftee of the Army, Army Reserve, Army National Guard, Air National Guard, Air Force, Air Force Reserve, Navy, Navy Reserve, Marine Corps, Marine Corps Reserve, Coast Guard, or Coast Guard Reserve of the United States, who is assigned to duty in Texas, and the spouse and children of such an officer, enlisted person, selectee, or draftee, are entitled to register in a state institution of higher education by paying the tuition fee and other fees or charges required of Texas residents, without regard to the length of time the officer, enlisted person, selectee, or draftee has been assigned to duty or resided in the state. However, out-of-state Army National Guard or Air National Guard members attending training with Texas Army or Air National Guard units under National Guard Bureau regulations may not be exempted from nonresident tuition by virtue of that training status nor may out-of-state Army, Air Force, Navy, Marine Corps, or Coast Guard Reserves training with units in Texas under similar regulations be exempted from nonresident tuition by virtue of that training status. It is the intent of the legislature that only those members of the Army or Air National Guard or other reserve forces mentioned above be exempted from the nonresident tuition fee and other fees and charges only when they become members of Texas units of the military organizations mentioned above.

(c) The spouse or child of a member of the Armed Forces of the United States who has been assigned to duty elsewhere immediately following assignment to duty in Texas is entitled to pay the tuition fees and other fees or charges provided for Texas residents as long as the spouse or child resides continuously in Texas.

(d) A spouse or dependent child of a member of the Armed Forces of the United States, who is not assigned to duty in Texas but who has previously resided in Texas for a six-month period, is entitled to pay the tuition fees and other fees or charges provided for Texas residents for a term or semester at an institution of higher education if the member:

(1) at least one year preceding the first day of the term or semester executed a document with the applicable military service that is in effect on the first day of the term or semester and that:

(A) indicates that the member's permanent residence address is in Texas; and

(B) designates Texas as the member's place of legal residence for income tax purposes;

(2) has been registered to vote in Texas for the entire

year preceding the first day of the term or semester; and

(3) satisfies at least one of the following requirements:

(A) for the entire year preceding the first day of the term or semester has owned real property in Texas and in that time has not been delinquent in the payment of any taxes on the property;

(B) has had an automobile registered in Texas for the entire year preceding the first day of the term or semester; or

(C) at least one year preceding the first day of the term or semester executed a will that has not been revoked or superseded indicating that the member is a resident of this state and deposited the will with the county clerk of the county of the member's residence under Section 71, Texas Probate Code.

(e) A Texas institution of higher education may charge to the United States government the nonresident tuition fee for a veteran enrolled under the provisions of a federal law or regulation authorizing educational or training benefits for veterans.

(f) The spouse or child of a member of the Armed Forces of the United States who dies or is killed is entitled to pay the resident tuition fee if the spouse or child becomes a resident of Texas within 60 days of the date of death.

(g) If a member of the Armed Forces of the United States is stationed outside Texas and the member's spouse or child establishes residence in Texas by residing in Texas and by filing with the Texas institution of higher education at which the spouse or child plans to register a letter of intent to establish residence in Texas, the institution of higher education shall permit the spouse or child to pay the tuition, fees, and other charges provided for Texas residents without regard to length of time that the spouse or child has resided in Texas.

(h) The governing board of Midwestern State University may set the resident and nonresident tuition rates for United States military personnel enrolled in the bachelor of science or master of science degree program in radiological sciences at Midwestern State University at the rates the governing board considers appropriate, notwithstanding any other provision of this subchapter, and may exempt those military personnel from all or part of required fees and charges while enrolled in one of those programs. The total amount of tuition and required fees charged to a resident member of the armed forces under this subsection may not be less than the total amount of tuition and required fees charged to other resident students in the

same program. United States military personnel enrolled in one of those programs by instructional telecommunication are entitled to pay tuition fees and other fees or charges provided by the board for United States military personnel residing in Texas if they began the program while stationed at a military base or other installation in Texas as a member of the United States Armed Forces. In this subsection, "instructional telecommunication" means instruction delivered primarily by telecommunication technology, including open-channel television, cable television, closed-circuit television, low power television, communication and/or direct broadcast satellite, satellite master antenna system, microwave, videotape, videodisc, computer software, computer networks, and telephone lines.

(i) A former member of the Armed Forces of the United States or the former member's spouse or dependent child is entitled to pay the tuition fees and other fees or charges provided for Texas residents for any term or semester at a state institution of higher education that begins before the first anniversary of the member's separation from the Armed Forces if the former member:

(1) has retired or been honorably discharged from the Armed Forces; and

(2) has complied with the requirements of Subsection (d).

(j) A member of the Armed Forces of the United States or the child or spouse of a member of the Armed Forces of the United States who is entitled to pay tuition and fees at the rate provided for Texas residents under another provision of this section while enrolled in a degree or certificate program is entitled to pay tuition and fees at the rate provided for Texas residents in any subsequent term or semester while the person is continuously enrolled in the same degree or certificate program. For purposes of this subsection, a person is not required to enroll in a summer term to remain continuously enrolled in a degree or certificate program. The person's eligibility to pay tuition and fees at the rate provided for Texas residents under this subsection does not terminate because the person is no longer a member of the Armed Forces of the United States or the child or spouse of a member of the Armed Forces of the United States.

(k) A person is entitled to pay tuition and fees at an institution of higher education at the rates provided for Texas residents without regard to the length of time the person has resided in this state if the person files with the institution at which the

person intends to register a letter of intent to establish residence in this state and resides in this state while enrolled in the institution and the person:

(1) is eligible for benefits under the federal Post-9/11 Veterans Educational Assistance Act of 2008 (38 U.S.C. Section 3301 et seq.) or any other federal law authorizing educational benefits for veterans;

(2) is the spouse of a person described by Subdivision (1); or

(3) is a child of a person described by Subdivision (1) who is 25 years of age or younger on the first day of the semester or other academic term for which the person is registering, except that the Texas Higher Education Coordinating Board by rule shall prescribe procedures by which a person who suffered from a severe illness or other debilitating condition that affected the person's ability to use the benefit provided by this subsection before reaching that age may be granted additional time to use the benefit corresponding to the time the person was unable to use the benefit because of the illness or condition.

(l) In this section, "child" includes a stepchild.

Transferred and redesignated from Education Code, Section 54.058 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.251. REGISTERED NURSES IN POSTGRADUATE NURSING DEGREE PROGRAMS; OPTIONAL WAIVER. An institution of higher education may permit a registered nurse authorized to practice professional nursing in Texas to register by paying the tuition fees and other fees or charges required for Texas residents under Section 54.051, without regard to the length of time the registered nurse has resided in Texas, if the registered nurse:

(1) is enrolled in a program designed to lead to a master's degree or other higher degree in nursing; and

(2) intends to teach in a program in Texas designed to prepare students for licensure as registered nurses.

Transferred, redesignated and amended from Education Code, Section 54.069 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.261. DESIGNATED TUITION; HARDSHIP; OPTIONAL WAIVER. A governing board may waive all or part of the tuition charged to a student under Section 54.0513 if it finds that the payment of such tuition would cause an undue economic hardship on the student.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.262. STUDENT SERVICES FEES; OPTIONAL WAIVER. The governing board of an institution of higher education may waive all or part of any compulsory fee or fees authorized by Section 54.503 in the case of any student for whom the payment of the fee would cause an undue financial hardship, provided the number of the students to whom the waiver is granted for a semester or term does not exceed 10 percent of the institution's total enrollment for that semester or term. The board may limit accordingly the participation of a student in the activities financed by the fee so waived.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.263. STUDENTS 55 YEARS OF AGE OR OLDER; OPTIONAL WAIVER. (a) An institution of higher education may charge a student 55 years of age or older tuition and fees at rates that are lower than the rates otherwise provided by this chapter, under the condition that a student under 55 years of age will not be precluded from enrolling in a course for credit toward a degree or certificate. The institution may set additional qualifications that a student must meet to qualify for tuition and fees at rates set under this section and may set different rates for different programs, campuses, or courses. The institution may set rates under this section for resident students, nonresident students, or both, and may set different rates for resident students and nonresident students.

(b) A tuition or fee rate set under this section must apply uniformly to each student that meets the applicable qualifications set by the institution to pay tuition or fees at that rate.

(c) The legislature in an appropriations act shall account for

the rates authorized by Subsection (a) in a way that does not increase the general revenue appropriations to that institution.

Transferred, redesignated, and amended from Education Code, Section 54.013 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.301. HIGHEST RANKING HIGH SCHOOL GRADUATES; OPTIONAL EXEMPTION. The governing board of each institution of higher education may issue scholarships each year to the highest ranking graduate of each accredited high school of this state, exempting the graduates from the payment of tuition during both semesters of the first regular session immediately following their graduation. This exemption may be granted for any one of the first four regular sessions following the individual's graduation from high school when in the opinion of the institution's president the circumstances of an individual case, including military service, merit the action.

Redesignated and amended from Education Code, Section 54.201 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.331. STUDENTS FROM OTHER NATIONS OF THE AMERICAN HEMISPHERE. (a) The governing boards of the institutions of higher education may annually exempt from the payment of tuition fees the following students:

(1) 200 native-born students from the other nations of the American hemisphere; and

(2) 35 native-born students from a Latin American country designated by the United States Department of State.

(b) Ten students from each nation, as authorized in Subsection (a)(1), shall be exempt as provided in this subsection. In the event any nation fails to have 10 students available and qualified for exemption, additional students from the other nations may be exempted, subject to the approval of the Texas Higher Education Coordinating Board and allocation by the coordinating board. However, not more than 235 students from all the nations shall be exempt each year. In the event the nation designated in Subsection (a)(2) of this section fails to have 35 students available and

qualified for exemption within a reasonable time, additional students from other nations may be exempt, subject to the approval of the coordinating board.

(c) Every applicant desiring the exemption shall furnish satisfactory evidence, certified by the proper authority of the applicant's native country, that the applicant is a bona fide native-born citizen and resident of the country that certifies the application and that the applicant is scholastically qualified for admission.

(d) The coordinating board, after consultation with representatives of the governing boards of the institutions of higher education, shall formulate and prescribe a plan governing the admission and distribution of all applicants desiring to qualify under the provisions of this section.

(e) No student shall be exempted under this section who is not a native-born citizen of the country certifying the student's qualifications and who has not lived in one of the nations of this hemisphere for a period of at least five years. No member of the Communist Party and no student from Cuba shall be eligible for benefits under this section.

Redesignated and amended from Education Code, Section 54.207 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.341. VETERANS AND OTHER MILITARY PERSONNEL; DEPENDENTS. (a) The governing board of each institution of higher education shall exempt the following persons from the payment of tuition, dues, fees, and other required charges, including fees for correspondence courses but excluding general deposit fees, student services fees, and any fees or charges for lodging, board, or clothing, provided the person seeking the exemption currently resides in this state and entered the service at a location in this state, declared this state as the person's home of record in the manner provided by the applicable military or other service, or would have been determined to be a resident of this state for purposes of Subchapter B at the time the person entered the service:

(1) all nurses and honorably discharged members of the armed forces of the United States who served during the Spanish-

American War or during World War I;

(2) all nurses, members of the Women's Army Auxiliary Corps, members of the Women's Auxiliary Volunteer Emergency Service, and all honorably discharged members of the armed forces of the United States who served during World War II except those who were discharged from service because they were over the age of 38 or because of a personal request on the part of the person that the person be discharged from service;

(3) all honorably discharged men and women of the armed forces of the United States who served during the national emergency which began on June 27, 1950, and which is referred to as the Korean War; and

(4) all persons who were honorably discharged from the armed forces of the United States after serving on active military duty, excluding training, for more than 180 days and who served a portion of their active duty during:

(A) the Cold War which began on the date of the termination of the national emergency cited in Subdivision (3);

(B) the Vietnam era which began on December 21, 1961, and ended on May 7, 1975;

(C) the Grenada and Lebanon era which began on August 24, 1982, and ended on July 31, 1984;

(D) the Panama era which began on December 20, 1989, and ended on January 21, 1990;

(E) the Persian Gulf War which began on August 2, 1990, and ends on the date thereafter prescribed by Presidential proclamation or September 1, 1997, whichever occurs first;

(F) the national emergency by reason of certain terrorist attacks that began on September 11, 2001; or

(G) any future national emergency declared in accordance with federal law.

(a-1) A person who before the 2009-2010 academic year received an exemption provided by Subsection (a) continues to be eligible for the exemption provided by that subsection as that subsection existed on January 1, 2009, subject to the other provisions of this section other than the requirement of Subsection (a) that the person must have entered the service at a location in this state, declared this state as the person's home of record, or would have been determined to be a resident of this state for purposes of Subchapter B at the time the person entered the service.

(a-2) The exemptions provided for in Subsection (a) also apply to the spouse of:

(1) a member of the armed forces of the United States:

(A) who was killed in action;

(B) who died while in service;

(C) who is missing in action;

(D) whose death is documented to be directly caused by illness or injury connected with service in the armed forces of the United States; or

(E) who became totally and permanently disabled or meets the eligibility requirements for individual unemployability according to the disability ratings of the Department of Veterans Affairs as a result of a service-related injury; or

(2) a member of the Texas National Guard or the Texas Air National Guard who:

(A) was killed since January 1, 1946, while on active duty either in the service of this state or the United States; or

(B) is totally and permanently disabled or meets the eligibility requirements for individual unemployability according to the disability ratings of the Department of Veterans Affairs, regardless of whether the member is eligible to receive disability benefits from the department, as a result of a service-related injury suffered since January 1, 1946, while on active duty either in the service of this state or the United States.

(a-3) A person who before the 2011-2012 academic year received an exemption provided by Subsection (a) continues to be eligible for the exemption provided by that subsection as that subsection existed on January 1, 2011, subject to the other provisions of this section other than the requirement of Subsection (a) that the person must currently reside in this state.

(a-4) A person who before the 2014-2015 academic year received an exemption under this section continues to be eligible for the exemption provided by this section as this section existed on January 1, 2013.

(b) The exemptions provided for in Subsection (a) also apply to:

(1) the children of members of the armed forces of the United States:

(A) who are or were killed in action;

(B) who die or died while in service;

(C) who are missing in action;

(D) whose death is documented to be directly caused by illness or injury connected with service in the armed forces of the United States; or

(E) who became totally and permanently disabled or meet the eligibility requirements for individual unemployability according to the disability ratings of the Department of Veterans Affairs as a result of a service-related injury; and

(2) the children of members of the Texas National Guard and the Texas Air National Guard who:

(A) were killed since January 1, 1946, while on active duty either in the service of their state or the United States; or

(B) are totally and permanently disabled or meet the eligibility requirements for individual unemployability according to the disability ratings of the Department of Veterans Affairs, regardless of whether the members are eligible to receive disability benefits from the department, as a result of a service-related injury suffered since January 1, 1946, while on active duty either in the service of this state or the United States.

(b-1) To qualify for an exemption under Subsection (a-2) or (b), the spouse or child must be classified as a resident under Subchapter B on the date of the spouse's or child's registration.

(b-2) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 161, Sec. 4.009, eff. September 1, 2013.

(c) A person may not receive exemptions provided for by this section for more than a cumulative total of 150 credit hours.

(d) The governing board of each institution of higher education granting an exemption under this section shall require each applicant claiming the exemption to submit to the institution, in the form and manner prescribed by the Texas Veterans Commission for purposes of this section under Section 434.0079(b), Government Code, an application for the exemption and necessary evidence that the applicant qualifies for the exemption not later than the last class date of the semester or term to which the exemption applies, except that the governing board may encourage the submission of an application and evidence by the official day of record for the semester or term to which the exemption applies on which the institution must determine the enrollment that is reported to the Texas Higher Education Coordinating Board.

(e) The exemption from tuition, fees, and other charges

provided for by this section does not apply to a person who at the time of registration is entitled to receive educational benefits under federal legislation that may be used only for the payment of tuition and fees if the value of those benefits received in a semester or other term is equal to or exceeds the value of the exemption for the same semester or other term. If the value of federal benefits that may be used only for the payment of tuition and fees and are received in a semester or other term does not equal or exceed the value of the exemption for the same semester or other term, the person is entitled to receive both those federal benefits and the exemption in the same semester or other term. The combined amount of the federal benefit that may be used only for the payment of tuition and fees plus the amount of the exemption received in a semester or other term may not exceed the cost of tuition and fees for that semester or other term.

(e-1) A person may not receive an exemption under this section if the person is in default on a loan made or guaranteed for educational purposes by the State of Texas.

(f) The governing board of each institution of higher education may enter into contracts with the United States government, or any of its agencies, to furnish instruction to ex-servicemen and ex-service women at a tuition rate which covers the estimated cost of the instruction or, in the alternative, at a tuition rate of $100 a semester, as may be determined by the governing board. If the rates specified are prohibited by federal law for any particular class of ex-servicemen or ex-service women, the tuition rate shall be set by the governing board, but shall not be less than the established rate for civilian students. If federal law provides as to any class of veterans that the tuition payments are to be deducted from subsequent benefits to which the veteran may be entitled, the institution shall refund to any veteran who is a resident of Texas within the meaning of this section the amount by which any adjusted compensation payment is actually reduced because of tuition payments made to the institution by the federal government for the veteran.

(g) The governing board of a public junior college, public technical institute, or public state college, as those terms are defined by Section 61.003, may establish a fee for extraordinary costs associated with a specific course or program and may provide that the exemptions provided by this section do not apply to this fee.

(h) The governing board of each institution of higher education shall electronically report to the Texas Veterans Commission the information required by Section 434.00791, Government Code, relating to each individual receiving an exemption from fees and charges under Subsection (a), (a-2), (b), or (k). The institution shall report the information not later than January 31 of each year for the fall semester, June 30 of each year for the spring semester, and September 30 of each year for the summer session.

(i) The Texas Veterans Commission may adopt rules to provide for the efficient and uniform application of this section. In developing rules under this subsection, the commission shall consult with the Texas Higher Education Coordinating Board and institutions of higher education.

(j) In determining whether to admit a person to any certificate program or any baccalaureate, graduate, postgraduate, or professional degree program, an institution of higher education may not consider the fact that the person is eligible for an exemption under this section.

(k) The Texas Veterans Commission by rule shall prescribe procedures to allow:

(1) a person who becomes eligible for an exemption provided by Subsection (a) to waive the person's right to any unused portion of the number of cumulative credit hours for which the person could receive the exemption and assign the exemption for the unused portion of those credit hours to a child of the person; and

(2) following the death of a person who becomes eligible for an exemption provided by Subsection (a), the assignment of the exemption for the unused portion of the credit hours to a child of the person, to be made by the person's spouse or by the conservator, guardian, custodian, or other legally designated caretaker of the child, if the child does not otherwise qualify for an exemption under Subsection (b).

(k-1) The procedures under Subsection (k) must provide:

(1) the manner in which a person may waive the exemption;

(2) the manner in which a child may be designated to receive the exemption;

(3) a procedure permitting the designation of a different child to receive the exemption if the child previously designated to receive the exemption did not use the exemption under this section for all of the assigned portion of credit hours;

(4) a method of documentation to enable institutions of higher education to determine the eligibility of the designated child to receive the exemption; and

(5) a procedure permitting a person who waived the exemption and designated a child to receive the exemption to revoke that designation as to any unused portion of the assigned credit hours.

(l) To be eligible to receive an exemption under Subsection (k), the child must:

(1) be a student who is classified as a resident under Subchapter B when the child enrolls in an institution of higher education;

(2) as a graduate or undergraduate student, maintain a grade point average that satisfies the grade point average requirement for making satisfactory academic progress in a degree, certificate, or continuing education program as determined by the institution at which the child is enrolled in accordance with the institution's policy regarding eligibility for financial aid; and

(3) be 25 years of age or younger on the first day of the semester or other academic term for which the exemption is claimed.

(m) For purposes of this section, a person is the child of another person if:

(1) the person is the stepchild or the biological or adopted child of the other person; or

(2) the other person claimed the person as a dependent on a federal income tax return filed for the preceding year or will claim the person as a dependent on a federal income tax return for the current year.

(n) The Texas Veterans Commission by rule shall prescribe procedures by which a child assigned an exemption under Subsection (k) who suffered from a severe illness or other debilitating condition that affected the child's ability to use the exemption before reaching the age described by Subsection (l)(3) may be granted additional time to use the exemption corresponding to the time the child was unable to use the exemption because of the illness or condition.

(o) The Texas Higher Education Coordinating Board and the Texas Veterans Commission shall coordinate to provide each respective agency with any information required to ensure the proper administration of this section and the proper execution of each

agency's statutory responsibilities concerning this section.

Reenacted, redesignated and amended by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.009, eff. September 1, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1193 (S.B. 1158), Sec. 1, eff. June 14, 2013.

Sec. 54.3411. PERMANENT FUND SUPPORTING MILITARY AND VETERANS EXEMPTIONS. (a) In this section, "trust company" means the Texas Treasury Safekeeping Trust Company.

(b) The permanent fund supporting military and veterans exemptions is a special fund in the treasury outside the general revenue fund. The fund is composed of:

(1) money transferred or appropriated to the fund by the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the fund.

(c) The trust company shall administer the fund. The trust company shall determine the amount available for distribution from the fund, determined in accordance with a distribution policy that is adopted by the comptroller and designed to preserve the purchasing power of the fund's assets and to provide a stable and predictable stream of annual distributions. Expenses of managing the fund's assets shall be paid from the fund. Except as provided by this section, money in the fund may not be used for any purpose. Sections 403.095 and 404.071, Government Code, do not apply to the fund.

(d) In managing the assets of the fund, through procedures and subject to restrictions the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

(e) The amount available for distribution from the fund may be appropriated only to offset the cost to institutions of higher education of the exemptions required by Section 54.341(k). The amount appropriated shall be distributed to eligible institutions in proportion to each institution's respective share of the aggregate cost to all institutions of the exemptions required by Section 54.341(k), as determined by the Legislative Budget Board. The amount appropriated shall be distributed annually to each eligible institution of higher education.

(f) The governing board of an institution of higher education entitled to receive money under this section may solicit and accept gifts and grants to the fund. A gift or grant to the fund must be distributed and appropriated for the purposes of the fund, subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1193 (S.B. 1158), Sec. 2, eff. June 14, 2013.

Sec. 54.342. PRISONERS OF WAR. (a) In this section, "tuition and required fees" includes tuition, service fees, lab fees, building use fees, and all other required fees except room, board, or clothing fees or deposits in the nature of security for the return or proper care of property.

(b) For each semester or summer session and for a total number of semester credit hours not to exceed 120, the governing body of each institution of higher education shall exempt from the payment of tuition and required fees any person who:

(1) is a resident of Texas and was a resident of Texas at the time of the person's original entry into the United States armed forces;

(2) was first classified as a prisoner of war by the United States Department of Defense on or after January 1, 1999; and

(3) is enrolled for at least 12 semester credit hours.

(c) For each semester or session in which a person receives an exemption from tuition and required fees under Subsection (b), the governing body of the institution the person attends shall exempt the person from the payment of fees and charges for lodging and board if the person resides on the campus of the institution. If the person

does not reside on the campus of the institution, the institution shall provide to the person a reasonable stipend to cover the costs of the person's lodging and board.

(d) For each semester or session in which a person receives an exemption from tuition and required fees under Subsection (b), the governing body of the institution the person attends shall award to the person a scholarship to cover the costs of books and similar educational materials required for course work at the institution.

(e) An institution may use any available revenue, including legislative appropriations, and shall solicit and accept gifts, grants, and donations for the purposes of this section. The institution shall use gifts, grants, and donations received for the purposes of this section before using any other revenue.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 11(b), eff. June 19, 1999.
Redesignated from Education Code, Section 54.219 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.343. CHILDREN OF PRISONERS OF WAR OR PERSONS MISSING IN ACTION. (a) In this section:

(1) "Dependent child" means a person under 21 years of age, or a person under 25 years of age who receives the majority of his support from his parent or parents.

(2) "Tuition and fees" includes tuition, service fees, lab fees, building use fees, and all other fees except room, board, or clothing fees, or deposits in the nature of security for the return or proper care of property.

(b) The governing body of each institution of higher education, on presentation of satisfactory evidence, shall exempt from the payment of tuition and fees the dependent child of any person who is a domiciliary of Texas on active duty as a member of the armed forces of the United States, and who at the time of the registration is classified by the Department of Defense as a prisoner of war or as missing in action.

Added by Acts 1971, 62nd Leg., p. 3356, ch. 1024, art. 2, Sec. 33, eff. Sept. 1, 1971.
Redesignated from Education Code, Section 54.209 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.344. PARTICIPANTS IN MILITARY FUNERALS. The governing board of each institution of higher education shall provide a $25 exemption from tuition and required fees under this chapter to a student in exchange for a voucher issued to the student under Section 434.0072, Government Code, that is presented by the student to the institution.

Added by Acts 2007, 80th Leg., R.S., Ch. 660 (H.B. 1187), Sec. 3, eff. June 15, 2007.
Redesignated from Education Code, Section 54.215 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.345. ASSISTANCE FOR TUITION AND FEES FOR MEMBERS OF STATE MILITARY FORCES. (a) For each semester, the adjutant general of the state military forces shall certify to institutions of higher education as described by Section 437.226, Government Code, information identifying the persons to whom the adjutant general has awarded assistance for tuition and mandatory fees under that section.

(b) An institution of higher education shall exempt a person certified by the adjutant general as described by Subsection (a) from the payment of tuition for the semester credit hours for which the person enrolls, not to exceed 12 semester credit hours. If the person is not charged tuition at the rate provided for other Texas residents, the amount of the exemption may not exceed the amount of tuition the person would be charged as a Texas resident for the number of semester credit hours for which the person enrolls, not to exceed 12 semester credit hours.

(c) An institution of higher education shall exempt a person who receives an exemption from tuition under Subsection (b) from the payment of all mandatory fees for any semester in which the person receives the tuition exemption.

Added by Acts 1999, 76th Leg., ch. 1206, Sec. 2, eff. Jan. 1, 2000.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 14, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 519 (S.B. 685), Sec. 3, eff. June 16, 2007.

Redesignated from Education Code, Section 54.2155 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1217 (S.B. 1536), Sec. 3.02, eff. September 1, 2013.

Sec. 54.351. CHILDREN OF DISABLED FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS. (a) In this section:

(1) "Eligible firefighter or law enforcement officer" means:

(A) a full-paid or volunteer firefighter;

(B) a full-paid or volunteer municipal, county, or state peace officer, including a game warden; or

(C) a custodial officer of the Texas Department of Criminal Justice.

(2) "Disability" means inability to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration. A person is not considered to be under a disability unless the person provides any proof of the existence of the disability as may be required.

(b) The governing board of each institution of higher education shall exempt from the payment of all dues, fees, and charges any person whose parent is an eligible firefighter or law enforcement officer who has suffered an injury, resulting in death or disability, sustained in the line of duty according to the regulations and criteria then in effect governing the department or agency in which the eligible firefighter or law enforcement officer volunteered or was employed. The exemption does not apply to general deposits or to fees or charges for lodging, board, or clothing.

(c) A person is not entitled to the exemption if the person:

(1) does not apply initially for the exemption before the date the person:

(A) becomes 21 years of age, if the person is not covered by Paragraph (B); or

(B) becomes 22 years of age, if the person is eligible to participate in a school district's special education program under Section 29.003;

(2) does not meet all entrance requirements of the

institution; or

(3) does not maintain a scholastic average sufficient to remain in good standing.

(d) Subject to Subsection (e), a person may receive an exemption only for the first 120 undergraduate semester credit hours for which the person registers.

(e) A person is not entitled to an exemption for any term or semester the person begins after the date the person becomes 26 years of age.

(f) A person entitled to an exemption under the provisions of this section shall, when transferring from a public junior college to a public senior college or university, meet the standard entrance requirements required by the senior college or university of an applicant for admission not covered by the provisions of this section.

(g) An eligible firefighter or law enforcement officer whose injury results in a disability shall submit to a physical examination by a physician designated by the United States Social Security Administration to conduct physical examinations and to make disability reports to the Social Security Administration. If the physician decides the injury received has resulted in a disability, the physician shall certify that fact to the head of the department in which the eligible firefighter or law enforcement officer volunteers or is employed.

(h) The head of the department in which the eligible firefighter or law enforcement officer volunteered or was employed at the time the firefighter or law enforcement officer sustained the injury shall file a certificate with the Texas Higher Education Coordinating Board on a form prepared by the board for the purpose. The head of the department shall attach the certificate of the examining physician if an examination is required by Subsection (g). A copy of the certificate on file with the coordinating board is sufficient evidence for the institution to grant the exemption.

Redesignated and amended from Education Code, Section 54.204 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.352. DISABLED PEACE OFFICERS; OPTIONAL EXEMPTION. (a)

The governing board of an institution of higher education may exempt a student from the payment of tuition and required fees authorized by this chapter for a course for which space is available if the student:

(1) is a resident of this state and has resided in this state for the 12 months immediately preceding the beginning of the semester or session for which an exemption is sought;

(2) is permanently disabled as a result of an injury suffered during the performance of a duty as a peace officer of this state or a political subdivision of this state; and

(3) is unable to continue employment as a peace officer because of the disability.

(b) A person may not receive an exemption under this section for more than 12 semesters or sessions while the person is enrolled in an undergraduate program or while the person is attending only undergraduate courses.

(c) A person may not receive an exemption under this section if the person is enrolled in a master's degree program or is attending postgraduate courses to meet the requirements of a master's degree program and the person has previously received a master's degree and received an exemption under this section for a semester or session while attending a postgraduate course to meet the requirements of the master's degree program.

(d) A person may not receive an exemption under this section if the person is enrolled in a doctoral degree program or is attending postgraduate courses to meet the requirements of a doctoral degree program and the person has previously received a doctoral degree and received an exemption under this section for a semester or session while attending a postgraduate course to meet the requirements of the doctoral degree program.

(e) A person must apply for an exemption in the manner provided by the governing board of the institution. The governing board shall require an applicant for an exemption to submit satisfactory evidence that the applicant is eligible for the exemption.

(f) The legislature, in an appropriations act, shall account for the rates of tuition and fees authorized by Subsection (a) in a way that does not increase the general revenue appropriations to that institution.

(g) In this section, "injury suffered during the performance of a duty as a peace officer" means an injury occurring as a result of

the peace officer's performance of any of the following law enforcement duties:

(1) traffic enforcement or traffic control duties, including enforcement of traffic laws, investigation of vehicle accidents, or directing traffic;

(2) pursuit, arrest, or search of a person reasonably believed to have violated a law;

(3) investigation, including undercover investigation, of a criminal act;

(4) patrol duties, including automobile, bicycle, foot, air, or horse patrol;

(5) duties related to the transfer of prisoners; or

(6) training duties, including participation in any training required by the officer's employer or supervisor or by the Texas Commission on Law Enforcement.

(h) For the purpose of this section, a peace officer is considered permanently disabled only if the chief administrative officer of the law enforcement agency or other entity that employed the officer at the time of the injury determines the officer is permanently disabled and satisfies any requirement of an institution under Subsection (e).

Redesignated and amended from Education Code, Section 54.2041 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.14, eff. May 18, 2013.

Sec. 54.353. FIREFIGHTERS ENROLLED IN FIRE SCIENCE COURSES. (a) The governing board of an institution of higher education shall exempt from the payment of tuition and laboratory fees any student enrolled in one or more courses offered as part of a fire science curriculum who:

(1) is employed as a firefighter by a political subdivision of this state; or

(2) is currently, and has been for at least one year, an active member of an organized volunteer fire department participating in the Texas Emergency Services Retirement System or a retirement

system established under the Texas Local Fire Fighters Retirement Act (Article 6243e, Vernon's Texas Civil Statutes) and who holds:

(A) an Accredited Advanced level of certification, or an equivalent successor certification, under the State Firemen's and Fire Marshals' Association of Texas volunteer certification program; or

(B) Phase V (Firefighter II) certification, or an equivalent successor certification, under the Texas Commission on Fire Protection's voluntary certification program under Section 419.071, Government Code.

(b) An exemption provided under this section does not apply to deposits that may be required in the nature of security for the return or proper care of property loaned for the use of students.

(c) Notwithstanding Subsection (a), a student who for a semester or term at an institution of higher education receives an exemption under this section may continue to receive the exemption for a subsequent semester or term at any institution only if the student makes satisfactory academic progress toward a degree or certificate at that institution as determined by the institution for purposes of financial aid.

(d) Notwithstanding Subsection (a), the exemption provided under this section does not apply to any amount of additional tuition the institution elects to charge a resident undergraduate student under Section 54.014(a) or (f).

(e) Notwithstanding Subsection (a), the exemption provided under this section does not apply to any amount of tuition the institution charges a graduate student in excess of the amount of tuition charged to similarly situated graduate students because the student has a number of semester credit hours of doctoral work in excess of the applicable number provided by Section 61.059(l)(1) or (2).

(f) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of a student's eligibility for an exemption; and

(2) a uniform listing of degree programs covered by the exemption under this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 17(b), eff. January 1, 2012.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 1316 (S.B. 220), Sec. 3.01(a), eff. June 14, 2013.

Sec. 54.3531. PEACE OFFICERS ENROLLED IN CERTAIN COURSES. (a) The governing board of an institution of higher education shall exempt from the payment of tuition and laboratory fees charged by the institution for a criminal justice or law enforcement course or courses an undergraduate student who:

(1) is employed as a peace officer by this state or by a political subdivision of this state;

(2) is enrolled in a criminal justice or law enforcement-related degree program at the institution;

(3) is making satisfactory academic progress toward the student's degree as determined by the institution; and

(4) applies for the exemption at least one week before the last date of the institution's regular registration period for the applicable semester or other term.

(b) Notwithstanding Subsection (a), a student may not receive an exemption under this section for any course if the student has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes in excess of the maximum number of those hours specified by Section 61.0595(a) as eligible for funding under the formulas established under Section 61.059.

(c) Notwithstanding Subsection (a), the governing board of an institution of higher education may not provide exemptions under this section to students enrolled in a specific class in a number that exceeds 20 percent of the maximum student enrollment designated by the institution for that class.

(d) An exemption provided under this section does not apply to deposits that may be required in the nature of security for the return or proper care of property loaned for the use of students.

(e) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of a student's eligibility for an exemption; and

(2) a uniform listing of degree programs covered by the exemption under this section.

(f) If the legislature does not specifically appropriate funds

to an institution of higher education in an amount sufficient to pay the institution's costs in complying with this section for a semester, the governing board of the institution of higher education shall report to the Senate Finance Committee and the House Appropriations Committee the cost to the institution of complying with this section for that semester.

Added by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 17(b), eff. January 1, 2012.
Reenacted by Acts 2013, 83rd Leg., R.S., Ch. 1316 (S.B. 220), Sec. 3.01(a), eff. June 14, 2013.

Sec. 54.354. EDUCATION BENEFITS FOR CERTAIN SURVIVORS. (a) A person is eligible to receive education benefits under this section if the person is:

(1) a surviving spouse; or

(2) a surviving minor child as defined by Section 615.001, Government Code.

(b) An eligible person who enrolls as a full-time student at an institution of higher education as defined by Section 61.003 is exempt from tuition and fees at that institution of higher education until the student receives a bachelor's degree or 200 hours of course credit, whichever occurs first.

(c) If the student elects to reside in housing provided by the institution of higher education and qualifies to reside in that housing, the institution shall pay from the general revenue appropriated to the institution the cost of the student's contract for food and housing until the student receives a bachelor's degree or 200 hours of course credit, whichever occurs first. If there is no space available in the institution's housing, the institution shall, from the general revenue appropriated to the institution, pay to the student each month the equivalent amount that the institution would have expended had the student lived in the institution's housing. The institution is not required to pay the student the monthly payment if the student would not qualify to live in the institution's housing.

(d) The institution of higher education shall, from the general revenue appropriated to the institution, pay to the student the cost of the student's textbooks until the student receives a bachelor's

degree or 200 hours of course credit, whichever occurs first.

(e) A payment under this section is in addition to any payment made under Section 615.022, Government Code.

Transferred, redesignated and amended from Government Code, Section 615.0225 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.355. CHILDREN OF PROFESSIONAL NURSING PROGRAM FACULTY. (a) In this section:

(1) "Child" means a child 25 years of age or younger and includes an adopted child.

(2) "Graduate professional nursing program" means an educational program of a public or private institution of higher education that prepares students for a master's or doctoral degree in nursing.

(3) "Undergraduate professional nursing program" means a public or private educational program for preparing students for initial licensure as registered nurses.

(b) The governing board of an institution of higher education shall exempt from the payment of tuition a resident of this state enrolled as an undergraduate student at the institution who is a child of a person who, at the beginning of the semester or other academic term for which an exemption is sought, holds a master's or doctoral degree in nursing, if not employed or under contract as a teaching assistant under Subdivision (1) or (2), or a baccalaureate degree in nursing, if employed or under contract as a teaching assistant under Subdivision (1) or (2), and:

(1) is employed by an undergraduate or graduate professional nursing program in this state as a full-time member of its faculty or staff with duties that include teaching, serving as a teaching assistant, performing research, serving as an administrator, or performing other professional services; or

(2) has contracted with an undergraduate or graduate professional nursing program in this state to serve as a full-time member of its faculty or staff to perform duties described by Subdivision (1) during all or part of the semester or other academic term for which an exemption is sought or, if the child is enrolled for a summer session, during all or part of that session or for the

next academic year.

(c) A child who would qualify for an exemption under this section but for the fact that the child's parent is not employed full-time is eligible for an exemption on a pro rata basis equal to the percentage of full-time employment the parent is employed, except that a parent employed for less than 25 percent of full-time employment is considered to be employed for 25 percent of full-time employment.

(d) A person is not eligible for an exemption under this section if the person:

(1) has previously received an exemption under this section for 10 semesters or summer sessions at any institution or institutions of higher education; or

(2) has received a baccalaureate degree.

(e) For purposes of Subsection (d), a summer session that is less than nine weeks in duration is considered one-half of a summer session.

(f) The tuition exemption provided by this section applies only to enrollment of a child at the institution at which the child's parent is employed or is under contract.

(g) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of eligibility for an exemption; and

(2) a uniform application form for an exemption under this section.

Added by Acts 2005, 79th Leg., Ch. 674 (S.B. 132), Sec. 2, eff. June 17, 2005.
Redesignated from Education Code, Section 54.221 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.356. PRECEPTORS FOR PROFESSIONAL NURSING EDUCATION PROGRAMS. (a) In this section, "child" and "undergraduate professional nursing program" have the meanings assigned by Section 54.355.

(b) The governing board of an institution of higher education shall exempt from the payment of $500 of the total amount of tuition a resident of this state enrolled as a student at the institution

who:

(1) is a registered nurse; and

(2) serves under a written preceptor agreement with an undergraduate professional nursing program as a clinical preceptor for students enrolled in the program.

(b-1) A person is entitled to an exemption under Subsection (b) for one semester or other academic term for each semester or other academic term during which the person serves as a clinical preceptor as described by Subsection (b). The person may claim the exemption in:

(1) the semester or other academic term in which the person serves as a clinical preceptor; or

(2) a different semester or other academic term that begins before the first anniversary of the last day of a semester or other academic term described by Subdivision (1), if the person does not claim the exemption in the semester or other term during which the person serves as a clinical preceptor.

(c) The governing board of an institution of higher education shall exempt from the payment of $500 of the total amount of tuition a resident of this state enrolled as an undergraduate student at the institution who is a child of a person who meets the requirements of Subsection (b). The child is entitled to an exemption for one semester or other academic term for each semester or other academic term during which the parent serves as a clinical preceptor. The child may claim the exemption in any semester or other academic term during which the parent could have claimed an exemption under Subsection (b). The child's eligibility for an exemption is not affected by whether the parent also received an exemption under Subsection (b) for the same qualifying service as a clinical preceptor.

(d) Notwithstanding Subsections (b) and (c), if a person eligible for an exemption under this section owes less than $500 in tuition, the governing board of the institution of higher education in which the person is enrolled shall exempt the person from the payment of only the amount of tuition the person owes.

(e) A person is not eligible for an exemption under Subsection (c) if the person:

(1) has previously received an exemption under this section for 10 semesters or summer sessions at any institution or institutions of higher education; or

(2) has received a baccalaureate degree.

(f) For purposes of Subsection (e), a summer session that is less than nine weeks in duration is considered one-half of a summer session.

(g) The Texas Higher Education Coordinating Board shall adopt:

(1) rules governing the granting or denial of an exemption under this section, including rules relating to the determination of eligibility for an exemption; and

(2) a uniform application form for an exemption under this section.

Redesignated and amended from Education Code, Section 54.222 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.361. ONE-YEAR EXEMPTION FOR CERTAIN TANF STUDENTS. A student is exempt from the payment of tuition and fees authorized by this chapter for the first academic year in which the student enrolls at an institution of higher education if the student:

(1) graduated from a public high school in this state;

(2) successfully completed the attendance requirements under Section 25.085;

(3) during the student's last year of public high school in this state, was a dependent child receiving financial assistance under Chapter 31, Human Resources Code, for not less than six months;

(4) is younger than 22 years of age on the date of enrollment;

(5) enrolls at the institution as an undergraduate student not later than the second anniversary of the date of graduation from a public high school in this state;

(6) has met the entrance examination requirements of the institution before the date of enrollment; and

(7) is classified as a resident under Subchapter B.

Redesignated and amended from Education Code, Section 54.212 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.362. FUNDING OF EXEMPTIONS. (a) An institution of

higher education may fund tuition exemptions under Section 54.361 or 54.363 from local funds or from funds appropriated to the institution. An institution of higher education is not required to provide tuition exemptions beyond those funded through appropriations specifically designated for this purpose.

(b) The Texas Education Agency shall accept and make available to provide tuition exemptions under Section 54.363 gifts, grants, and donations made to the agency for that purpose. The commissioner of education shall transfer those funds to the Texas Higher Education Coordinating Board to distribute to institutions of higher education that provide exemptions under that section.

Redesignated and amended from Education Code, Section 54.213 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 2, eff. June 17, 2011.

Sec. 54.363. EDUCATIONAL AIDES. (a) In this section, "coordinating board" means the Texas Higher Education Coordinating Board.

(b) The governing board of an institution of higher education shall exempt an eligible educational aide from the payment of tuition and fees, other than class or laboratory fees.

(c) To be eligible for an exemption under this section, a person must:

(1) be a resident of this state;

(2) be a school employee serving in any capacity;

(3) for the initial term or semester for which the person receives an exemption under this section, have worked as an educational aide for at least one school year during the five years preceding that term or semester;

(4) establish financial need as determined by coordinating board rule;

(5) be enrolled at the institution of higher education granting the exemption in courses required for teacher certification in one or more subject areas determined by the Texas Education Agency to be experiencing a critical shortage of teachers at the public

schools in this state;

(6) maintain an acceptable grade point average as determined by coordinating board rule; and

(7) comply with any other requirements adopted by the coordinating board under this section.

(c-1) Notwithstanding Subsection (c)(5), a person who previously received a tuition exemption under this section remains eligible for an exemption if the person:

(1) is enrolled at an institution of higher education granting the exemption in courses required for teacher certification; and

(2) meets the eligibility requirements in Subsection (c) other than Subsection (c)(5).

(d) The institution of higher education at which a person seeking an exemption under this section is enrolled must certify the person's eligibility to receive the exemption. As soon as practicable after receiving an application for certification, the institution shall make the determination of eligibility and give notice of its determination to the applicant and to the school district employing the applicant as an educational aide.

(e) The coordinating board shall adopt rules consistent with this section as necessary to implement this section. The coordinating board shall distribute a copy of the rules adopted under this section to each school district and institution of higher education in this state.

(f) The board of trustees of a school district shall establish a plan to encourage the hiring of educational aides who show a willingness to become certified teachers.

(g) The governing board of an institution of higher education that offers courses required for teacher certification shall establish a plan to make those courses more accessible to those who seek teacher certification. The board shall consider as part of its plan to make those courses more accessible for teacher certification, evening classes, Internet classes, or other means approved by the Texas Higher Education Coordinating Board.

Added by Acts 1997, 75th Leg., ch. 524, Sec. 3, eff. Sept. 1, 1997.
Amended by Acts 2001, 77th Leg., ch. 74, Sec. 1, eff. May 14, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 13, eff.

September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 830 (S.B. 1798), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1299 (H.B. 2347), Sec. 2, eff. June 19, 2009.

Redesignated from Education Code, Section 54.214 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 50.01, eff. September 28, 2011.

Sec. 54.364. BLIND, DEAF STUDENTS. (a) In this section:

(1) "Resident" has the same meaning as is assigned it in Subchapter B of this chapter.

(2) "Blind person" means a person who is a "blind disabled individual" as defined in Section 91.051(5), Human Resources Code.

(3) "Deaf person" means a person whose sense of hearing is nonfunctional, after all necessary medical treatment, surgery, and use of hearing aids, for understanding normal conversation.

(4) "Tuition fees" includes all dues, fees, and enrollment charges whatsoever for which exemptions may be lawfully made, including fees for correspondence courses, general deposit fees, and student services fees, but does not include fees or charges for lodging, board, or clothing.

(5) "Institution of higher education" has the meaning assigned by Section 61.003, except that the term includes the Southwest Collegiate Institute for the Deaf.

(b) A deaf or blind person who is a resident is entitled to exemption from the payment of tuition fees at any institution of higher education utilizing public funds if the person presents:

(1) certification that the person is a "blind person" or a "deaf person" as defined in Subsection (a) by the Department of Assistive and Rehabilitative Services in a written statement, which certification is considered conclusive;

(2) a written statement of purpose from the person that indicates the certificate or degree program to be pursued or the professional enhancement from the course of study for that certificate or degree program;

(3) a high school diploma or its equivalent;

(4) a letter of recommendation from the principal of the high school attended by the deaf or blind individual, a public official, or some other responsible person who knows the deaf or blind individual and is willing to serve as a reference; and

(5) proof that the person meets all other entrance requirements of the institution.

(c) The governing board of an institution may establish special entrance requirements to fit the circumstances of deaf and blind persons. The Department of Assistive and Rehabilitative Services and the Texas Higher Education Coordinating Board may develop any rules and procedures that these agencies determine necessary for the efficient implementation of this section.

(d) For the purposes of this section, a person is required to present certification that the person is a "blind person" or a "deaf person" as required under Subsection (b)(1) at the time the person initially enrolls at an institution of higher education in the course of study designated by the person under Subsection (b)(2). The certification is valid for each semester that the person enrolls at that institution in the designated course of study.

(e) A person who qualifies for an exemption under this section is entitled to the exemption for each course in which the person enrolls at an institution of higher education.

Redesignated and amended from Education Code, Section 54.205 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.365. SENIOR CITIZENS; OPTIONAL BENEFIT. (a) In this section, "senior citizen" means a person 65 years of age or older.

(b) The governing board of a state-supported institution of higher education may allow a senior citizen to audit any course offered by the institution without the payment of a fee if space is available.

(c) The governing board of an institution of higher education may allow a senior citizen to enroll for credit in up to six hours of courses offered by the institution each semester or summer term without payment of tuition if space is available.

Redesignated and amended from Education Code, Section 54.210 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1,

2012.

Sec. 54.366. EXEMPTIONS FOR STUDENTS UNDER CONSERVATORSHIP OF DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES. (a) A student is exempt from the payment of tuition and fees authorized in this chapter, including tuition and fees charged by an institution of higher education for a dual credit course or other course for which a high school student may earn joint high school and college credit, if the student:

(1) was under the conservatorship of the Department of Family and Protective Services:

(A) on the day preceding the student's 18th birthday;

(B) on or after the day of the student's 14th birthday, if the student was also eligible for adoption on or after that day;

(C) on the day the student graduated from high school or received the equivalent of a high school diploma;

(D) on the day preceding:

(i) the date the student is adopted, if that date is on or after September 1, 2009; or

(ii) the date permanent managing conservatorship of the student is awarded to a person other than the student's parent, if that date is on or after September 1, 2009; or

(E) during an academic term in which the student was enrolled in a dual credit course or other course for which a high school student may earn joint high school and college credit; and

(2) enrolls in an institution of higher education as an undergraduate student or in a dual credit course or other course for which a high school student may earn joint high school and college credit not later than the student's 25th birthday.

(b) The Texas Education Agency and the Texas Higher Education Coordinating Board shall develop outreach programs to ensure that students in the conservatorship of the Department of Family and Protective Services and in grades 9-12 are aware of the availability of the exemption from the payment of tuition and fees provided by this section.

(c) Notwithstanding Subsection (a)(1), a child who exits the conservatorship of the Department of Family and Protective Services and is returned to the child's parent, including a parent whose parental rights were previously terminated, may be exempt from the

payment of tuition and fees if the department determines that the child is eligible under department rule. The executive commissioner of the Health and Human Services Commission shall by rule develop factors for determining eligibility under this subsection in consultation with the department and the Texas Higher Education Coordinating Board.

Reenacted and amended by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.014, eff. September 1, 2011.
Reenacted, redesignated and amended by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 944 (S.B. 206), Sec. 3, eff. September 1, 2015.

Sec. 54.367. EXEMPTIONS FOR ADOPTED STUDENTS FORMERLY IN FOSTER OR OTHER RESIDENTIAL CARE. (a) A student is exempt from the payment of tuition and fees authorized by this chapter if the student:

(1) was adopted; and

(2) was the subject of an adoption assistance agreement under Subchapter D, Chapter 162, Family Code, that:

(A) provided monthly payments and medical assistance benefits; and

(B) was not limited to providing only for the reimbursement of nonrecurring expenses, including reasonable and necessary adoption fees, court costs, attorney's fees, and other expenses directly related to the legal adoption of the child.

(b) The Texas Education Agency and the Texas Higher Education Coordinating Board shall develop outreach programs to ensure that adopted students in grades 9-12 formerly in foster or other residential care are aware of the availability of the exemption from the payment of tuition and fees provided by this section.

Added by Acts 2003, 78th Leg., ch. 1266, Sec. 1.10, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 268 (S.B. 6), Sec. 1.02, eff. September 1, 2005.
Acts 2007, 80th Leg., R.S., Ch. 267 (H.B. 2702), Sec. 1, eff. June 13, 2007.

Redesignated from Education Code, Section 54.2111 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

Sec. 54.368. INTERINSTITUTIONAL ACADEMIC PROGRAMS; OPTIONAL EXEMPTION. (a) In this section:

(1) "Interinstitutional academic program" means a program under which a student may, in accordance with a written agreement between an institution of higher education and one or more other institutions of higher education or private or independent institutions of higher education, take courses at each institution that is a party to the agreement as necessary to fulfill the program's degree or certificate requirements.

(2) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(b) Notwithstanding any other provision of this chapter, the governing board of an institution of higher education may exempt from the payment of tuition and required fees authorized by this chapter a student who is taking a course, including an interdisciplinary course, at the institution under an interinstitutional academic program agreement but who is enrolled primarily at another institution of higher education or at a private or independent institution of higher education that is a party to the agreement and to which the student is responsible for the payment of tuition and fees.

Redesignated and amended from Education Code, Section 54.224 by Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 1, eff. January 1, 2012.

SUBCHAPTER E. OTHER FEES AND DEPOSITS

Sec. 54.501. LABORATORY FEES. (a) An institution of higher education shall set and collect a laboratory fee in an amount sufficient to cover the general cost of laboratory materials and supplies used by a student. An institution other than a public junior college may charge a laboratory fee in an amount that is not less than $2 nor more than $30 for any one semester or summer term for a student in any one laboratory course, except that the amount of the laboratory fee may not exceed the cost of actual materials and

supplies used by the student. A public junior college may charge a laboratory fee in an amount that does not exceed the lesser of $24 per semester credit hour of laboratory course credit for which the student is enrolled or the cost of actual materials and supplies used by the student.

(b) Laboratory fees collected by an institution under this section shall be accounted for as educational and general funds.

(c) The governing board of a public junior college may set and collect a fee per contact hour, not to exceed $4, for each person registered in an aerospace mechanics certification course where the fee is required to offset that portion of the cost of the course, including the cost of equipment and of professional instruction or tutoring, that is not covered by state funding or by the fee in Subsection (a).

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 497, Sec. 1, eff. June 12, 1985; Acts 1987, 70th Leg., ch. 901, Sec. 2, eff. Aug. 31, 1987; Acts 2003, 78th Leg., ch. 1238, Sec. 1, eff. June 20, 2003.

Sec. 54.5011. CHARGES AND FEES FOR CERTAIN PAYMENTS. (a) This section applies to a payment of tuition, a fee, or another charge to an institution of higher education that is made or authorized person, by mail, by telephone call, or through the Internet by means of:

(1) an electronic funds transfer; or

(2) a credit card.

(b) An institution of higher education may charge a fee or other amount in connection with a payment to which this section applies, in addition to the amount of the tuition, fee, or other charge being paid, including:

(1) a discount, convenience, or service charge for the transaction; or

(2) a service charge in connection with a payment transaction that is dishonored or refused for lack of funds or insufficient funds.

(c) A fee or other charge under this section must be in an amount reasonable and necessary to reimburse the institution for the expense incurred by the institution in processing and handling the payment or payment transaction.

(d) Before accepting a payment by credit card, the institution shall notify the student of any fee to be charged under this section.

Added by Acts 2001, 77th Leg., ch. 118, Sec. 6.01, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 1.11, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 980 (H.B. 1829), Sec. 2, eff. June 18, 2005.

Sec. 54.502. GENERAL DEPOSITS. (a) An institution of higher education may collect a reasonable deposit in an amount not to exceed $100 from each student to insure the institution against any losses, damages, and breakage for which the student is responsible and to cover any other amounts owed by the student to the institution. The institution shall return to the student the deposit, less any such amounts owed to the institution by the student. The deposit must be returned within a reasonable period after the date of the student's withdrawal or graduation from the institution, not to exceed 180 days, that provides the institution with sufficient time to identify all amounts owed and to determine that the student does not intend to enroll at the institution in the semester or summer session immediately following the student's withdrawal or graduation or, if the student withdraws or graduates in the spring semester, in the next fall semester.
(b) The medical, dental, and allied health units of The University of Texas System, the University of North Texas Health Science Center at Fort Worth, the Texas Tech University Health Sciences Center, and The Texas A&M University College of Medicine may collect a breakage or loss deposit no greater than $30.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 901, Sec. 3, eff. Aug. 31, 1987; Acts 1989, 71st Leg., ch. 910, Sec. 6; Acts 1993, 73rd Leg., ch. 408, Sec. 5, eff. Aug. 30, 1993; Acts 2001, 77th Leg., ch. 1416, Sec. 1, eff. June 16, 2001.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1318 (S.B. 1233), Sec. 4, eff. June 15, 2007.
Acts 2007, 80th Leg., R.S., Ch. 1318 (S.B. 1233), Sec. 5, eff.

June 15, 2007.

Sec. 54.5021. STUDENT DEPOSIT FUND; COMPOSITION AND USES. (a) The student deposit fund consists of the income from the investment or time deposits of general deposits and of forfeited general deposits. Any general deposit which remains without call for refund for a period of four years from the date of last attendance of the student making the deposit shall be forfeited and become a part of the student deposit fund. This section does not prohibit refund of any balance remaining in a general deposit when made on proper demand and within the four-year limitation period. The governing board of the institution may require that no student withdraw the student's deposit until the student has graduated or has apparently withdrawn from school.

(b) The student deposit fund of an institution of higher education shall be used, at the discretion of the institution's governing board, for making scholarship awards to needy and deserving students of the institution and making grants under Subchapter C, Chapter 56, to resident students of the institution. The governing board shall administer the scholarship awards for the institution, including the selection of recipients and the amounts and conditions of the awards. The recipients of the scholarships must be residents of the state as defined for tuition purposes.

(c) Not later than August 31 of each fiscal year, each institution of higher education that has an unobligated and unexpended balance in its student deposit fund that exceeds 150 percent of the total deposits to that fund during that year shall remit to the Texas Higher Education Coordinating Board the amount of that excess. The coordinating board shall allocate on an equitable basis amounts received under this subsection to institutions of higher education that do not have an excess described by this subsection for deposit in their student deposit fund. The amount allocated under this subsection may be used only for making grants under Subchapter M, Chapter 56.

Renumbered from Education Code, Sec. 51.052, by Acts 1987, 70th Leg., ch. 901, Sec. 4, eff. Aug. 31, 1987. Amended by Acts 1993, 73rd Leg., ch. 595, Sec. 1, eff. Sept. 1, 1993; Acts 1999, 76th Leg., ch. 1590, Sec. 2, eff. June 19, 1999.

Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 15, eff. September 1, 2005.
Acts 2007, 80th Leg., R.S., Ch. 1318 (S.B. 1233), Sec. 6, eff. June 15, 2007.

Sec. 54.5022. INVESTMENT OF GENERAL DEPOSITS. The governing board of each institution of higher education may invest the funds received as general deposits authorized by Section 54.502 in the manner provided under either Section 51.003 or 51.0031.

Renumbered from Education Code Sec. 51.051 by Acts 1987, 70th Leg., ch. 901, Sec. 5, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 628, Sec. 3, eff. Aug. 28, 1989.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1318 (S.B. 1233), Sec. 7, eff. June 15, 2007.

Sec. 54.5025. PRORATION OF FEES. Based on the length of the semester or term for which a student is enrolled, the governing board of an institution of higher education may prorate the amount of any fee charged to the student under this chapter.

Added by Acts 1999, 76th Leg., ch. 1053, Sec. 2, eff. June 18, 1999.

Sec. 54.503. STUDENT SERVICES FEES. (a) For the purposes of this section:
(1) "Student services" means activities which are separate and apart from the regularly scheduled academic functions of the institution and directly involve or benefit students, including textbook rentals, recreational activities, health and hospital services, medical services, intramural and intercollegiate athletics, artists and lecture series, cultural entertainment series, debating and oratorical activities, student publications, student government, the student fee advisory committee, student transportation services other than services under Sections 54.504, 54.511, 54.512, and 54.513 of this code, and any other student activities and services specifically authorized and approved by the governing board of the

institution of higher education. The term does not include services for which a fee is charged under another section of this code.

(2) "Compulsory fee" means a fee that is charged to all students enrolled at the institution.

(3) "Voluntary fee" means a fee that is charged only to those students who make use of the student service for which the fee is established.

(b) The governing board of an institution of higher education may charge and collect from students registered at the institution fees to cover the cost of student services. The fee or fees may be either voluntary or compulsory as determined by the governing board. The total of all compulsory student services fees collected from a student at an institution of higher education other than The University of Texas at Austin or a component institution of the University of Houston System for any one semester or summer session shall not exceed $250. All compulsory student services fees charged and collected under this section by the governing board of an institution of higher education, other than a public junior college, shall be assessed in proportion to the number of semester credit hours for which a student registers. No portion of the compulsory fees collected may be expended for parking facilities or services, except as related to providing shuttle bus services.

(c) The provisions of this section do not affect the building use fees or other special fees authorized by the legislature for any institution for the purpose of financing revenue bond issues.

(d) All money collected as student services fees shall be reserved and accounted for in an account or accounts kept separate and apart from educational and general funds of the institution and shall be used only for the support of student services. All the money shall be placed in a depository bank or banks designated by the governing board and shall be secured as required by law. Each year the governing board shall approve for the institution a separate budget for student activities and services financed by fees authorized in this section. The budget shall show the fees to be assessed, the purpose or functions to be financed, the estimated income to be derived, and the proposed expenditures to be made. Copies of the budgets shall be filed annually with the coordinating board, the governor, the legislative budget board, and the state library.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 359, Sec.

16(2), eff. January 1, 2012.

(f) If the total compulsory fee charged under this section is more than $150, the increase does not take effect unless the increase is approved by a majority vote of the students voting in an election held for that purpose or by a majority vote of the student government at the institution. In subsequent years, an election authorizing a fee increase must be held before the fee can be increased by more than 10 percent of the fee approved at the last student election.

(g) If a student registers at more than one institution of higher education within a college or university system under concurrent enrollment provisions of joint or cooperative programs between institutions, the student shall pay all compulsory student services fees to the institution designated as the home institution under the joint or cooperative program. The governing board of the college or university system may waive the payment of all compulsory student services fees at the other institution or institutions.

(h) Except for Subsection (g) of this section, this section does not apply to The University of Texas at Austin or a component institution of the University of Houston System.

(i) General revenue appropriations, other educational and general income, and funds appropriated under Article VII, Section 17 or 18, of the Texas Constitution may be expended on a proportional use basis to support the services, activities, and facilities provided for in this section to the extent that the use of such funds is not otherwise restricted by the Texas Constitution or general law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1759, ch. 641, Sec. 2, eff. Aug. 27, 1973; Acts 1979, 66th Leg., p. 1872, ch. 756, Sec. 1, 2, eff. Sept. 1, 1979; Acts 1983, 68th Leg., p. 2060, ch. 378, Sec. 2; Acts 1983, 68th Leg., p. 2062, ch. 379, Sec. 1, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 410, Sec. 1, eff. Aug. 31, 1987; Acts 1987, 70th Leg., ch. 901, Sec. 6, eff. Aug. 31, 1987; Acts 1989, 71st Leg., ch. 584, Sec. 99, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 844, Sec. 1, eff. Aug. 26, 1991; Acts 1991, 72nd Leg., ch. 848, Sec. 1, eff. Aug. 26, 1991; Acts 1999, 76th Leg., ch. 288, Sec. 1, eff. May 29, 1999; Acts 2001, 77th Leg., ch. 879, Sec. 1, eff. June 14, 2001.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 16(2), eff.

January 1, 2012.

Sec. 54.5031. STUDENT FEE ADVISORY COMMITTEE. (a) A student fee advisory committee is established at each institution of higher education except The University of Texas at Austin and the institutions of The Texas A&M University System to advise the governing board and administration of the institution on the type, amount, and expenditure of compulsory fees for student services under Section 54.503 of this code.

(b) Each committee is composed of the following nine members:

(1) five student members who are enrolled for not less than six semester credit hours at the institution and who are representative of all students enrolled at the institution, selected under Subsection (c) of this section; and

(2) four members who are representative of the entire institution, appointed by the president of the institution.

(c) If the institution has a student government, the student government shall appoint three students to serve two-year terms on the committee and two students to serve one-year terms on the committee. If the institution does not have a student government, the students enrolled at the institution shall elect three students to serve two-year terms on the committee and two students to serve one-year terms on the committee. A candidate for a position on the committee must designate whether the position is for a one-year or two-year term.

(d) A student member of the committee who withdraws from the institution must resign from the committee.

(e) A vacancy in an appointive position on the committee shall be filled for the unexpired portion of the term in the same manner as the original appointment. A vacancy in an elective position on the committee shall be filled for the unexpired portion of the term by appointment by the president of the institution.

(f) The committee shall:

(1) study the type, amount, and expenditure of a compulsory fee under Section 54.503 of this code; and

(2) meet with appropriate administrators of the institution, submit a written report on the study under Subdivision (1) of this subsection, and recommend the type, amount, and expenditure of a compulsory fee to be charged for the next academic

year.

(g) Before recommending the student fee budget to the governing board of the institution, the president of the institution shall consider the report and recommendations of the committee. If the president's recommendations to the governing board are substantially different from the committee's recommendations to the president, the administration of the institution shall notify the committee not later than the last date on which the committee may request an appearance at the board meeting. On request of a member of the committee, the administration of the institution shall provide the member with a written report of the president's recommendations to the board.

Added by Acts 1991, 72nd Leg., ch. 844, Sec. 2, eff. Aug. 26, 1991.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 1, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 1, eff. June 15, 2007.

Sec. 54.5032. STUDENT FEE ADVISORY COMMITTEE; THE TEXAS A&M UNIVERSITY SYSTEM. (a) A student fee advisory committee is established at each component institution of The Texas A&M University System to advise the board of regents and the administration of the institution on the type, amount, and expenditure of compulsory fees for student services under Section 54.503, for student health and medical services under Section 54.507, for student center facilities under Section 54.521, and for recreational sports under Section 54.539.

(b) Each committee is composed of the following nine members:

(1) five student members who are enrolled for not less than six semester credit hours at the institution and who are representative of all students enrolled at the institution, selected under Subsection (c); and

(2) four members who are representative of the entire institution, appointed by the president of the institution.

(c) If the institution has a student government, the student government shall appoint three students to serve two-year terms on the committee and two students to serve one-year terms on the

committee. If the institution does not have a student government, the students enrolled at the institution shall elect three students to serve two-year terms on the committee and two students to serve one-year terms on the committee. A candidate for a position on the committee must designate whether the position is for a one-year or two-year term.

(d) A student member of the committee who withdraws from the institution must resign from the committee.

(e) A vacancy in an appointive position on the committee shall be filled for the unexpired portion of the term in the same manner as the original appointment. A vacancy in an elective position on the committee shall be filled for the unexpired portion of the term by appointment by the president of the institution.

(f) The committee shall:

(1) study the type, amount, and expenditure of the compulsory fees imposed under Sections 54.503, 54.507, 54.521, and 54.539; and

(2) meet with appropriate administrators of the institution, submit a written report on the study under Subdivision (1), and recommend the type, amount, and expenditure of the compulsory fees to be charged for the next academic year.

(g) Before recommending the student fee budget to the board of regents each year, the president of the institution shall consider the report and recommendations of the committee. If the president's recommendations to the board of regents are substantially different from the committee's recommendations to the president, the president of the institution shall notify the committee not later than the last date on which the committee may request an appearance at the meeting of the board of regents at which the student fee budget will be considered. On request of a member of the committee, the president of the institution shall provide the member with a written report of the president's recommendations to the board of regents.

Added by Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 2, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 2, eff. June 15, 2007.

Sec. 54.5033. STUDENT FEE ADVISORY COMMITTEE MEETINGS OPEN TO

PUBLIC. (a) A student fee advisory committee established under this chapter shall conduct meetings at which a quorum is present in a manner that is open to the public and in accordance with procedures prescribed by the president of the institution.

(b) The procedures prescribed by the president must:

(1) provide for notice of the date, hour, place, and subject of the meeting at least 72 hours before the meeting is convened; and

(2) require that the notice be:

(A) posted on the Internet; and

(B) published in a student newspaper of the institution, if an issue of the newspaper is published between the time of the Internet posting and the time of the meeting.

(c) The final recommendations made by a student fee advisory committee must be recorded and made public.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 7.01, eff. June 17, 2011.

Sec. 54.5035. WAIVER OF FEES. (a) Except as provided by Subsection (c), the governing board of an institution of higher education may waive a mandatory or discretionary fee for a student if the board determines that the student is not reasonably able to participate in or use the activity, service, or facility for which the fee is charged.

(b) Except as provided by Subsection (c), the governing board of an institution of higher education may waive a mandatory or discretionary fee for a specific category of students if the board determines that the waiver is in the best interest of the institution or is critical to the viability of an academic initiative.

(c) The governing board must ensure that a waiver under this section does not result in the institution's inability to service a debt to which revenue from the fee is obligated or to support an activity, service, or facility for which the fee is charged.

(d) This section does not permit the governing board to waive payment of tuition or laboratory fees.

(e) The governing board may limit or prohibit a student's participation in or use of an activity, service, or facility supported by a fee that is waived for the student under this section.

Added by Acts 1999, 76th Leg., ch. 367, Sec. 1, eff. Sept. 1, 1999.

Sec. 54.504. INCIDENTAL FEES. (a) The governing board of an institution of higher education may fix the rate of incidental fees to be paid to an institution under its governance by students and prospective students and may make rules for the collection of the fees and for the distribution of the funds, such funds to be accounted for as other designated funds. The rate of an incidental fee must reasonably reflect the actual cost to the university of the materials or services for which the fee is collected. In fixing such rate, the governing board may consult with a student fee advisory committee which the governing board may establish if such student committee does not presently exist.

(b) The board shall publish in the general catalog of the university a description of the amount of each fee to be charged.

(c) In this section, "incidental fees" includes, without limitation, such fees as late registration fees, library fines, microfilming fees, thesis or doctoral manuscript reproduction or filing fees, bad check charges, application processing fees, and laboratory breakage charges, but does not include a fee for which a governing board makes a charge under the authority of any other provision of law.

Added by Acts 1985, 69th Leg., ch. 292, Sec. 1, eff. Aug. 26, 1985.

Sec. 54.5041. ENVIRONMENTAL SERVICE FEE. (a) The governing board of an institution of higher education may charge each student enrolled at the institution an environmental service fee, if the fee has been approved by a majority vote of the students enrolled at the institution who participate in a general student election called for that purpose.

(b) Unless increased in accordance with Subsection (d), the amount of the fee may not exceed:

(1) $5 for each regular semester or summer term of more than six weeks; or

(2) $2.50 for each summer session of six weeks or less.

(c) The fee may be used only to:

(1) provide environmental improvements at the institution

through services related to recycling, energy efficiency and renewable energy, transportation, employment, product purchasing, planning and maintenance, or irrigation; or

(2) provide matching funds for grants to obtain environmental improvements described by Subdivision (1).

(d) The amount of the fee may not be increased unless the increase has been approved by a majority vote of the students enrolled at the institution who participate in a general student election called for that purpose. The fee may not be increased under this subsection if the increase would result in a fee under this section in an amount that exceeds:

(1) $10 for each regular semester or summer term of more than six weeks; or

(2) $5 for each summer session of six weeks or less.

(e) An institution that imposes the environmental service fee may not use the revenue generated by the fee to reduce or replace other money allocated by the institution for environmental projects.

(f) Any fee revenue that exceeds the amount necessary to cover current operating expenses for environmental services and any interest generated from that revenue may be used only for purposes provided under Subsection (c).

(g) The fee is not considered in determining the maximum amount of student services fees that an institution of higher education may charge.

(h) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the institution has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 2009, 81st Leg., R.S., Ch. 1325 (H.B. 3353), Sec. 1, eff. June 19, 2009.
Added by Acts 2009, 81st Leg., R.S., Ch. 1395 (S.B. 2182), Sec. 1, eff. September 1, 2009.

Sec. 54.505. VEHICLE REGISTRATION FEES AND OTHER FEES RELATED TO PARKING AND TRAFFIC. (a) The governing board of each institution of higher education may charge a reasonable fee to students, faculty,

and staff for registration of a vehicle under Section 51.202 of this code.

(b) The governing board may fix and collect a reasonable fee or fees for the provision of facilities and the enforcement and administration of parking and traffic regulations approved by the board for an institution; provided, however, that no such fee may be charged to a student unless the student desires to use the facilities.

Added by Acts 1979, 66th Leg., p. 146, ch. 78, Sec. 1, eff. April 26, 1979. Amended by Acts 1987, 70th Leg., ch. 901, Sec. 7, eff. Aug. 31, 1987.

Sec. 54.506. FEES AND CHARGES FOR SERVICES TO THE PUBLIC; THE UNIVERSITY OF HOUSTON SYSTEM. A schedule of minimum fees and charges shall be established by the board of regents of the University of Houston System for services performed by any department of a component institution for students and the public. The schedule shall conform to the fees and charges customarily made for like services in the community. By way of example, but not as a limitation, are services of the hearing clinic, optometry clinic, reading clinic, and data processing and computing center.

Renumbered from Education Code Sec. 111.40 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 8, eff. Aug. 31, 1987. Amended by Acts 1995, 74th Leg., ch. 823, Sec. 6, eff. Aug. 28, 1995.

Sec. 54.5061. STUDENT SERVICES FEES; THE UNIVERSITY OF HOUSTON SYSTEM. (a) In this section:

(1) "Student services" includes textbook rentals; recreational activities; health, hospital, and other medical services; group hospitalization; intramural and intercollegiate athletics; artists and lecture series and other cultural entertainment; debating and oratorical activities; student publications; student government; student fees advisory committees; student transportation services; and any other student activities and services specifically authorized and approved by the board; provided, however, that nothing herein shall affect the setting and collection of any other fee which may be charged under the specific

authority of any other section of this code.

(2) "Compulsory fee" means a fee that is charged to all students enrolled at the component institution.

(3) "Voluntary fee" means a fee that is charged only to those students who make use of the student service for which the fee is established.

(b) Subject to Section 54.5062 of this code and Subsections (h) and (i) of this section, the Board of Regents of the University of Houston System may charge and collect from students registered at each component institution of the University of Houston System fees to cover the cost of student services that the board considers necessary or desirable in carrying out the educational functions of each university. The governing board of the system is not required to set uniform fees or rates for component institutions.

(c) The board may make fees for a particular student service voluntary or compulsory.

(d) Any compulsory fees for student services charged under this section shall be assessed in proportion to the number of semester credit hours for which a student registers unless the rate of such fee is specifically established by law or authority and approval of the board to be a minimum amount to be charged to each student for any semester or summer term.

(e) Money collected as fees for student services shall be:

(1) reserved and accounted for in an account kept separate from educational and general funds of the university;

(2) used only for the support of student services;

(3) used only after the compulsory fees to be included in the student services fees budget have been considered as provided in this subchapter; and

(4) placed in a depository bank designated by the board and secured as provided by law.

(f) Each year the board shall approve for each university a separate budget for student activities and services financed by fees authorized by this section. The budget shall show the fees to be assessed, the purpose for which the fees will be used or the functions to be financed, the estimated income to be derived, and the proposed expenditures to be made. Copies of the budget shall be filed annually with the coordinating board, the governor, the Legislative Budget Board, and the state library.

(g) If payment of any compulsory fees authorized by this

section would cause an undue financial hardship on a student, the board may waive all or part of the compulsory fees for that student. The number of students granted a waiver under this subsection may not exceed 10 percent of the total enrollment of the university. The board may limit the participation of a student in the activities financed by the fees waived in proportion to the extent of the waiver.

(h) If, in an academic year, the total compulsory fees charged under this section are more than 10 percent higher than the previous year's compulsory fees, the increase is not effective unless approved by a majority vote of the students voting in an election called for that purpose or by a majority vote of the duly elected student government.

(i) The total of all compulsory fees charged under this section to students for any semester or summer session may not exceed $150, unless prior approval has been granted by a majority vote of the students voting in an election called for that purpose or by a majority vote of the duly elected student government.

(j) General revenue appropriations, other educational and general income, and funds appropriated under Article VII, Section 17, of the Texas Constitution, may be expended on a proportional use basis to support the services, activities, and facilities provided for in this section to the extent that the use of such funds is not otherwise restricted by the constitution or general law.

(k) This section does not affect any special fees, including general use fees, that the legislature has authorized to finance revenue bond issues or any other fees authorized by law.

Added by Acts 1991, 72nd Leg., ch. 848, Sec. 2, eff. Aug. 26, 1991.

Sec. 54.5062. STUDENT FEES ADVISORY COMMITTEE; THE UNIVERSITY OF HOUSTON SYSTEM. (a) A student fees advisory committee is established at each component institution of the University of Houston System to advise the board of regents, presidents, and administration of the University of Houston System on the type, level, and expenditure of compulsory fees for student services collected at each component institution of the system under Section 54.5061 of this code. Each committee is composed of nine members.

(b) Five of the members of each student fees advisory committee

shall be student members. The student members shall be generally representative of the student body and be enrolled in not less than six semester hours at the university. If a student government exists, the student members shall be selected by the student government of the university. The student members shall be selected and designated as appropriate so that three members of the committee are serving terms of two years, and two members are serving terms of one year. If a student government does not exist, the students shall be elected by the students enrolled in the university. At each election, the appropriate number of students shall be elected for terms of appropriate length so that three are serving terms of two years, and two are serving terms of one year. Candidates shall file for either a one-year or a two-year position.

(c) The four remaining members of the student fees advisory committee shall be appointed by the president of the university and shall be generally representative of the total university community. Each member appointed by the president serves for a term of one year but may be reappointed.

(d) A student member who ceases to be a student may not continue to hold a student membership position. If a student vacancy occurs, the student government shall appoint a new member to serve for the remainder of the unexpired term. In the absence of student government or if the vacancy is in a position appointed by the president, the president of the university shall appoint a new member to serve for the remainder of the term.

(e) The committee shall conduct appropriate inquiry into the type, level, and expenditure of any compulsory fees to be charged under Section 54.5061 of this code and into the expenditure of money generated from those fees. The committee shall then meet with appropriate members of the university administration to submit a report recommending the type, level, and expenditure of compulsory fees to be charged to students in the academic year beginning with the following fall semester.

(f) The president shall duly consider the recommendations of the student fees advisory committee during the annual budgetary process. If the president's recommendations to the board of regents are substantially different from those of the student fees advisory committee, the administration shall so notify the student fees advisory committee. Such notification shall be in sufficient time for the committee to request an appearance at the board of regents

meeting during which the president's recommendations will be considered. The administration shall provide to a student member designated by the student members of the committee, on that student member's request, the most recent and complete recommendations of the president to the board.

Added by Acts 1991, 72nd Leg., ch. 848, Sec. 3, eff. Aug. 26, 1991.

Sec. 54.507. GROUP HOSPITAL AND MEDICAL SERVICES FEES; TEXAS A&M UNIVERSITY SYSTEM. (a) The Board of Regents of The Texas A&M University System may levy and collect from each student at any institution of higher education which is a part of The Texas A&M University System a compulsory group hospital and medical services fee not to exceed $75 for each regular semester and not to exceed $25 for each term of each summer session. The compulsory group hospital and medical services fee may not be levied unless the levy of the fee has been approved by a majority vote of those students at the affected institution participating in a general student election called for that purpose.

(b) In addition to the fee authorized under Subsection (a) of this section, the Board of Regents of The Texas A&M University System may levy and collect from each student registered at Prairie View A&M University a supplemental group hospital and medical services fee not to exceed $30 for each regular semester and not to exceed $12.50 for each term of the summer session. The supplemental group hospital and medical services fee may not be levied unless the levy of the fee has been approved by a majority vote of the students registered at Prairie View A&M University participating in a general election called for that purpose.

(c) A fee levied under this section at a component institution of The Texas A&M University System may be used only to provide hospital or other medical services to students registered at that component institution.

(d) If, in an academic year, the total compulsory fee charged under this section is more than 10 percent higher than the compulsory fee charged under this section for the previous academic year, the increase does not take effect unless the increase is approved by a majority vote of the students voting in an election held for that purpose.

(e) If, in an academic year, the total compulsory fee charged under this section is proposed to be increased by an amount less than 10 percent over that charged in the previous academic year, the Board of Regents of The Texas A&M University System may, in lieu of an election, hold a public meeting on the increase prior to its taking effect in which students have the opportunity to comment.

(f) An election under this section must also permit the students to vote on whether hospital and medical services should be provided to students at the institution by the institution or by a private entity. The vote by the students on the responsibility for provision of hospital and medical services to students at the institution is not binding on the institution.

Added by Acts 1973, 63rd Leg., p. 546, ch. 232, Sec. 1, eff. Aug. 27, 1973. Renumbered from Education Code Sec. 86.24 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 9, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 914, Sec. 1, eff. June 14, 1989; Acts 1993, 73rd Leg., ch. 990, Sec. 1, eff. June 19, 1993; Acts 1995, 74th Leg., ch. 757, Sec. 1, eff. June 16, 1995.

Sec. 54.508. MEDICAL SERVICES FEE; TEXAS TECH UNIVERSITY SYSTEM COMPONENTS. (a) The board of regents of the Texas Tech University System may charge each student registered at a component institution of the Texas Tech University System a medical services fee not to exceed $100 for each semester of the regular term or 12-week summer session and not to exceed $50 for each six-week or shorter term of the summer session.

(b) Before charging a medical services fee, the board must give students and administrators an opportunity to offer recommendations to the board as to the type and scope of medical services that should be provided.

(c) A medical services fee charged under this section may be used only to provide medical services to students enrolled at a component institution of the Texas Tech University System.

(d) A medical services fee charged under this section is in addition to any other fee the board is authorized by law to charge.

(e) The board may not increase the amount of the medical services fee charged at a component institution of the Texas Tech University System by more than 10 percent from one academic year to

the next unless the increase is approved by a majority of the students of the institution voting in a general student election held for that purpose.

Added by Acts 1983, 68th Leg., p. 3860, ch. 608, Sec. 1, eff. June 19, 1983. Renumbered from Education Code Sec. 109.52 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 10, eff. Aug. 31, 1987. Amended by Acts 1991, 72nd Leg., ch. 166, Sec. 1, eff. Aug. 26, 1991; Acts 2001, 77th Leg., ch. 100, Sec. 1, eff. May 11, 2001.

Sec. 54.5081. MEDICAL SERVICES FEE; UNIVERSITY OF NORTH TEXAS SYSTEM INSTITUTIONS. (a) The board of regents of the University of North Texas System may charge each student registered at a component institution of the University of North Texas System a medical services fee not to exceed $75 for each semester of the regular term or 12-week summer session and not to exceed $37.50 for each six-week or shorter term of the summer session.

(b) Before charging a medical services fee at a component institution, the board must give students and administrators an opportunity to offer recommendations to the board as to the type and scope of medical services that should be provided.

(c) The board may not increase the amount of the medical services fee charged at a component institution by more than 10 percent from one academic year to the next unless the amount of the increase is approved by a majority of the students at the institution voting in a general election held at the institution for that purpose.

(d) A medical services fee charged at a component institution of the University of North Texas System under this section may be used only to provide medical services to students registered at that component institution.

(e) The fee imposed under this section may not be considered in determining the maximum student services fee that may be charged students enrolled at a component institution of the University of North Texas System under Section 54.503(b).

Added by Acts 1991, 72nd Leg., ch. 856, Sec. 1, eff. Aug. 26, 1991. Amended by Acts 2001, 77th Leg., ch. 383, Sec. 1, eff. May 28, 2001.

Sec. 54.5082. MEDICAL SERVICES FEE; MIDWESTERN STATE UNIVERSITY. (a) The board of regents of Midwestern State University may charge each student registered at the university a medical services fee not to exceed $30 for each semester of the regular term or 12-week summer session and not to exceed $15 for each six-week or shorter term of the summer session.

(b) The board may not impose a fee under this section or increase the amount of the fee by more than 10 percent in any academic year unless the imposition or increase has been approved by a majority vote of the students at the institution participating in an election called for that purpose.

(c) Revenue from a fee imposed under this section may be used only to provide medical services to students at the university.

(d) A fee imposed under this section is in addition to any other fee the board is authorized by law to impose.

Added by Acts 1999, 76th Leg., ch. 99, Sec. 1, eff. May 17, 1999.

Sec. 54.5085. MEDICAL SERVICES FEE; TEXAS WOMAN'S UNIVERSITY. (a) The board of regents of Texas Woman's University may charge each student registered at the university a medical services fee not to exceed $55 for each semester of the regular term or 12-week summer session and not to exceed $25 for each six-week or shorter term of the summer session.

(b) Before the board imposes or increases a fee under this section, the board shall consider the recommendations of a student fee advisory committee established by the president of the university. A majority of the members of the advisory committee must be students appointed by the presiding officer of the student governing body and the remainder of the members must be appointed by the president of the university. The board may increase the amount of the fee by an amount that is more than 10 percent of the amount imposed in the preceding academic year only if that increase is approved by a majority vote of those students of the university participating in a general election called for that purpose.

(c) A medical services fee charged under this section may be used only to provide medical services to students registered at the university.

(d) A medical services fee charged under this section is in

addition to any other fee the board is authorized by law to charge.

Added by Acts 1991, 72nd Leg., ch. 844, Sec. 3, eff. Aug. 26, 1991.
Amended by Acts 2001, 77th Leg., ch. 384, Sec. 1, eff. May 28, 2001.

Sec. 54.5089. MEDICAL SERVICES FEE; TEXAS STATE UNIVERSITY SYSTEM COMPONENTS. (a) The board of regents of the Texas State University System may charge each student registered at a component institution of the Texas State University System a medical services fee not to exceed $100 for each semester of the regular term or summer session of 12 weeks or longer and not to exceed $50 for each summer session of less than 12 weeks.

(b) Before charging a medical services fee, the board must give students and administrators an opportunity to offer recommendations to the board as to the type and scope of medical services that should be provided.

(c) A medical services fee charged at a component institution of the Texas State University System may be used only to provide medical services to students registered at that component institution.

(d) A medical services fee charged under this section is in addition to any other fee the board is authorized by law to charge and may not be considered in determining the maximum student services fee that may be charged students enrolled at a component institution of the Texas State University System under Section 54.503(b) of this code.

(e) Not more than once in an academic year, the board may increase the fee authorized by this section. Any increase in the fee of more than 10 percent must be approved by a majority vote of those students participating in a general student election called for that purpose.

Added by Acts 1993, 73rd Leg., ch. 990, Sec. 2, eff. June 19, 1993.
Amended by Acts 2003, 78th Leg., ch. 598, Sec. 1, eff. June 20, 2003.

Sec. 54.50891. MEDICAL SERVICES FEE; THE UNIVERSITY OF TEXAS SYSTEM COMPONENTS. (a) The board of regents of The University of Texas System may charge each student registered at a component institution of The University of Texas System a medical services fee

not to exceed $55 for each semester or term. If approved by a majority vote of those students participating in a general election held at the institution for that purpose, the maximum amount of the medical services fee that may be charged at a component institution is increased to the amount stated on the ballot proposition, not to exceed $75 for each semester or term. Approval at the election of an increase in the maximum amount of the fee that may be charged at a component institution does not affect the application of Subsection (e) to an increase in the amount of the fee actually charged at that institution from one academic year to the next.

(b) Before charging a medical services fee, the board must give students and administrators an opportunity to offer recommendations to the board as to the type and scope of medical services that should be provided. Before increasing the amount of the medical services fee at The University of Texas at Austin, a medical services fee committee, a majority of the members of which must be students of the university, must approve the fee increase.

(c) A medical services fee charged at a component institution of The University of Texas System may be used only to provide medical services to students registered at that component institution.

(d) A medical services fee charged under this section is in addition to any other fee the board is authorized by law to charge and may not be considered in determining the maximum student services fee that may be charged students enrolled at a component institution of The University of Texas System.

(e) The board may not increase the amount of the fee charged at a component institution of The University of Texas System by more than 10 percent from one academic year to the next unless the increase is approved by a majority of the students of the institution voting in a general election held at the institution for that purpose.

(f) The board shall prorate the amount of a fee charged to a student under this section based on the length of the semester or term for which the student is enrolled.

Added by Acts 1993, 73rd Leg., ch. 990, Sec. 3, eff. June 19, 1993. Amended by Acts 1999, 76th Leg., ch. 1558, Sec. 2, eff. June 19, 1999.

Sec. 54.509. STUDENT RECREATION FEE; TEXAS TECH UNIVERSITY SYSTEM COMPONENTS. (a) If approved by student vote, the board of regents of the Texas Tech University System may charge each student enrolled at a component institution of the Texas Tech University System a recreation fee not to exceed $100 per semester or $50 per six-week summer term to be used to purchase equipment for and to operate and maintain the student recreation facilities and programs at the institution.

(b) The fee may not be increased by more than 10 percent from one academic year to the next unless the increase is approved by a majority of students voting on the issue in a general student election called for that purpose.

(c) The university shall collect the student recreation fee and shall deposit the money collected in an account known as the Student Recreation Account.

(d) The student recreation fee is not counted in determining the maximum student services fee which may be charged under Section 54.503.

Added by Acts 1979, 66th Leg., p. 235, ch. 122, Sec. 1, eff. Aug. 27, 1979. Renumbered from Education Code Sec. 109.51 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 11, eff. Aug. 31, 1987. Amended by Acts 2001, 77th Leg., ch. 100, Sec. 1, eff. May 11, 2001.

Sec. 54.5091. STUDENT RECREATIONAL FACILITY FEE; UNIVERSITY OF NORTH TEXAS. (a) If approved by a majority vote of those students participating in a general election held at the university for that purpose, the board of regents of the University of North Texas may impose a recreational facility fee on each student enrolled in the university in an amount not to exceed $75 per student for each semester of the regular term or 12-week summer session and not to exceed $37.50 per student for each six-week or shorter term of the summer session. The fee may be used only for constructing, operating, maintaining, improving, and equipping a recreational facility or program at the university.

(b) Revenue from a fee imposed under this section shall be deposited to the credit of an account known as the "University of North Texas recreational facility fee account" under the control of the student fee advisory committee established under Section 54.5031.

(c) The student fee advisory committee annually shall submit to the board of regents a complete and itemized budget for the recreational facility with a complete report of all recreational facility activities conducted during the past year and all expenditures made in connection with those activities. The board may make changes in the budget that the board determines are necessary. After approving the budget, the board, in accordance with this section, may impose the recreational facility fees for that year in amounts sufficient to meet the budgetary needs of the recreational facility. If the budget approved by the board contains an expenditure for the construction of a facility, the board may contract for the construction of the facility.

(d) The board may not increase the amount of the recreational facility fee by more than 10 percent in any academic year unless the amount of the increase is approved by a majority of the students participating in a general election held at the university for that purpose.

(e) A fee imposed under this section is in addition to any other use or service fee authorized to be imposed.

(f) A fee imposed under this section may not be considered in determining the maximum student services fees that may be imposed under Section 54.503(b).

Added by Acts 2001, 77th Leg., ch. 382, Sec. 1, eff. Sept. 1, 2001.

Sec. 54.510. STUDENT RECREATIONAL SPORTS FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge each student enrolled in The University of Texas at Austin a recreational sports fee not to exceed $20 a semester or 12-week summer session or $10 a six-week summer session. The fee may be used only for financing, constructing, operating, maintaining, and improving recreational sports facilities and programs at the university.

(b) A fee may not be imposed under this section until the semester in which a campus recreational sports facility will be available for use.

(c) The university shall collect any student recreational sports fee imposed under this section and shall deposit the money collected in an account to be known as the student recreational

sports account. A recreational sports fee may not be collected after the 20th anniversary of the date it is first collected, or after all bonded indebtedness for any campus recreational sports facility for which the fee receipts are pledged is paid, whichever is later.

(d) A student recreational sports fee imposed under this section is not counted in determining the maximum student services fee which may be charged under Section 54.513 of this subchapter.

Added by Acts 1985, 69th Leg., ch. 239, Sec. 85, eff. Sept. 1, 1985. Renumbered from Education Code Sec. 67.213 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 12, eff. Aug. 31, 1987.

Sec. 54.511. STUDENT FEES FOR BUS SERVICE; TEXAS STATE UNIVERSITY SYSTEM. (a) The board of regents of the Texas State University System may charge each student enrolled at Texas State University a fee initially set at $10 per semester or $5 per six-week summer term to be used to finance bus service for students attending the institution.

(b) Not more than once in an academic year, the board may increase the fee authorized in Subsection (a) of this section for the purpose of covering increased operating costs of the bus service. Any increase in the fee must be approved by a majority vote of those students participating in a general election called for that purpose. However, the total fee may not exceed $100 per semester or $50 per summer term of six weeks or less.

(c) The fee for student bus service shall not be counted in determining the maximum student service fees which may be charged pursuant to the provisions of Section 54.503 of this code.

(d) The university shall hold in reserve any fee revenue that exceeds the amount necessary to meet the operating expenses of the bus service and shall apply that revenue only to future operating expenses of the bus service.

Added by Acts 1975, 64th Leg., p. 1233, ch. 458, Sec. 1, eff. Sept. 1, 1975. Amended by Acts 1981, 67th Leg., p. 82, ch. 43, Sec. 1. Renumbered from Education Code Sec. 96.42 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 13, eff. Aug. 31, 1987. Amended by Acts 1991, 72nd Leg., ch. 289, Sec. 1, eff. Aug. 26, 1991; Acts 1999, 76th Leg., ch. 625, Sec. 1, eff. June 18, 1999; Acts 2003, 78th Leg., ch. 386, Sec. 3, 4, eff. Sept. 1, 2003; Acts 2003, 78th Leg.,

ch. 598, Sec. 2, 3, eff. June 20, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 3, eff. September 1, 2013.

Sec. 54.5111. ENVIRONMENTAL SERVICE FEE; SOUTHWEST TEXAS STATE UNIVERSITY. (a) The board of regents of the Texas State University System may charge each student enrolled at Southwest Texas State University an environmental service fee in an initial amount not to exceed $1 per semester of the regular term or term of the summer session. The fee may not be imposed unless approved by a majority vote of the students at the university voting in an election held for that purpose at the same time and using the same ballot as a student government election.

(b) Not more than once in an academic year, the board of regents may increase the amount of the fee authorized by this section to cover increased operating costs of environmental services funded from revenue from the fee. The board may not increase the amount of the fee unless the increase is approved by a majority vote of the students at the university voting in an election held for that purpose in which at least 1,000 students at the university cast ballots and that is held at the same time and using the same ballot as a student government election. The total amount of the increased fee may not exceed:

(1) $6 per student for each regular semester or for each term of the summer session not covered by Subdivision (2); or

(2) $3 per student for each six-week or shorter term of the summer session.

(c) A fee imposed under this section may be used only to provide environmental improvements at the university through services such as recycling, transportation, employment, product purchasing, matching funds for grants, planning and maintenance, and irrigation.

(d) The university may not use revenue from the fee imposed under this section to reduce or replace other money allocated by the university for environmental projects.

(e) The university shall retain any fee revenue that exceeds the amount necessary to cover current operating expenses for environmental services and any interest generated from that revenue. The university may use the excess revenue and interest generated from

that revenue only for the purposes provided by Subsection (c).

Added by Acts 2003, 78th Leg., ch. 1305, Sec. 1, eff. June 21, 2003.

Sec. 54.512. SHUTTLE BUS FEE; THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) The board of regents of The University of Texas System may levy a shuttle bus fee not to exceed $10 per student for each regular semester and not to exceed $5 per student for each term of the summer session, for the sole purpose of financing shuttle bus service for students attending The University of Texas at Arlington. The fees herein authorized to be levied are in addition to any use fee or service fee now or hereafter authorized to be levied. However, no fee may be levied unless the fee is approved by a majority vote of those students participating in a general election called for that purpose.

(b) Such fees shall be deposited to an account known as "The University of Texas at Arlington Shuttle Bus Fee Account" and shall be expended in accordance with a budget submitted to and approved by the board of regents. The board of regents shall make such changes in the budget as it deems necessary before approving the budget, and shall then levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet the budget as approved.

Added by Acts 1977, 65th Leg., p. 833, ch. 309, Sec. 2, eff. Aug. 29, 1977. Renumbered from Education Code Sec. 68.05 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 14, eff. Aug. 31, 1987.

Sec. 54.5121. INTERCOLLEGIATE ATHLETIC FEE; THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) The board of regents of The University of Texas System may impose a mandatory intercollegiate athletics fee at The University of Texas at Arlington. The amount of the fee may not exceed $7.75 per semester credit hour for each regular semester, unless increased as provided by Subsection (b). The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held for that purpose.

(b) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose or, if the amount of the increase does

not exceed five percent, by the legislative body of the student government of the university.

(c) The board of regents may prorate the amount of the fee for a summer session.

(d) The fee imposed under this section may not be considered in determining the maximum student services fees that may be imposed under Section 54.503.

(e) Expired.

Added by Acts 1999, 76th Leg., ch. 525, Sec. 1, eff. June 18, 1999.

Sec. 54.5122. RECREATIONAL FACILITY FEE; THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Arlington a recreational facility fee to finance, construct, renovate, improve, equip, or maintain recreational facilities or to operate recreational programs at the university.

(b) The fee may not be imposed unless the fee is approved by a majority vote of the students participating in a general student election called for that purpose.

(c) The initial amount of a fee imposed under this section may not exceed:

(1) $9 per student for a regular semester;

(2) $6 per student for a summer session of 10 weeks or more;

(3) $4 per student for a summer session of eight weeks or more but less than 10 weeks; and

(4) $3 per student for a summer session of less than eight weeks.

(d) Subject to Subsection (e), the board of regents may increase the amount of a fee imposed under this section from one academic year to the next with the approval of the legislative body of the student government of The University of Texas at Arlington, except that an increase in the amount of a fee from one academic year to the next of more than 10 percent must be approved by a majority vote of the students voting in a general student election called for that purpose.

(e) The amount of a fee imposed under this section may not exceed:

(1) $75 per student for a regular semester;

(2) $50 per student for a summer session of 10 weeks or more;

(3) $35 per student for a summer session of eight weeks or more but less than 10 weeks;

(4) $25 per student for a summer session of less than eight weeks; and

(5) $10 per student for a summer session of less than three weeks for a student who was not enrolled at the university for the preceding regular semester.

(f) After approval of the imposition of a fee under this section at a student election under Subsection (b), the president of The University of Texas at Arlington shall appoint a recreational facility student advisory committee. The committee shall advise the president regarding the administration and allocation of the revenue from the fee to support recreational facilities on the university campus.

(g) The board of regents shall deposit the revenue from a fee imposed under this section in an account known as the recreational facility fee account.

(h) The board of regents may pledge revenue from a fee imposed under this section to pay an obligation issued under the revenue financing system of The University of Texas System.

(i) A fee imposed under this section is not considered in determining the maximum amount of student services fees that may be charged at The University of Texas at Arlington under Section 54.503.

(j) The board of regents may permit a person who is not enrolled at The University of Texas at Arlington to use a facility financed with revenue from a fee imposed under this section if:

(1) the person's use of the facility will not materially interfere with the use of the facility by students of the university;

(2) the person is charged a fee for using the facility that is not less than the student fee and that is not less than the direct and indirect cost to the university of providing for the person's use; and

(3) the person's use will not materially increase the potential liability of the university.

Added by Acts 2001, 77th Leg., ch. 181, Sec. 1, eff. May 18, 2001.

Sec. 54.513. STUDENT SERVICE FEES; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) In this section:

(1) "student services" includes textbook rentals; recreational activities; health, hospital, and other medical services; group hospitalization; automobile parking privileges; intramural and intercollegiate athletics; artists and lecture series and other cultural entertainment; debating and oratorical activities; student publications; student government; student fees advisory committee; student transportation services; and any other student activities and services specifically authorized and approved by the board; the term does not include services for which a fee may be charged under the specific authority of any other section of this code;

(2) "compulsory fee" means a fee that is charged to all students enrolled in the university; and

(3) "voluntary fee" means a fee that is charged only to those students who make use of the student service for which the fee is established.

(b) Subject to Section 54.514 of this subchapter and subsections (j) and (k) of this section, the board of regents of The University of Texas System may charge and collect from students registered at The University of Texas at Austin fees to cover the cost of student services that the board considers necessary or desirable in carrying out the educational functions of the university.

(c) The board may make fees for a particular student service voluntary or compulsory.

(d) Except for fees allocated for hospital and health services, any compulsory fees for student services charged under this section shall be assessed in proportion to the number of semester credit hours for which a student registers.

(e) No portion of the compulsory fees collected may be expended for parking services or facilities except as related to providing shuttle bus services.

(f) Money collected as fees for student services shall be:

(1) reserved and accounted for in an account kept separate from educational and general funds of the university;

(2) used only for the support of student services;

(3) used only after the compulsory fees to be included in the student service fees budget have been considered as provided by

Section 54.514 of this subchapter; and

(4) placed in a depository bank designated by the board and secured as provided by law.

(g) Each year the board shall approve for the university a separate budget for student activities and services financed by fees authorized by this section. The budget must show the fees to be assessed, the purpose for which the fees will be used or the functions to be financed, the estimated income to be derived, and the proposed expenditures to be made. Copies of the budget shall be filed annually with the coordinating board, the governor, the Legislative Budget Board, and the state library.

(h) If payment of any compulsory fees authorized by this section would cause an undue financial hardship on a student, the board may waive all or part of the compulsory fees for that student. The number of students granted a waiver under this subsection may not exceed 10 percent of the total enrollment of the university. The board may limit the participation of a student in the activities financed by the fees waived in proportion to the extent of the waiver.

(i) If the total compulsory fee charged under this section is more than $150, the increase does not take effect unless the increase is approved by a majority vote of the students voting in an election held for that purpose or by a majority vote of the duly elected student government. In subsequent years, an election authorizing a fee increase must be held before the fee can be increased by more than 10 percent of the fee approved at the last student election.

(j) The total of all compulsory fees charged under this section to students for any semester or summer session may not exceed $250.

(k) General revenue funds appropriated for the element of cost "physical plant operation or maintenance" may be used to support the services and activities provided for in this section:

(1) if the service or activity supported from the fees is not intercollegiate athletics or is not also appropriately classified as any other auxiliary enterprise that charges a fee directly related to the cost of the service under the criteria outlined in College and University Business Administration, Fourth Edition (1982), published by the National Association of College and University Business Officers; or

(2) when the service or activity takes place in or on a facility the substantial use of which has been dedicated by the board

for educational and general activities.

(l) This section does not affect any special fees, including building use fees, that the legislature has authorized to finance revenue bond issues or any other fees specifically authorized by law.

Added by Acts 1983, 68th Leg., p. 2055, ch. 378, Sec. 1. Renumbered from Education Code Sec. 67.211 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 15, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 584, Sec. 107, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 910, Sec. 7; Acts 2001, 77th Leg., ch. 879, Sec. 2, eff. June 14, 2001.

Sec. 54.5131. INTERNATIONAL EDUCATION FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge and collect from students registered at The University of Texas at Austin a fee of $2 if approved by the students in a student referendum for any semester or summer session. The fee may be increased to an amount not to exceed $4 if approved by the students in a student referendum. The fee may be used only for funding an international education program to be used to assist students participating in international student exchange or study programs.

(b) The fund shall be used in accordance with guidelines jointly developed by The University of Texas at Austin Student Association and the administration of The University of Texas at Austin.

(c) The international education financial aid fee imposed under this section shall not count in determining the maximum student services fee which may be charged the students of The University of Texas at Austin under this chapter.

Added by Acts 1989, 71st Leg., ch. 910, Sec. 9. Amended by Acts 1997, 75th Leg., ch. 1073, Sec. 1.10, eff. Aug. 1, 1997.

Sec. 54.5132. INTERNATIONAL EDUCATION FEE. (a) The governing board of an institution of higher education, other than The University of Texas at Austin, may charge and collect from students registered at the institution a fee in an amount not less than $1 and not more than $4 for each semester or summer session. The amount of

the fee may be increased only if the increase is approved by a majority vote of the students at the institution participating in an election called for that purpose.

(b) Fees collected under this section shall be deposited in the institution's international education financial aid fund, a fund outside the state treasury. Money in the fund may be used only to assist students participating in international student exchange or study programs.

(c) The international education financial aid fund shall be used in accordance with guidelines jointly developed by the student governing body of the institution and the administration of the institution. If an institution does not have a student governing body, the president may appoint a committee of students to assist with the development of the guidelines.

(d) The fee imposed under this section may not be considered in determining the maximum student services fee that may be charged students enrolled at the institution under Section 54.503(b) of this code.

Added by Acts 1991, 72nd Leg., ch. 844, Sec. 4, eff. Aug. 26, 1991. Amended by Acts 2001, 77th Leg., ch. 1086, Sec. 1, eff. June 15, 2001.

Sec. 54.5133. MARTIN LUTHER KING, JR., STATUE FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge and collect from students registered at The University of Texas at Austin a fee of $1 for any semester or summer session. The fee shall be used for funding the construction of a Martin Luther King, Jr., statue on the campus of The University of Texas at Austin and to establish Martin Luther King, Jr., student scholarships.

(b) Any funds raised in excess of the cost of the construction of the Martin Luther King, Jr., statue shall be used to establish Martin Luther King, Jr., student scholarships.

(c) The fees collected shall be deposited into the Martin Luther King, Jr., statue fee account for the purposes outlined in Subsections (a) and (b).

(d) A fee may not be charged under this section after August 31, 1999.

Added by Acts 1995, 74th Leg., ch. 757, Sec. 2, eff. June 16, 1995.

Sec. 54.5134. WASHINGTON, D.C., INTERNSHIP EDUCATION FEE. (a) The governing board of an institution of higher education may charge and collect from each student registered at the institution a fee in an amount not to exceed $1 for each semester or summer session if imposition of the fee is approved by a majority vote of the students of the institution participating in a general student election held for that purpose.

(b) The amount of the fee imposed at an institution may be increased from one academic year to the next by more than 10 percent only if approved by a majority vote of the students of the institution participating in a general student election held for that purpose.

(c) Revenue from a fee imposed under this section shall be deposited in a fund established by the institution outside the state treasury and identified as the institution's Washington, D.C., internship financial aid fund. Money in the fund may be used only to assist a student participating in a Washington, D.C., internship program administered, sponsored, or approved by the institution.

(d) The fund shall be used in accordance with guidelines jointly developed by the student governing body of the institution and the administration of the institution. If the institution does not have a student governing body, the president may appoint a committee of students to assist with the development of the guidelines.

(e) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged a student enrolled at the institution under Section 54.503(b).

Added by Acts 1999, 76th Leg., ch. 1504, Sec. 1, eff. Aug. 30, 1999.

Sec. 54.5135. BARBARA JORDAN AND CESAR CHAVEZ STATUES FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge and collect from students registered at The University of Texas at Austin a fee of $2 for any semester or summer session. The fee shall be used for funding the

construction of a Barbara Jordan statue and a Cesar Chavez statue on the campus of The University of Texas at Austin and to establish Barbara Jordan and Cesar Chavez student scholarships.

(b) The board shall deposit one-half of the revenue collected from the fee into the Barbara Jordan statue fee account for the purposes of constructing the Barbara Jordan statue and, if funds permit, establishing Barbara Jordan student scholarships. Any funds deposited in the account in excess of the cost of the construction of the statue shall be used to establish the student scholarships.

(c) The board shall deposit the remaining revenue collected from the fee into the Cesar Chavez statue fee account for the purposes of constructing the Cesar Chavez statue and, if funds permit, establishing Cesar Chavez student scholarships. Any funds deposited in the account in excess of the cost of the construction of the statue shall be used to establish the student scholarships.

(d) A fee may not be charged under this section after August 31, 2007.

Added by Acts 2003, 78th Leg., ch. 1065, Sec. 1, eff. June 20, 2003.

Sec. 54.514. STUDENT FEES ADVISORY COMMITTEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The student fees advisory committee is established to advise the administration of The University of Texas at Austin on the type, level, and expenditure of compulsory fees for student services collected at the university under Section 54.513 of this subchapter. The administration may also ask the student fees advisory committee to advise the administration of the university on the type, level, and expenditure of voluntary fees for student services collected at the university under Section 54.513 of this subchapter. The committee is composed of nine members.

(b) Five of the members of the student fees advisory committee must be student members. The student members must be students who are enrolled in not less than six semester hours at the university and who are generally representative of the student body. If a student government exists, the student members shall be selected by the student government of the university. The student members shall be selected and designated as appropriate so that three student members on the committee are serving terms of two years, and two student members are serving terms of one year. If a student

government does not exist, the students shall be elected by the students enrolled in the university voting in an election held for that purpose. At each election, the appropriate number of students shall be elected for terms of appropriate length so that three student members on the committee are serving terms of two years, and two student members are serving terms of one year. At an election at which three students are being elected for terms of two years and two students are being elected for terms of one year, each candidate must file for a one-year or two-year position.

(c) The four remaining members of the student fees advisory committee shall be appointed by the president of the university and shall be generally representative of the total university community. Each nonstudent member of the committee serves for a term of one year but may be reappointed.

(d) A student member who ceases to be a student may not continue to hold a student membership position. If a student vacancy occurs, the student government shall appoint a new member to serve for the remainder of the unexpired term. In the absence of student government or if the vacancy is in a nonstudent position, the president of the university shall appoint a new member to serve for the remainder of the unexpired term.

(e) The committee shall conduct appropriate inquiry into the type, level, and expenditure of any compulsory fees to be charged under Section 54.513 of this subchapter and on the expenditure of money generated from those fees. Following the committee's inquiries, the committee and the appropriate members of the university administration shall meet, and at the meeting the committee shall submit to the administration a statement recommending the type, level, and expenditure of compulsory fees to be charged to students in the academic year beginning with the following fall semester.

(f) The president shall duly consider the recommendations of the student fees advisory committee in his recommendations to the board of regents of The University of Texas System which recommendations shall be submitted to the board during the annual budgetary process. If the president's recommendations to be made to the board are substantially different from those of the student fees advisory committee to the administration, the administration shall so notify the student fees advisory committee in sufficient time for the committee to request time for an appearance on the regents' agenda

for the meeting at which the board will consider the president's recommendations. The administration shall provide to a student member designated by the student members of the committee, upon that student member's request, the most recent and complete recommendations of the president to the board.

(g) In addition to selecting the student members of the student fees advisory committee, the student government, if one exists, is entitled to select the student members of the university parking and traffic policies committee established by the president of the university. The university parking and traffic policies committee shall provide copies of any recommendations it makes concerning the setting of student parking fees to the student fees advisory committee. The student fees advisory committee may make such comments and recommendations to the administration on the recommendations of the university parking and traffic policies committee as it may wish.

Added by Acts 1983, 68th Leg., p. 2055, ch. 378, Sec. 1. Renumbered from Education Code Sec. 67.212 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 16, eff. Aug. 31, 1987.

Sec. 54.515. STUDENT UNION FEE. (a) The governing board of each institution of higher education may charge each student registered at the institution a student union fee not to exceed $20 for each regular semester and not to exceed $10 for each term of the summer session for the sole purpose of financing, constructing, operating, maintaining, and improving a student union building. The fee may not be imposed, and may not be increased above $10 for each regular semester and $5 for each term of the summer session, unless the imposition or increase is approved by a majority vote of those students participating in a general election. The fees authorized by this section are in addition to any other use or service fee authorized by law to be charged and collected by the institution.

(b) The fees collected under Subsection (a) of this section shall be deposited in a designated account and shall be placed under the control of and subject to the order of a student advisory committee. The student advisory committee annually shall submit to the governing board of the institution a complete and itemized budget to be accompanied by a full and complete report of all activities

conducted during the previous fiscal year and all related expenditures made during that year. The governing board shall make any changes in the budget as it considers necessary before approving the budget and shall charge and collect the fees as provided by this section in amounts sufficient to meet the budgetary needs of the student union building and within the limits authorized by this section.

Added by Acts 1987, 70th Leg., ch. 901, Sec. 17, eff. Aug. 31, 1987.

Sec. 54.518. UNIVERSITY CENTER FEE; MIDWESTERN STATE UNIVERSITY. (a) To the extent approved by the students under Subsection (b), the Board of Regents of Midwestern State University is hereby authorized to levy a regular, fixed student fee not to exceed, except as authorized under Subsection (d), $15 per student for each semester of the long session and not to exceed $7.50 per student for all or part of each term of the summer session for the purpose of operating, maintaining, improving, equipping, and financing the university center and acquiring or constructing additions to the center. The amount of the fee may be changed at any time within the limits specified by this subsection in order to provide sufficient funds to support the university center. The fees authorized in this section supplement any other use or service fee authorized by law.

(b) The decision to levy such a fee, the amount of the initial fee, and any increase in the fee within the limits specified by Subsection (a) must be approved by a majority vote of those students participating in a general election called for that purpose.

(c) The chief fiscal officer of the university shall collect the fees provided for in this section and shall credit the money received from the fees to an account known as the University Center Administration and Program Fund.

(d) The board may increase the amount of the fee for a semester or summer session in excess of the applicable amount provided by Subsection (a) if the increase is approved by a majority vote of those students participating in a general election called for that purpose. The increased amount under this subsection may not be charged after the fifth academic year in which the increased amount is first charged unless, before the end of that academic year, the

institution has issued bonds payable from the fee, in which event the increased amount may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 1979, 66th Leg., p. 793, ch. 354, Sec. 1, eff. June 6, 1979. Renumbered from Education Code Sec. 103.11 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 20, eff. Aug. 31, 1987.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 200 (S.B. 1121), Sec. 1, eff. May 28, 2011.

Sec. 54.519. STUDENT UNION FEE; NORTH TEXAS STATE UNIVERSITY. (a) The board of regents of North Texas State University may levy a regular, fixed student fee against each student enrolled in that institution, as may in their discretion be just and necessary for the purpose of operating, maintaining, improving, and equipping the student union and acquiring or constructing additions thereto; provided, however, that the student body must approve each increase of said fee in excess of $3 per student for each fiscal year, at an election called for that purpose by the board. Notice of an election shall be given by publication of a substantial copy of the resolution or order of the board calling the election and showing the amount of the increased fee and the purpose for which it is to be used. The notice shall be published in The North Texas Daily or in any other student newspaper having general circulation among the student body for three consecutive days of the week immediately preceding the date set for the election. The board shall canvass the returns and declare the results of the election, and if a majority of the students voting in the election vote in favor of the increase, then the board may levy the fee in an amount not in excess of the amount authorized at the election.

(b) The activities of the student union financed in whole or in part by the student union fee shall be limited to those activities in which the entire student body is eligible to participate and in no event may any of the activities so financed be held outside of the territorial limits of the campus of the University of North Texas.

(c) The fiscal officer of the University of North Texas shall collect the fees provided for in Subsection (a) of this section and

shall credit the money received from those fees to an account known as the student union fee account.

(d) The money thus collected and placed in the student union fee account shall be used for the purpose of operating and maintaining and improving the student union and shall be placed under the control of and subject to the order of the board of directors of the student union, which board of directors shall annually submit a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The board of regents shall make such changes in the budget as it deems necessary before approving it, and shall then levy the student fees under the provisions of Subsection (a) of this section in such amounts as will be sufficient to meet the budgetary needs of the student union, within the statutory limits fixed in this section.

Added by Acts 1971, 62nd Leg., p. 3336, ch. 1024, art. 2, Sec. 3, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 790, Sec. 1, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 1070, Sec. 9, eff. May 15, 1988. Renumbered from Education Code Sec. 105.43 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 21, eff. Aug. 31, 1987.

Sec. 54.5191. INTERCOLLEGIATE ATHLETICS FEE; UNIVERSITY OF NORTH TEXAS. (a) The board of regents of the University of North Texas System may charge each student enrolled at the University of North Texas an intercollegiate athletics fee in an amount not to exceed $10 per semester credit hour for each semester or summer session unless the amount is increased as provided by Subsection (g).

(b) A student enrolled in more than 15 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 15 semester credit hours during the same semester or session.

(c) The fee may not be charged before the first semester a new football stadium is available for use at the university.

(d) If compulsory student services fees are charged to students enrolled at the university under Section 54.503, the total amount of those fees charged to a student shall be reduced by $3 per semester credit hour for the first semester in which an intercollegiate athletics fee is charged under this section.

(e) Revenue from the fee charged under this section may be used only for financing, constructing, operating, maintaining, or improving an athletic facility or for operating an intercollegiate athletics program at the university.

(f) The fee may not be charged unless approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose. The ballot for the election to approve the fee must state a maximum amount of the fee that may be charged per semester credit hour, not to exceed the maximum amount prescribed by Subsection (a).

(g) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the amount of the fee as last approved by a student vote under Subsection (f) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(h) The chief fiscal officer of the university shall collect the fee and shall deposit the revenue from the fee in an account to be known as the intercollegiate athletics fee account.

(i) A fee charged under this section is not considered in determining the maximum amount of student services fees that may be charged each student enrolled at the university under Section 54.503.

(j) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 2009, 81st Leg., R.S., Ch. 125 (S.B. 473), Sec. 1, eff. May 23, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.0045, eff. September 1, 2015.

Sec. 54.520. UNIVERSITY CENTER STUDENT FEE; STEPHEN F. AUSTIN STATE UNIVERSITY. (a) To the extent approved by the students under Subsection (b), the board of regents of Stephen F. Austin State University may charge each student enrolled in one or more courses

conducted by the university a fee in the amount of $9 for each semester credit hour, in a total amount of at least $35 but not to exceed $85 per student for each semester or summer session, for the purpose of acquiring, constructing, renovating, operating, maintaining, improving, equipping, and financing a university center or additions to the center. The fees authorized in this section supplement any other use or service fee authorized by law.

(b) The decision to levy a fee under this section must be approved by a majority vote of those students participating in a general election called for that purpose.

(c) The chief fiscal officer of the university shall collect the fees provided for in this section and shall credit the money received from the fees to an account known as the university center administration and program fund.

Added by Acts 1979, 66th Leg., p. 734, ch. 326, Sec. 1, eff. June 6, 1979. Renumbered from Education Code Sec. 101.42 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 22, eff. Aug. 31, 1987; Amended by Acts 2003, 78th Leg., ch. 475, Sec. 1, eff. June 20, 2003.

Sec. 54.5201. RECREATIONAL SPORTS FEE; STEPHEN F. AUSTIN STATE UNIVERSITY. (a) The board of regents of Stephen F. Austin State University may charge each student enrolled at the university a recreational sports fee not to exceed $120 per semester or summer session of longer than six weeks or $60 per summer session of six weeks or less. The fee may be used to purchase equipment for and to construct, operate, and maintain recreational sports facilities and programs.

(b) The recreation fee authorized by this section may not be increased more than 10 percent from one academic year to the next unless the increase has been approved by a majority vote of those students participating in a general student election called for that purpose. The fee may not exceed the amounts provided by Subsection (a).

(c) The chief fiscal officer of the university shall collect any student recreational sports fee imposed under this section and shall deposit the money collected in an account to be known as the student recreational sports account.

(d) A student recreational sports fee imposed under this

section is not counted in determining the maximum student services fee that may be charged under Section 54.503.

Added by Acts 2005, 79th Leg., Ch. 503 (H.B. 598), Sec. 1, eff. June 17, 2005.

Sec. 54.5202. INTERCOLLEGIATE ATHLETICS FEE; STEPHEN F. AUSTIN STATE UNIVERSITY. (a) The board of regents of Stephen F. Austin State University may charge each student enrolled at the university an intercollegiate athletics fee in an initial amount not to exceed $10 per semester credit hour for each semester or summer session. The amount of the fee may be increased only as provided by Subsection (f).

(b) The board of regents may prorate the amount of the fee for a summer session.

(c) A student enrolled in more than 15 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 15 semester credit hours during the same semester or session.

(d) Revenue from the fee charged under this section may be used only for financing, constructing, operating, maintaining, or improving an athletic facility or for operating an intercollegiate athletics program at the university.

(e) The fee may not be charged unless approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(f) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose or, if the amount of the increase does not exceed five percent, by a majority vote of the legislative body of the student government of the university.

(g) The chief fiscal officer of the university shall collect the fee and shall deposit the revenue from the fee in an account to be known as the intercollegiate athletics fee account.

(h) A fee charged under this section is not considered in determining the maximum amount of student services fees that may be charged each student enrolled at the university under Section 54.503.

Added by Acts 2015, 84th Leg., R.S., Ch. 277 (H.B. 671), Sec. 1, eff.

June 1, 2015.

Sec. 54.521. STUDENT CENTER FACILITY FEES; TEXAS A&M UNIVERSITY SYSTEM. (a) The board of regents of The Texas A&M University System may levy a regular, fixed student fee on each student enrolled in an educational institution within The Texas A&M University System for the purpose of acquiring, constructing, renovating, operating, maintaining, improving, adding to, replacing, financing, and equipping one or more student center facilities for the institution. The board may set fees in amounts it considers just and necessary but not to exceed $100 per student for each semester for the long session and not to exceed $50 per student for each term of the summer session, or any fractional part of a session. The activities of a student center facility that may be financed in whole or in part by the student center facility fee are limited to those activities in which the entire student body is eligible to participate. The financed activities may not be held outside the territorial limits of any educational institution within The Texas A&M University System.

(b) The comptroller of each institution shall collect the fees levied under Subsection (a) of this section and shall credit the money received from the fees to an account known as the student center facility fee account.

(c) The money collected and placed in the student center facility fee account may be used only for the purposes provided by Subsection (a) of this section. A complete and itemized budget shall be submitted to the board annually and must be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident to the activities. The board shall make changes in the budget it considers necessary before approving the budget, and shall then levy the fees in amounts sufficient to meet the approved budget, within the limits fixed by this section.

(d) The decision to levy a student center facility fee and the amount of the initial fee must be approved by a majority vote of those students participating in a general election called for that purpose.

(e) The fee authorized by this section may not be increased from one academic year to the next unless the increase has been approved by a majority vote of the students at the affected

institution participating in a general election called for that purpose, except that at Tarleton State University the fee may be increased by not more than 10 percent from one academic year to the next without holding an election. The fee may not exceed the maximum amounts provided by Subsection (a).

(f) The president of each institution in the system shall establish a formal system for soliciting and receiving student comment with respect to matters of construction and operation of a facility or program financed by a fee charged under this section.

Added by Acts 1983, 68th Leg., p. 5008, ch. 899, Sec. 1, eff. June 19, 1983. Renumbered from Education Code Sec. 85.30 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 23, eff. Aug. 31, 1987. Amended by Acts 1991, 72nd Leg., ch. 281, Sec. 1, eff. Aug. 26, 1991; Acts 1997, 75th Leg., ch. 546, Sec. 1, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 826, Sec. 1, eff. June 14, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 327 (S.B. 702), Sec. 1, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 327 (S.B. 702), Sec. 2, eff. June 17, 2005.

Acts 2005, 79th Leg., Ch. 1226 (H.B. 1102), Sec. 1, eff. June 18, 2005.

Sec. 54.522. STUDENT CENTER FEES; TEXAS SOUTHERN UNIVERSITY. (a) The board of regents of Texas Southern University may impose on each student enrolled in the university a student fee not to exceed $75 per student for each semester of the regular term and not to exceed $37.50 per student for each summer term, as the board determines necessary for the purpose of operating, maintaining, improving, and equipping the student center and acquiring or constructing additions to the student center. A fee collected under this section is in addition to any other use or service fee authorized to be imposed.

(b) The fees collected under this section shall be deposited to the credit of an account known as the "Texas Southern University Student Center Fee Account" and shall be under the control of the student fee advisory committee established under Section 54.5031.

(c) The student fee advisory committee annually shall submit to

the board of regents a complete and itemized budget for the student center with a complete report of all student center activities conducted during the past year and all expenditures made in connection with those activities. The board of regents may make changes in the budget that the board determines are necessary. After approving the budget, the board of regents, in accordance with this section, may impose the student center fees for that year in amounts sufficient to meet the budgetary needs of the student center.

(d) The board may not increase the amount of the student center fee in any academic year unless the amount of the increase is approved by a majority of the students voting in an election held for that purpose or by a majority of the student government of the institution.

(e) A fee imposed under this section may not be considered in determining the maximum student services fee that may be charged under Section 54.503(b).

(f) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 1977, 65th Leg., p. 2206, ch. 869, Sec. 2, eff. Aug. 29, 1977. Renumbered from Education Code Sec. 106.37 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 24, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., 1st C.S., ch. 38, Sec. 1, eff. Oct. 18, 1989; Acts 1997, 75th Leg., ch. 542, Sec. 1, eff. May 31, 1997.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1154 (H.B. 2954), Sec. 1, eff. June 19, 2009.

Sec. 54.5221. RECREATIONAL FACILITY FEE; TEXAS SOUTHERN UNIVERSITY. (a) The board of regents of Texas Southern University may levy and collect a recreational facility fee not to exceed $50 per student for each semester of the regular term or the summer session from each student enrolled in Texas Southern University, for the sole purpose of constructing, operating, maintaining, improving, and equipping a recreational facility or program at the institution.

A fee collected under this section is in addition to any other use or service fee authorized to be levied.

(b) The fees collected under this section shall be deposited to the credit of an account known as the "Texas Southern University recreational facility fee account" and shall be under the control of the student fee advisory committee established under Section 54.5031.

(c) The student fee advisory committee annually shall submit to the board of regents a complete and itemized budget for the recreational facility with a complete report of all recreational facility activities conducted during the past year and all expenditures made in connection with those activities. The board of regents may make changes in the budget that the board determines are necessary. After approving the budget, the board of regents, in accordance with this section, may levy the recreational facility fees for that year in amounts sufficient to meet the budgetary needs of the recreational facility. If the budget approved by the board contains an expenditure for the construction of a facility, the board may contract for the construction of the facility.

(d) The board may not increase the amount of the recreational facility fee by more than 10 percent in any academic year unless the amount of the increase is approved by a majority of the students voting in an election held for that purpose or by a majority of the student government of the institution.

(e) A fee levied under this section may not be considered in determining the maximum student services fee that may be charged under Section 54.503(b).

Added by Acts 1997, 75th Leg., ch. 586, Sec. 1, eff. June 2, 1997.

Sec. 54.5222. MEDICAL SERVICES FEE; TEXAS SOUTHERN UNIVERSITY. (a) The board of regents of Texas Southern University may levy and collect a medical services fee not to exceed $35 per student for each semester of the regular term or $17.50 for each term of the summer session from each student enrolled in Texas Southern University for the sole purpose of operating, maintaining, improving, and equipping a medical service facility at the university, acquiring and constructing additions to the medical service facility, and providing medical services to students registered at the university. A fee collected under this section is in addition to any other use or

service fee authorized to be levied.

(b) The fees collected under this section shall be deposited to the credit of an account known as the "Texas Southern University Medical Services Fee Account" and shall be under the control of the student fee advisory committee established under Section 54.5031.

(c) The student fee advisory committee annually shall submit to the board of regents a complete and itemized budget for the medical service facility with a complete report of all medical service activities conducted during the past year and all expenditures made in connection with those activities. The board of regents may make changes in the budget that the board determines are necessary. After approving the budget, the board of regents, in accordance with this section, may levy a medical services fee for that year in amounts sufficient to meet the budgetary needs of the medical service facility. If the budget approved by the board contains an expenditure for the construction of a facility, the board may contract for the construction of the facility.

(d) The board may not increase the amount of the medical services fee by more than 10 percent in any academic year unless the amount of the increase is approved by a majority of the students voting in an election held for that purpose or by a majority of the student government of the institution.

(e) A fee levied under this section may not be considered in determining the maximum student services fee that may be charged under Section 54.503(b).

(f) Before a fee is initially charged under this section and at other times as determined by the board of regents, the board shall provide students at the institution and employees of the institution an opportunity to make recommendations to the board about the type of or scope of services the medical facility should offer.

Added by Acts 1997, 75th Leg., ch. 544, Sec. 1, eff. May 31, 1997.

For expiration of Section 54.5223, see Subsection (h).

Sec. 54.5223. INTERCOLLEGIATE ATHLETICS FEE: TEXAS SOUTHERN UNIVERSITY. (a) The board of regents of Texas Southern University may impose an intercollegiate athletics fee on each student enrolled at Texas Southern University in an amount not to exceed $10 per semester credit hour.

(b) The amount of the fee imposed on a student in a semester or session may not exceed the amount of the fee imposed on a student enrolled in 15 semester credit hours during the same semester or session.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(d) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

(g) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

(h) This section expires on the next September 1 that follows the fifth anniversary of the effective date of the most recent act of the legislature amending or reenacting this section unless the legislature reenacts this section before that date.

Added by Acts 2009, 81st Leg., R.S., Ch. 1046 (H.B. 4501), Sec. 1, eff. June 19, 2009.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1380 (H.B. 3792), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1384 (S.B. 1810), Sec. 1, eff. September 1, 2013.

Sec. 54.523. STUDENT CENTER FEES; TEXAS STATE UNIVERSITY SYSTEM. (a) To the extent approved by the students under Subsection (b) of this section, the board of regents of the Texas State

University System may charge each student enrolled in a university or educational center under its authority a student center fee not to exceed $100 per semester or $50 per summer term of six weeks or less to be used to construct, operate, maintain, improve, and program a student center at the university or educational center at which the student is enrolled.

(b) The decision to levy a student center fee, the amount of the initial fee, and an increase in the fee must be approved by a majority vote of those students participating in a general election called for that purpose; provided that this requirement shall not apply to the decision to levy a student center fee or the amount of the initial fee approved by the board prior to the effective date of this section.

(c) The chief fiscal officer of each university operating a student center, either on its central campus or at an educational center of the university, shall collect the student center fee and shall deposit the money received into an account known as the student center account.

(d) The university shall hold in reserve any fee revenue that exceeds the amount necessary to construct, operate, maintain, improve, and program the student center. The university may use the fee revenue held in reserve only for future expenses of constructing, operating, maintaining, improving, or programming the student center.

(e) The board may charge a student center fee under this section at Lamar University or an educational center of Lamar University in the amount charged at the appropriate institution in the 1994-1995 academic year under former Section 54.517 or 108.361 as approved by a majority of the students of the institution voting in an election called for that purpose, as if the fee had been approved by a majority vote of the students under this section. Revenue from the fee charged under this section at an educational center of Lamar University may be used to pay the principal of and interest on revenue bonds issued under former Section 108.361 for the purpose of constructing a student center at the educational center.

Added by Acts 1981, 67th Leg., p. 1812, ch. 401, Sec. 1, eff. June 11, 1981. Renumbered from Education Code Sec. 95.35 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 25, eff. Aug. 31, 1987. Amended by Acts 1991, 72nd Leg., ch. 156, Sec. 1, eff. May 22, 1991; Acts 1995, 74th Leg., ch. 1061, Sec. 8, 12(3), eff. Sept. 1, 1995; Acts

2003, 78th Leg., ch. 598, Sec. 4, eff. June 20, 2003.

Sec. 54.5241. STUDENT UNION FEES; TEXAS TECH UNIVERSITY SYSTEM. (a) The board of regents of the Texas Tech University System may impose a fee in a fixed amount on each student enrolled in a component institution of the Texas Tech University System for the purpose of providing revenue for financing, operating, maintaining, improving, and equipping student union facilities or for acquiring or constructing additions to those facilities.

(b) The board of regents may change the amount of the fee imposed at an institution as necessary to provide sufficient funds for the student union but may not increase the amount of the fee by more than 10 percent unless the amount of the increase is approved by:

(1) a majority of the students of the institution voting in a general student election held for that purpose; or

(2) a majority vote of the legislative body of the student government of the institution.

(c) The board of regents may prorate the amount of the fee imposed at an institution based on the length of the semester or term for which a student enrolls.

(d) The fiscal officer of each institution shall collect the fees imposed under this section at the institution and shall credit the money received from the fees to an account known as the student union account. The money in the account may be used only for the purposes provided by Subsection (a) and shall be placed under the control of and subject to the order of the advisory board of the institution's student union. The advisory board shall annually submit a complete and itemized budget accompanied by a full and complete report of all activities conducted during the year and all expenditures made in connection with those activities. The board of regents shall make the changes in the budget as the board of regents considers necessary before approving the budget and shall impose the fees in an amount sufficient to meet the budgetary needs of the student union, subject to Subsection (b).

(e) The board of regents may pledge the fees imposed under this section to pay obligations issued for authorized purposes pursuant to the revenue financing system of the Texas Tech University System.

(f) Student union fees imposed under this section are in

addition to any other fee the board of regents is authorized by law to impose and may not be considered in determining the maximum student services fee that may be imposed under Section 54.503(b).

Added by Acts 2003, 78th Leg., ch. 945, Sec. 1, eff. Sept. 1, 2003.

Sec. 54.525. FEES FOR STUDENT CENTERS; TEXAS WOMAN'S UNIVERSITY. (a) The board of regents of Texas Woman's University may levy a regular, fixed student fee of not less than $25 or more than $75 per student for each semester of the long session and of not less than $12.50 or more than $35 per student for each term of the summer session, as the board determines is just and necessary for the purpose of financing, improving, operating, maintaining, and equipping student centers and acquiring or constructing additions to student centers.

(b) The board may increase a student fee levied under this section. If the increase is for more than $3 per fiscal year, a majority of the students voting in an election called for that purpose must approve the increase.

(c) Revenue from a fee imposed under this section shall be deposited to the credit of an account known as the "Texas Woman's University Student Center Fee Account" under the control of the university's student fee advisory committee. Annually, the committee shall submit to the president of the university its recommendation for any change to the amount of the fee and a complete and itemized budget for the student center together with a complete report of all student center activities conducted during the past year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the university's institutional budget. The board of regents may make changes in the budget that the board determines are necessary.

(d) Notwithstanding Subsection (a), the board may increase the amount of the fee for a semester or summer session to an amount that does not exceed $150 if the increase is approved by a majority vote of those students participating in a general election called for that purpose. The increased amount under this subsection may not be charged after the fifth academic year in which the increased amount is first charged unless, before the end of that academic year, the institution has issued bonds payable from the fee, in which event the

increased amount may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 1985, 69th Leg., ch. 239, Sec. 87, eff. Sept. 1, 1985. Renumbered from Education Code Sec. 107.47 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 27, eff. Aug. 31, 1987. Amended by Acts 1999, 76th Leg., ch. 1361, Sec. 1, eff. June 19, 1999.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 190 (S.B. 596), Sec. 1, eff. May 28, 2015.

Sec. 54.5251. STUDENT FITNESS AND RECREATIONAL FEE; TEXAS WOMAN'S UNIVERSITY. (a) The board of regents of Texas Woman's University may charge each student enrolled at the university a student fitness and recreational fee in an amount not to exceed:

(1) $125 for each regular semester or each summer session of more than six weeks; or

(2) $62.50 for each summer session of six weeks or less.

(b) The fee may be used only for financing, constructing, operating, maintaining, or improving a fitness or recreational facility or for operating a fitness or recreational program at the university.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(d) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (c) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election called for that purpose.

(e) The chief fiscal officer of the university shall collect the fee and shall deposit the revenue from the fee in an account to be known as the student fitness and recreational account.

(f) The fee is not considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) The board may permit a person who is not enrolled at the university to use a facility financed with revenue from the fee

imposed under this section only if:

(1) the person's use will not materially interfere with use of the facility by students of the university;

(2) the person is charged a fee in an amount that is not less than the amount of the student fee or the total amount of the direct and indirect costs to the university of providing for the person's use, except that a charge under this subdivision may not be imposed on a person who uses the facility under an existing lifetime contract with the university for the use of fitness and recreational facilities; and

(3) the person's use will not materially increase the potential liability of the university.

Added by Acts 2007, 80th Leg., R.S., Ch. 643 (H.B. 902), Sec. 1, eff. June 15, 2007.

Sec. 54.526. STUDENT FEES FOR UNIVERSITY CENTERS; THE UNIVERSITY OF HOUSTON. (a) The board of regents of the University of Houston System may levy a student union fee, not to exceed $150 per student for each regular semester and not to exceed $75 per student for each term of the summer session. The sole purpose of the fee is financing, constructing, operating, maintaining, and improving a Student Union Building for the University of Houston. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

(b) Such fees shall be deposited to an account known as "The University of Houston Center Fee Account" and shall be placed under the control of and subject to the order of the student fees advisory committee established under Section 54.5062. The committee shall annually submit to the president of the University of Houston a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The board of regents shall make such changes in the budget as it deems necessary before approving the budget. The board shall then levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet the budgetary needs of the University Center Building. An increase in the fee from one academic year to the next must be approved by a majority vote of the students voting in an election called for that purpose or by a

majority vote of the student government. Expenditures from "The University of Houston Center Fee Account" shall be made solely for the purposes set forth in this section, and in compliance with the budget approved by the board of regents.

(c) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 1977, 65th Leg., p. 1473, ch. 597, Sec. 1, eff. Aug. 29, 1977. Renumbered from Education Code Sec. 111.42 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 28, eff. Aug. 31, 1987. Amended by Acts 1991, 72nd Leg., ch. 105, Sec. 2, eff. Aug. 26, 1991; Acts 1995, 74th Leg., ch. 73, Sec. 1, eff. May 11, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 915 (H.B. 2961), Sec. 1, eff. June 19, 2009.

Sec. 54.527. STUDENT FEES FOR UNIVERSITY CENTER FACILITIES; THE UNIVERSITY OF HOUSTON-DOWNTOWN COLLEGE. (a) The board of regents of the University of Houston System may levy a university center fee in an amount not to initially exceed $15 per student enrolled for five semester credit hours or less and $25 per student enrolled for six semester credit hours or more for each regular semester, and not to initially exceed $15 per student enrolled for each summer session. This fee may be used for the purpose of financing, construction, operating, maintaining, and improving facilities for university center activities, wherever located on the campus of the University of Houston-Downtown College. This fee may be levied in addition to any other use or service fee.

(b) The university center fee may be increased by the board of regents only on an affirmative vote of a majority of the student body voting at the University of Houston-Downtown College.

(c) The business officer of the University of Houston-Downtown College shall collect the university center fees and deposit the fees to the credit of an account known as the University Center Fee Account.

(d) The money deposited to the credit of the University Center Fee Account shall be used for the purposes authorized in Subsection (a) of this section. A complete and itemized budget shall be submitted annually and accompanied by a full and complete report of all activities conducted during the past year and all expenditures incident to those activities. The board of regents shall make changes in the budget that it considers necessary.

Added by Acts 1983, 68th Leg., p. 5102, ch. 928, Sec. 1, eff. June 19, 1983. Renumbered from Education Code Sec. 111.94 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 29, eff. Aug. 31, 1987.

Sec. 54.528. RECREATIONAL FACILITY FEE; THE UNIVERSITY OF HOUSTON. (a) The board of regents of the University of Houston System may charge each student enrolled at the University of Houston a recreational and wellness facility fee to finance, construct, operate, maintain, or improve student wellness and recreational facilities at the university. The initial amount of the fee may not exceed $75 for each semester of the regular term or for each summer session. The board may prorate the amount of the fee for a summer session.

(b) The fee may not be imposed unless the fee is approved by a majority vote of those students participating in a general student election called for that purpose. The fee may not be imposed in a semester or session before the first semester or session in which a wellness and recreational facility is available for use.

(c) The board may increase the amount of the fee, but may not increase the amount by more than 10 percent from one academic year to the next unless the increase is approved by a majority vote of those students voting in a general student election called for that purpose.

(d) The board shall deposit the revenue from the fee in an account known as the recreational and wellness facility account.

(e) The board may pledge revenue from the fee to pay obligations issued pursuant to the revenue financing system of the University of Houston System.

(f) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) The board may permit a person who is not enrolled at the University of Houston to use a facility financed with revenue from a fee imposed under this section if:

(1) the person's use of the facility will not materially interfere with student demand or use;

(2) the person is charged a fee that is not less than the student fee and that is not less than the direct and indirect cost to the university of providing for the person's use; and

(3) the person's use will not materially increase the potential liability of the university.

Added by Acts 1999, 76th Leg., ch. 221, Sec. 1, eff. May 24, 1999.

Sec. 54.529. STUDENT UNION FEE; THE UNIVERSITY OF TEXAS AT ARLINGTON. (a) The board of regents of The University of Texas System may levy a student union fee not to exceed $39 per student for each regular semester and not to exceed $19.50 per student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining, and improving the Student Union Building for The University of Texas at Arlington; provided, however, that the fee may not be increased above $15 per student for each regular semester and $7.50 per student for each term of the summer session unless the increase is approved by a majority vote of those students participating in a general election. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

(b) Such fees shall be deposited to an account known as "The University of Texas at Arlington Student Union Fee Account" and shall be placed under the control of and subject to the order of the Student Union Advisory Committee. The committee shall annually submit to the president of The University of Texas at Arlington a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make such changes in the budget as it deems necessary before approving the budget, and shall then levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet the budgetary needs of the student union building.

Added by Acts 1977, 65th Leg., p. 832, ch. 309, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1983, 68th Leg., p. 890, ch. 209, Sec. 1, eff. Aug. 29, 1983. Renumbered from Education Code Sec. 68.04 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 31, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 910, Sec. 1.

Sec. 54.530. STUDENT UNION FEES; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may levy and collect from each student a compulsory fee for operating, maintaining, improving, equipping, and/or constructing additions to the existing Texas Union building near Guadalupe Street. Unless the board increases the amount as provided by this subsection, the fee may not exceed $33 for each regular semester and $16.50 for each term of each summer session. The money collected from the fees shall be deposited to an account known as the Texas Union Fee Account. With the concurrence of the student fees advisory committee, the board may increase the amount of the fee to an amount that is not more than 10 percent of the amount imposed in the preceding academic year. The board may increase the amount of the fee to an amount that is more than 10 percent of the amount imposed in the preceding academic year if that increase in the fee is approved by a majority vote of those students participating in a general election called for that purpose. However, the board may not increase the amount of the fee to an amount that is more than $50 for each regular semester and $30 for each term of each summer session. The activities of said Texas Union building financed in whole or in part by the fee shall be limited to those activities in which the entire student body is eligible to participate, and in no event shall any of the activities so financed be held outside of the territorial limits of the campus of The University of Texas at Austin.

(b) The fees thus collected and placed in the Texas Union Fee Account shall be placed under the control of and subject to the order of the board of directors of the Texas Union building, which board shall annually submit a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The board of regents shall make such changes in the budget as it deems necessary before approving the same, and shall then levy the fees in such amounts as will be sufficient to meet the budgetary needs of

said Texas Union building, within the limits herein fixed.

(c) The power and authority conferred by this section does not and shall not constitute in any way a limitation or restriction upon the power and authority of the board of regents under Chapter 55 of this code.

Amended by Acts 1979, 66th Leg., p. 2074, ch. 811, Sec. 1, eff. June 13, 1979; Acts 1983, 68th Leg., p. 2060, ch. 378, Sec. 3. Renumbered from Education Code Sec. 67.21 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 32, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 910, Sec. 8; Acts 1999, 76th Leg., ch. 1529, Sec. 1, eff. Aug. 30, 1999.

Sec. 54.531. STUDENT UNION BUILDING FEES; THE UNIVERSITY OF TEXAS AT DALLAS. (a) The board of regents of The University of Texas System may levy a student union fee, not to exceed $60 per student for each regular semester and not to exceed $40 per student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining, and improving a student union building for The University of Texas at Dallas; provided, however, that the fee may not be increased above $40 per student for each regular semester and $26.67 per student for each term of the summer session unless the increase is approved by a majority vote of those students participating in a general election held for that purpose. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

(b) Such fees shall be deposited to an account known as "The University of Texas at Dallas Student Union Fee Account" and shall be placed under the control of and subject to the order of the Student Union Advisory Committee. The committee shall annually submit to the president of The University of Texas at Dallas a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make such changes in the budget as it deems necessary before approving the budget, and shall then levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet

the budgetary needs of the student union building.

(c) The board of regents may pledge fees levied under this section to pay obligations issued pursuant to the revenue financing system of The University of Texas System.

Added by Acts 1977, 65th Leg., p. 1041, ch. 385, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1985, 69th Leg., ch. 239, Sec. 86, eff. Sept. 1, 1985. Renumbered from Education Code Sec. 70.08 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 33, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 910, Sec. 2; Acts 1993, 73rd Leg., ch. 492, Sec. 1, eff. Aug. 30, 1993.

Sec. 54.5311. TRANSPORTATION FEE; THE UNIVERSITY OF TEXAS AT DALLAS. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Dallas a transportation fee in an amount not to exceed $18 for each regular semester or $9 for each term of the summer session, for the sole purpose of financing transportation services, including capital expenses, for students enrolled in the university.

(b) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(c) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (b) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(d) Revenue from the fee must be deposited in an account known as The University of Texas at Dallas Transportation Fee Account and must be expended in accordance with a budget submitted to and approved by the board. The board shall make any changes in the budget the board considers necessary before approving the budget and shall impose the fee, within the limits provided by this section, in an amount sufficient to meet the budget as approved.

(e) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(f) The university shall hold in reserve any fee revenue under

this section that exceeds the amount necessary to meet the current expenses of the transportation services and shall apply that excess revenue only to future expenses of the transportation services.

Added by Acts 2007, 80th Leg., R.S., Ch. 1423 (S.B. 285), Sec. 1, eff. June 15, 2007.

Sec. 54.5312. STUDENT SERVICES BUILDING FEE; THE UNIVERSITY OF TEXAS AT DALLAS. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Dallas a student services building fee for the sole purpose of financing, constructing, operating, maintaining, and improving a student services building at the university.

(b) A fee imposed under this section may not exceed:

(1) $71 per student for each regular semester or summer term of 12 weeks or longer;

(2) $47.33 per student for each summer term of eight weeks or longer but less than 12 weeks; or

(3) $35 per student for each summer term of less than eight weeks.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(d) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (c) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(e) Revenue from the fee must be deposited in an account known as The University of Texas at Dallas Student Services Building Fee Account.

(f) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) The board may pledge revenue from the fee imposed under this section for the payment of obligations issued for authorized purposes pursuant to the revenue financing system of The University of Texas System.

Added by Acts 2007, 80th Leg., R.S., Ch. 1423 (S.B. 285), Sec. 1, eff. June 15, 2007.

Sec. 54.5313. INTRAMURAL AND INTERCOLLEGIATE ATHLETICS FEE; THE UNIVERSITY OF TEXAS AT DALLAS. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Dallas an intramural and intercollegiate athletics fee in an amount not to exceed:

(1) $45 per student for each semester or summer term of 12 weeks or longer;

(2) $30 per student for each summer term of eight weeks or longer but less than 12 weeks; or

(3) $22.50 per student for each summer term of less than eight weeks.

(b) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(c) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (b) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(d) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1423 (S.B. 285), Sec. 1, eff. June 15, 2007.

Sec. 54.532. STUDENT UNION BUILDING FEES; THE UNIVERSITY OF TEXAS AT SAN ANTONIO. (a) The board of regents of The University of Texas System may levy a student union fee of not less than $20 or more than $150 for each semester or summer session, assessed in proportion to the number of credit hours for which a student registers, for the sole purpose of financing, operating, maintaining, and improving a student union building for The University of Texas at San Antonio. This fee may be levied in addition to any other use or

service fee.

(b) The fees collected under Subsection (a) of this section shall be deposited to an account known as The University of Texas at San Antonio University Center Fee Account and shall be placed under the control of and subject to the order of the university center advisory committee. The committee shall annually submit to the president of The University of Texas at San Antonio a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident to those activities. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make such changes in the budget as it deems necessary before approving the budget. The board shall then levy the fees, within the limits fixed in this section, in such amounts as will be sufficient to meet the budgetary needs of the student union building.

(c) The board may not increase the amount of the student union fee in any academic year unless the amount of the increase is approved by a majority of the students voting in an election held for that purpose and by a majority of the student government of the institution.

Added by Acts 1979, 66th Leg., p. 62, ch. 38, Sec. 1, eff. April 1, 1979. Renumbered from Education Code Sec. 71.07 and amended by Acts 1987, 70th Leg., ch. 901, Sec. 34, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 910, Sec. 3; Acts 1991, 72nd Leg., ch. 314, Sec. 1, eff. Aug. 26, 1991; Acts 1997, 75th Leg., ch. 1073, Sec. 1.11, eff. Aug. 1, 1997; Acts 2003, 78th Leg., ch. 575, Sec. 1, eff. June 20, 2003.

Sec. 54.5321. TRANSPORTATION FEE; THE UNIVERSITY OF TEXAS AT SAN ANTONIO. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at San Antonio a transportation fee not to exceed $50 for each regular semester and not to exceed $25 for each term of the summer session, for the sole purpose of financing transportation services, including capital expenses, for students attending The University of Texas at San Antonio. The fee is in addition to any other use fee or service fee authorized by law. The fee may not be imposed unless the

fee is approved by a majority vote of the students participating in a general student election held for that purpose.

(b) The board may not increase the amount of the transportation fee in any academic year unless the amount of the increase is approved by a majority vote of the students participating in a general student election held for that purpose.

(c) Revenue from the fee shall be deposited to an account known as The University of Texas at San Antonio Transportation Fee Account and shall be expended in accordance with a budget submitted to and approved by the board. The board shall make any changes in the budget the board considers necessary before approving the budget and shall impose the fee, within the limits provided by this section, in an amount sufficient to meet the budget as approved.

(d) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(e) The university shall hold in reserve any fee revenue that exceeds the amount necessary to meet the current expenses of the transportation services and shall apply that revenue only to future expenses of the transportation services.

Added by Acts 2003, 78th Leg., ch. 574, Sec. 1, eff. June 20, 2003.

Sec. 54.5322. INTERCOLLEGIATE ATHLETICS FEE; THE UNIVERSITY OF TEXAS AT SAN ANTONIO. (a) The board of regents of The University of Texas System may impose a mandatory intercollegiate athletics fee on each student enrolled at The University of Texas at San Antonio. The amount of the fee may not exceed $7 per semester credit hour for each regular semester, not to exceed a total of $84 per semester, unless the amount is increased by the board, subject to the limitation provided by Subsection (b). The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held for that purpose.

(b) The board may not increase the amount of the fee in any academic year unless the amount of the increase is approved by a majority vote of the students participating in a general student election held for that purpose.

(c) The board may prorate the amount of the fee for a summer session.

(d) The fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2003, 78th Leg., ch. 574, Sec. 1, eff. June 20, 2003.

Sec. 54.533. STUDENT UNION FEES; THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN. (a) The board of regents of The University of Texas System may impose a student union fee for the sole purpose of financing, constructing, operating, maintaining, and improving a student union facility for The University of Texas of the Permian Basin. The amount of the fee may not exceed $50 per student for each regular semester and may not exceed $39 per student for each regular semester unless the amount is approved by a majority vote of the students participating in a general student election held for that purpose. The fee is in addition to any other fee authorized to be imposed. The board of regents may prorate the amount of the fee for a summer session.

(b) Revenue collected from the fee shall be deposited to an account known as The University of Texas of the Permian Basin student union fee account and shall be placed under the control of and subject to the order of the student union advisory committee. The committee shall annually submit to the president of the university a complete itemized budget and a complete report of all activities conducted during the preceding year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make changes in the budget as the board considers necessary before approving the budget and shall then impose the fee, within the limits provided by this section, in amounts sufficient to meet the budgetary needs of the student union facility.

(c) The board of regents may pledge fees imposed under this section to pay obligations issued pursuant to the revenue financing system of The University of Texas System.

(d) A fee may not be imposed under this section in a semester in which the student union facility is not available for student use.

Added by Acts 1999, 76th Leg., ch. 9, Sec. 1, eff. April 30, 1999.

Sec. 54.5331. INTERCOLLEGIATE ATHLETIC FEE; THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN. (a) The board of regents of The University of Texas System may impose a mandatory intercollegiate athletics fee at The University of Texas of the Permian Basin if the fee is approved by a majority vote of the students participating in a general student election held for that purpose. The amount of the fee may not exceed $5 per semester credit hour for each regular semester in the first academic year in which the fee is imposed.

(b) The amount of the fee per semester credit hour may be increased from one academic year to the next only if the increase is approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(c) The board of regents may prorate the amount of the fee for a summer session.

(d) The fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum student services fees that may be imposed under Section 54.503.

Added by Acts 2001, 77th Leg., ch. 82, Sec. 1, eff. May 11, 2001.

Sec. 54.5332. FEES FOR STUDENT SERVICES BUILDING; THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas of the Permian Basin a fee for the purpose of financing the construction of a student services building at the university or for the purpose of operating the student services building.

(b) The amount of the fee may not exceed:

(1) $150 for each regular semester;

(2) $75 for each summer session of more than six weeks; or

(3) $50 for each summer session of six weeks or shorter.

(c) The amount of the fee may not be increased from one academic year to the next unless the amount of the increase is approved by a majority vote of the students participating in a general student election held for that purpose.

(d) The university shall collect the fee imposed under this section and deposit the money collected into an account to be known as the student services building account of The University of Texas

of the Permian Basin. Money in the account may be used only for the purposes described by Subsection (a).

(e) A fee charged under this section is in addition to any other fee the board is authorized by law to charge at the university and may not be considered in determining the maximum student services fee that may be charged under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1193 (H.B. 1157), Sec. 1, eff. June 15, 2007.

Sec. 54.534. ARTS AND PERFORMANCE CENTER FEE; THE UNIVERSITY OF TEXAS AT TYLER. (a) The board of regents of The University of Texas System may levy an Arts and Performance Center fee, not to exceed $20 per student for each regular semester and $10 per student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining, and improving an Arts and Performance Center for The University of Texas at Tyler; provided, however, that the fee may not be increased above the amount of $30 per student for each regular semester and $15 per student for each term of the summer session unless the increase is approved by a majority vote of those students participating in the general election. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

(b) Such fees shall be deposited to an account known as The University of Texas at Tyler Arts and Performance Center account and shall be placed under the control of and be subject to the order of the Arts and Performance Complex Advisory Committee. The committee shall annually submit to the president of The University of Texas at Tyler a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents may subsequently make such changes in the budget as it deems necessary before approving the budget and shall levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet the budgetary needs of the Arts and Performance Center.

(c) The Arts and Performance Complex Advisory Committee is established to advise the administration of The University of Texas

at Tyler on the level and expenditure of fees collected under this section. The administration may also ask the advisory committee to advise the administration on the type, level, and expenditure of voluntary fees for student services collected under this subchapter. The committee is composed of nine members. Four members of the advisory committee must be student members enrolled in not less than six semester hours at the university. Student members shall be selected by the student government of the university and shall serve for a one-year term. The remaining members of the advisory committee shall be appointed by the president of the university and shall be generally representative of the university community. Each nonstudent member serves for a term of two years. The University of Texas at Tyler may adopt such other rules as are necessary to effectuate the purposes of this section.

Added by Acts 1989, 71st Leg., ch. 910, Sec. 4.

Sec. 54.5341. STUDENT RECREATIONAL FACILITY FEE; THE UNIVERSITY OF TEXAS AT TYLER. (a) The board of regents of The University of Texas System may impose a recreational facility fee on each student enrolled at The University of Texas at Tyler. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed:

(1) $40 per student for each regular semester;

(2) $30 per student for each summer session of 12 weeks or longer;

(3) $15 per student for each summer session of six weeks or more but less than 12 weeks; and

(4) $10 per student for each summer session that is shorter than six weeks.

(c) The board may:

(1) use revenue from the fee only to finance, construct, equip, operate, maintain, or improve a recreational facility or program at the university; and

(2) pledge revenue from the fee to pay an obligation issued under the revenue financing system of The University of Texas System.

(d) The board shall deposit revenue from the fee to the credit

of an account known as "The University of Texas at Tyler recreational facility fee account" under the control of the student fee advisory committee established under Section 54.5031.

(e) The student fee advisory committee annually shall submit to the board a complete and itemized budget for the recreational facility with a complete report of all recreational facility activities conducted during the past year and all expenditures made in connection with those activities. The board may make changes in the budget that the board determines are necessary. After approving the budget, the board, in accordance with this section, may impose the recreational facility fees for that year in amounts sufficient to meet the budgetary needs of the recreational facility. If the budget approved by the board contains an expenditure for the construction of a facility, the board may contract for the construction of the facility.

(f) The board may not increase the amount of the recreational facility fee unless the amount of the increase is approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(g) A fee imposed under this section is in addition to any other fee the board is authorized by law to impose.

(h) A fee imposed under this section may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503(b).

Added by Acts 2001, 77th Leg., ch. 40, Sec. 1, eff. May 3, 2001.

Sec. 54.5342. INTERCOLLEGIATE ATHLETICS FEE; THE UNIVERSITY OF TEXAS AT TYLER. (a) The board of regents of The University of Texas System may impose an intercollegiate athletics fee on each student enrolled at The University of Texas at Tyler. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $7 per semester credit hour for each semester or summer session unless a greater amount is approved by a majority vote of those students participating in a general student election held at the university for that purpose. In that event, the amount of the fee may not exceed the amount approved

at the election.

(c) A student enrolled in more than 15 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 15 semester credit hours during that semester or session. Notwithstanding the limitation on the amount of the fee per semester credit hour under Subsection (b), a student enrolled in less than six semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in six semester credit hours during that semester or session.

(d) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503(b).

Added by Acts 2001, 77th Leg., ch. 39, Sec. 1, eff. May 3, 2001.

Sec. 54.5343. STUDENT UNION FEE; THE UNIVERSITY OF TEXAS AT TYLER. (a) If authorized under Subsection (b), the board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Tyler a student union fee for the purpose of providing revenue for financing, constructing, operating, maintaining, renovating, improving, or equipping a student union building for the university. The fee may not exceed:

(1) $100 per student for each semester or each summer session of more than six weeks; or

(2) $50 per student for each summer session of six weeks or less.

(b) The board of regents may not impose a student union fee under this section unless imposition of the fee is approved by a majority of the university's students voting in a general student election called for that purpose. The board of regents may not increase the amount of the student union fee under this section by more than 10 percent from one academic year to the next unless the amount of the increase is approved by a majority of the university's students voting in a general student election called for that purpose.

(c) The fiscal officer of The University of Texas at Tyler

shall collect the fees imposed under this section and shall credit the money received from the fees to an account known as The University of Texas at Tyler student union fee account. The money in the account may be used only for the purposes provided by Subsection (a) and shall be placed under the control of and subject to the order of the Student Union Advisory Committee. The committee shall annually submit to the president of the university a complete and itemized budget accompanied by a full and complete report of all activities conducted during the preceding year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make the changes in the budget as the board considers necessary before approving the budget and shall impose the fees in an amount sufficient to meet the budgetary needs of the student union, subject to Subsection (b).

(d) The board of regents may pledge revenue from the fees imposed under this section to pay obligations issued for authorized purposes pursuant to the revenue financing system of The University of Texas System.

(e) A student union fee imposed under this section is in addition to any other fee the board of regents is authorized by law to impose and may not be considered in determining the maximum student services fee that may be imposed under Section 54.503(b).

Added by Acts 2005, 79th Leg., Ch. 608 (H.B. 2108), Sec. 1, eff. June 17, 2005.

Sec. 54.535. STUDENT UNION FEE; THE UNIVERSITY OF TEXAS AT EL PASO. (a) The board of regents of The University of Texas System may levy a student union fee not to exceed $30 per student for each regular semester or each summer session of six weeks or more, and not to exceed $15 per student for each summer session of less than six weeks, for the sole purpose of financing, constructing, operating, maintaining, and improving a student union building for The University of Texas at El Paso; provided, however, that the fee may not be increased above $15 per student for each regular semester or each summer session of six weeks or more and $7.50 per student for each summer session of less than six weeks unless the increase is approved by a majority vote of those students participating in a

general election. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

(b) Such fees shall be deposited to an account known as The University of Texas at El Paso student union fee account and shall be placed under the control of and subject to the order of the Student Union Advisory Committee. The committee shall annually submit to the president of The University of Texas at El Paso a complete and itemized budget to be accompanied by a full and complete report of all activities conducted during the past year and all expenditures made incident thereto. The president shall submit the budget to the board of regents as part of the institutional budget. The board of regents shall make such changes in the budget as it deems necessary before approving the budget, and shall then levy the fees, within the limits herein fixed, in such amounts as will be sufficient to meet the budgetary needs of the student union building.

Added by Acts 1987, 70th Leg., ch. 346, Sec. 1, eff. Aug. 31, 1987. Renumbered from Education Code Sec. 69.03 and amended by Acts 1989, 71st Leg., ch. 910, Sec. 5. Amended by Acts 1999, 76th Leg., ch. 288, Sec. 2, eff. May 29, 1999.

Sec. 54.536. FEES FOR STUDENT HEALTH SERVICES BUILDING; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge each student enrolled in The University of Texas at Austin a fee not to exceed $8 a semester or 12-week summer session, $6 a nine-week summer session, or $4 a six-week summer session. The fee may be used only for financing the renovation, improvement, maintenance, or replacement of the student health center building at the university or for operating the student health center.

(b) The university shall collect the student health services building fee imposed under this section and deposit the money collected in an account to be known as the student health services building account. The money collected and placed in the account may be used only to:

(1) finance the renovation, improvement, maintenance, or replacement of the student health center building and be pledged for the payment of obligations issued for those purposes; or

(2) operate the student health center.

(c) The student health services building fee imposed under this section shall not be counted in determining the maximum student services fee which may be charged to the students of The University of Texas at Austin under this subchapter.

Added by Acts 1990, 71st Leg., 6th C.S., ch. 20, Sec. 1, eff. June 18, 1990. Amended by Acts 1999, 76th Leg., ch. 1558, Sec. 3, eff. June 19, 1999.

Sec. 54.537. FEES FOR STUDENT SERVICES BUILDING; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Austin a fee not to exceed $1.10 per registered semester hour. The fee may be used only for financing the construction, repair, maintenance, renovation, improvement, or replacement of a student services building at the university or for operating the student services building.

(b) The university shall collect the student services building fee imposed under this section and deposit the money collected into an account to be known as the student services building account. The money collected and placed in the account may be used only to:

(1) finance the construction, repair, maintenance, renovation, improvement, or replacement of a student services building and be pledged for the payment of obligations issued for those purposes; or

(2) operate the student services building.

(c) A fee may not be imposed under this section until the semester in which a student services building will be available for use.

(d) The student services building fee imposed under this section shall not be counted in determining the maximum student services fee which may be charged to the students of The University of Texas at Austin under this subchapter.

(e) The powers granted to the board of regents under this section are cumulative of all other powers granted to that board.

Added by Acts 1991, 72nd Leg., ch. 839, Sec. 2, eff. Aug. 26, 1991. Amended by Acts 1999, 76th Leg., ch. 1558, Sec. 4, eff. June 19, 1999.

Sec. 54.5371. GREGORY GYMNASIUM RENOVATION FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Austin a fee not to exceed $1.90 per credit hour per semester or 12-week summer session or 95 cents per credit hour per six-week summer session. The fee may be used for financing, renovating, operating, maintaining, and improving the Gregory Gymnasium.

(b) The university shall collect the gymnasium renovation fee imposed under this section and deposit the money collected in an account to be known as the Gregory Gymnasium renovation account. The money collected shall be used only for the purposes described in Subsection (a) of this section.

(c) A fee under this section may not be collected under this section until the semester in which the gymnasium has been substantially renovated and the first phase of the renovated facility is made available for use.

(d) The board of regents may pledge fees collected under this section for the payment of obligations issued for authorized purposes pursuant to the revenue financing system of The University of Texas System.

(e) The fees collected under this section shall not be counted in determining the maximum student services fee which may be charged to students of The University of Texas at Austin under this subchapter.

Added by Acts 1993, 73rd Leg., ch. 243, Sec. 1, eff. May 22, 1993.

Sec. 54.5372. AQUATICS CENTER FEE; THE UNIVERSITY OF TEXAS AT AUSTIN. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Austin a fee not to exceed 85 cents per credit hour per semester. The fee may be used for financing, constructing, renovating, operating, maintaining, and improving an aquatics center at the Gregory Gymnasium complex.

(b) The board of regents shall prorate the fee allowed under this section based on the length of the semester or term for which

the student is enrolled.

(c) The university shall collect the fee imposed under this section and use it only for the purposes described in this section.

(d) A fee under this section may not be collected until the semester in which the aquatics center has been substantially completed and is made available for use.

(e) The board of regents may pledge fees collected under this section for the payment of obligations issued for authorized purposes pursuant to the revenue financing system of The University of Texas System.

(f) The fees collected under this section shall not be counted in determining the maximum student services fee which may be charged to students of The University of Texas at Austin under this subchapter.

Added by Acts 1999, 76th Leg., ch. 1307, Sec. 1, eff. June 18, 1999.

Sec. 54.538. RECREATIONAL SPORTS FEE; TEXAS STATE UNIVERSITY SYSTEM. (a) If approved by student vote at a system institution, the Board of Regents, Texas State University System, may charge each student enrolled at such institution a recreational sports fee not to exceed $100 per semester or summer session of 10 weeks or longer or $50 per summer session of less than 10 weeks. The fee may be used to purchase equipment for and to construct, operate, and maintain recreational sports facilities and programs at the designated institution.

(b) The recreation fee authorized by this section may not be increased more than 10 percent from one academic year to the next unless the increase has been approved by a majority vote of those students at the affected institution participating in a general student election called for that purpose. The fee may not exceed the amounts provided by Subsection (a).

(c) Each system institution shall collect any student recreational sports fee imposed under this section and shall deposit the money collected in an account to be known as the student recreational sports account.

(d) A student recreational sports fee imposed under this section is not counted in determining the maximum student services fee which may be charged under Section 54.513 of this subchapter.

Added by Acts 1989, 71st Leg., ch. 883, Sec. 1, eff. June 14, 1989. Renumbered from Education Code Sec. 54.535 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(26), eff. Aug. 26, 1991. Amended by Acts 1995, 74th Leg., ch. 757, Sec. 4, eff. June 16, 1995; Acts 2003, 78th Leg., ch. 598, Sec. 5, eff. June 20, 2003.

Sec. 54.5381. INTERCOLLEGIATE ATHLETICS FEE: CERTAIN INSTITUTIONS IN TEXAS STATE UNIVERSITY SYSTEM. (a) The board of regents of the Texas State University System may impose an intercollegiate athletics fee on each student enrolled at a component institution of the Texas State University System, other than Texas State University, in an amount not to exceed:

(1) $8.75 per semester credit hour for each regular semester unless increased as provided by Subsection (d); and

(2) $4.50 per semester credit hour for each summer session unless increased as provided by Subsection (d).

(b) The fee may not be imposed unless approved by a majority vote of the students of the applicable component institution who participate in a general student election held for that purpose.

(c) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the component institution.

(d) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (b) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the component institution who participate in a general student election called for that purpose.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1422 (S.B. 161), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 4, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.0046,

eff. September 1, 2015.

Sec. 54.5382. INTERCOLLEGIATE ATHLETICS FEE: TEXAS STATE UNIVERSITY. (a) The board of regents of the Texas State University System may impose an intercollegiate athletics fee on each student enrolled at Texas State University in an amount not to exceed:

(1) $8.75 per semester credit hour for each regular semester; and

(2) $4.50 per semester credit hour for each summer session.

(b) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held at the university for that purpose.

(c) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(d) Not more than once in an academic year, the board of regents may increase the amount of the fee authorized by this section by not more than five percent if the increase is approved by the student government of the university. An increase of more than five percent must be approved by a majority vote of the students of the university who participate in a general student election called for that purpose.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

(f) An intercollegiate athletics fee committee is established at the university to advise the board of regents and the administration of the university regarding the expenditure of revenue generated by the fees imposed under this section. The committee is composed of the following members:

(1) three students of the university appointed by the student government of the university;

(2) two students of the university who participate in intercollegiate athletics appointed by the student athlete advisory committee;

(3) the university's athletic director; and

(4) the university's assistant athletic director for business affairs.

(g) A student member of the intercollegiate athletics fee

committee serves a one-year term. A student member of the committee who withdraws from the university must resign from the committee. A vacancy in an appointive position on the committee shall be filled for the unexpired portion of the term in the same manner as the original appointment.

(h) The intercollegiate athletics fee committee shall study the amounts of the fee imposed under this section and make recommendations to the appropriate administrators of the university regarding the expenditure of revenue generated by the fees imposed under this section.

(i) Before recommending the intercollegiate athletics fee budget to the board of regents each year, the president of the university shall consider the recommendations of the intercollegiate athletics fee committee. If the president's recommendations to the board are substantially different from the committee's recommendations, the president of the university shall notify the committee not later than the last date on which the committee may request an appearance at the meeting of the board of regents at which the intercollegiate athletics fee budget will be considered. On request of a member of the committee, the president shall provide the member with a written report of the president's recommendations to the board.

Added by Acts 2007, 80th Leg., R.S., Ch. 1422 (S.B. 161), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 5, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 6, eff. September 1, 2013.

Sec. 54.539. RECREATIONAL SPORTS FEE; THE TEXAS A&M UNIVERSITY SYSTEM. (a) If approved by student vote at an institution, the Board of Regents of The Texas A&M University System may charge students at a component institution of The Texas A&M University System a recreational sports fee not to exceed $175 for each regular semester and not to exceed $87.50 for each term of each summer session. The fee may be used only for financing, constructing, operating, maintaining, and improving new and existing recreational

sports facilities and programs at the designated institution.

(b) The recreational sports fee may not be levied unless the levy of the fee has been approved by a majority vote of those students at the affected institution participating in a general student election called for that purpose.

(c) The amount of the fee authorized by this section may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee that is in effect on September 1, 2007, or as last approved by a student vote under this subsection unless the increase has been approved by a majority vote of the students at the affected institution participating in a general election called for that purpose. The fee may not exceed the maximum amounts provided by Subsection (a).

(d) If, in an academic year, the total compulsory fee charged under this section is proposed to be increased by an amount less than an amount that would require a student election under Subsection (c), the board of regents of The Texas A&M University System may, in lieu of an election, hold a public meeting on the increase at which students have the opportunity to comment before the increase takes effect.

(e) Each university shall collect any student recreational sports fee imposed under this section and shall deposit the money collected in an account to be known as the student recreational sports account.

(f) A student recreational sports fee imposed under this section is not counted in determining the maximum student services fee which may be charged under Section 54.513 of this subchapter.

(g) The board may permit a person who is not enrolled at a system institution to use a facility paid for by student recreational sports fees if:

(1) the person's usage does not materially interfere with student demand or usage;

(2) the person is charged a fee that is not less than the student fee and is not less than the direct and indirect cost to the institution of providing for the person's usage; and

(3) the person's usage does not increase materially the potential liability of the institution.

(h) The president of each institution in the system shall establish a formal system for student input with respect to matters of construction and operation of a facility or program financed by a

student recreational sports fee.

Added by Acts 1989, 71st Leg., ch. 871, Sec. 1, eff. June 14, 1989. Amended by Acts 1991, 72nd Leg., ch. 833, Sec. 1, eff. June 16, 1991. Renumbered from Education Code Sec. 54.534 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(7), eff. Nov. 12, 1991. Amended by Acts 2001, 77th Leg., ch. 825, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 1226 (H.B. 1102), Sec. 2, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 3, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 3, eff. June 15, 2007.

Sec. 54.5391. INTERCOLLEGIATE ATHLETICS FEE; TEXAS A&M UNIVERSITY--CORPUS CHRISTI. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Texas A&M University--Corpus Christi. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $8 per semester credit hour for each semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose or, if the amount of the increase does not exceed five percent, by a majority vote of the legislative body of the student government of the university.

(d) A student enrolled in more than 13 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 13 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining

the maximum amount of student services fees that may be imposed under Section 54.503(b).

Added by Acts 2003, 78th Leg., ch. 86, Sec. 1, eff. May 20, 2003.

Sec. 54.5392. INTERCOLLEGIATE ATHLETICS FEE; TEXAS A&M UNIVERSITY--KINGSVILLE. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Texas A&M University--Kingsville. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $12 per semester credit hour for each semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose.

(d) A student enrolled in more than 13 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 13 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503(b).

Added by Acts 2003, 78th Leg., ch. 290, Sec. 1, eff. June 18, 2003.

For expiration of this section, see Subsection (f).

Sec. 54.5393. INTERCOLLEGIATE ATHLETICS FEE: PRAIRIE VIEW A&M UNIVERSITY. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Prairie View A&M University in an amount not to exceed $12.60 per semester credit hour, unless the amount is increased as

provided by Subsection (b).

(b) The amount of the fee per semester credit hour may be increased from one academic year to the next if:

(1) the increase is approved by a majority vote of the students participating in a general student election held at the university for that purpose; or

(2) the amount of the increase does not exceed five percent and is approved by a majority vote of the legislative body of the student government of the university.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(d) A fee imposed under this section shall be used to develop and maintain an intercollegiate athletics program at the university.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

(f) This section expires September 1, 2018, except that this section does not expire if before the end of the 2017-2018 academic year the board of regents issues bonds that are payable wholly or partly from the fee. If the board of regents issues bonds as described by this subsection, the fee authorized by this section may not be imposed in any semester or session beginning after the date on which all of those bonds, including refunding bonds for the bonds, have been fully paid.

Added by Acts 2003, 78th Leg., ch. 1266, Sec. 6.01, eff. June 20, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 798 (S.B. 1334), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1383 (S.B. 1145), Sec. 1, eff. June 14, 2013.

Sec. 54.5394. INTERCOLLEGIATE ATHLETICS FEE: TARLETON STATE UNIVERSITY. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Tarleton State University in an amount not to exceed $10

per semester credit hour.

(b) The amount of the fee imposed on a student in a semester or session may not exceed the amount of the fee imposed on a student enrolled in 13 semester credit hours during the same semester or session.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(d) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the legislative body of the student government of the university. If the amount of the increase exceeds five percent, the increase must also be approved by a majority vote of the students of the university participating in a general student election held for that purpose.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2005, 79th Leg., Ch. 1226 (H.B. 1102), Sec. 3, eff. June 18, 2005.

Sec. 54.5395. INTERCOLLEGIATE ATHLETICS FEES; TEXAS A&M INTERNATIONAL UNIVERSITY. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Texas A&M International University. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $5 per semester credit hour for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (a) or this subsection unless the increase has been approved by a majority vote

of the students enrolled at the university who participate in a general student election held for that purpose.

(d) A student enrolled in more than 15 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 15 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 4, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 4, eff. June 15, 2007.

Sec. 54.5396. INTERCOLLEGIATE ATHLETICS FEES; WEST TEXAS A&M UNIVERSITY. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at West Texas A&M University. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $10 per semester credit hour for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (a) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(d) A student enrolled in more than 13 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 13 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 4, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 4, eff. June 15, 2007.

Sec. 54.5397. INTERCOLLEGIATE ATHLETICS FEES; TEXAS A&M UNIVERSITY--COMMERCE. (a) The board of regents of The Texas A&M University System may impose an intercollegiate athletics fee on each student enrolled at Texas A&M University--Commerce. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university for that purpose.

(b) The amount of the fee may not exceed $10 per semester credit hour for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (a) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(d) A student enrolled in more than 13 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 13 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the amount of student services fees that may be imposed under Section 54.503.

Added by Acts 2007, 80th Leg., R.S., Ch. 1419 (H.B. 3114), Sec. 4, eff. June 15, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 1425 (S.B. 1495), Sec. 4,

eff. June 15, 2007.

Sec. 54.53975. INTERCOLLEGIATE ATHLETICS FEES; TEXAS A&M UNIVERSITY--TEXARKANA. (a) The board of regents of The Texas A&M University System may impose on each student enrolled at Texas A&M University--Texarkana an intercollegiate athletics fee in an amount not to exceed $9 per semester credit hour for each regular semester or summer session unless the amount of the fee is increased as provided by Subsection (c).

(b) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(c) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose or, if the amount of the increase does not exceed five percent, by a majority vote of the legislative body of the student government of the university.

(d) A student enrolled in more than 12 semester credit hours shall pay the fee in an amount equal to the amount imposed on a student enrolled in 12 semester credit hours during the same semester or session.

(e) A fee imposed under this section may be used to develop and maintain an intercollegiate athletics program at the university.

(f) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the amount of student services fees that may be imposed under Section 54.503.

(g) The fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1382 (S.B. 691), Sec. 1, eff. June 14, 2013.

Sec. 54.5398. STUDENT ENDOWMENT FUND FEE; TEXAS A&M UNIVERSITY--CORPUS CHRISTI. (a) The board of regents of The Texas A&M University System may impose a student endowment fund fee on each student enrolled at Texas A&M University--Corpus Christi. The fee may not be imposed unless approved by a majority vote of the students participating in a general student election held at the university under Section 56.243.

(b) The amount of the fee may not exceed $1 per semester credit hour for each regular semester or summer session, unless the amount is increased as provided by Subsection (c).

(c) The amount of the fee may not be increased by more than 10 percent unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election called for that purpose.

(d) A fee imposed under this section must be used to establish a student endowment fund under Section 56.247.

(e) A fee imposed under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be imposed under Section 54.503(b).

Added by Acts 2007, 80th Leg., R.S., Ch. 555 (S.B. 1417), Sec. 1, eff. September 1, 2007.
Renumbered from Education Code, Section 54.5395 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(9), eff. September 1, 2009.

Sec. 54.540. STUDENT CENTER FEE, UNIVERSITY OF HOUSTON-CLEAR LAKE. (a) The Board of Regents of the University of Houston System may levy and collect a student center fee, not to exceed $40 per student for each regular semester and not to exceed $20 per student for each term of the summer session for the sole purpose of financing, constructing, operating, maintaining, and improving a student center for the University of Houston-Clear Lake. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied. The student center fee initially levied shall be in an amount approved by a majority vote of the students voting in an election called for that purpose.

(b) The student center fees shall be deposited to an account

known as The University of Houston-Clear Lake Student Center Fee Account and shall be placed under the control of and subject to the order of the University Life Council. The council shall annually submit to the board of regents a complete and itemized budget, a recommended fee level, and a complete report of all activities conducted during the past year and all expenditures made incident thereto. The board of regents shall make such changes in the budget as it deems necessary before approving the budget.

(c) The board of regents may increase the student center fee levied under this section. However, if the increase is more than 10 percent above the previous fiscal year's fee, it must be approved by a majority of students voting in an election called for that purpose.

Added by Acts 1991, 72nd Leg., ch. 848, Sec. 4, eff. Aug. 26, 1991. Renumbered from Education Code Sec. 54.537 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(8), eff. Nov. 12, 1991.

Sec. 54.5401. RECREATION AND WELLNESS FACILITY FEE; UNIVERSITY OF HOUSTON-CLEAR LAKE. (a) The board of regents of the University of Houston System may charge each student enrolled at the University of Houston-Clear Lake a recreation and wellness facility fee. The fee may be used only for the purpose of financing, constructing, operating, maintaining, improving, and equipping a recreation and wellness facility and for operating recreation and wellness programs at the University of Houston-Clear Lake.

(b) The recreation and wellness facility fee may not be charged unless the charging of the fee is approved by a majority vote of the students enrolled at the university participating in a general student election held for that purpose.

(c) The amount of a fee charged under this section may not exceed:

(1) $150 per student for each regular semester;

(2) $75 per student for each summer session of eight weeks or longer; or

(3) $50 per student for each term of the summer session of less than eight weeks.

(d) Revenue from a fee charged under this section shall be deposited to the credit of an account known as the University of Houston-Clear Lake Recreation and Wellness Facility Fee Account.

(e) The board of regents may increase the amount of a fee charged under this section, except that the board may not increase the amount of the fee to an amount that exceeds by more than 10 percent the amount of the fee charged during the preceding academic year unless the amount of the increase is approved by a majority vote of students enrolled at the university participating in a general student election held for that purpose.

(f) The recreation and wellness facility fee is not considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

Added by Acts 2015, 84th Leg., R.S., Ch. 659 (H.B. 2921), Sec. 1, eff. June 17, 2015.

Sec. 54.5405. STUDENT CENTER FEE; UNIVERSITY OF HOUSTON-VICTORIA. (a) The board of regents of the University of Houston System may impose on each student enrolled at the University of Houston-Victoria a student center fee to be used only for the purpose of financing, constructing, operating, maintaining, improving, and equipping a student center at the university. A fee imposed under this section is in addition to any use or service fee authorized to be imposed under other law.

(b) The amount of the initial fee imposed under this section must be approved by a majority vote of the students enrolled at the university participating in a general student election held for that purpose.

(c) The amount of a fee imposed under this section may not exceed:

(1) $150 per student for each regular semester;

(2) $100 per student for each summer session of 10 weeks or longer; or

(3) $50 per student for each summer session of less than 10 weeks.

(d) Revenue from a fee imposed under this section shall be deposited to the credit of an account known as the "University of Houston-Victoria Student Center Fee Account" under the control of the university's student fee advisory committee. Annually, the committee shall submit to the president of the university its recommendation for any change to the amount of the fee and a complete and itemized

budget for the student center together with a complete report of all student center activities conducted during the past year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the university's institutional budget. The board of regents may make changes in the budget that the board determines are necessary.

(e) The board of regents may increase the amount of a fee imposed under this section, except that the board may not increase the amount of the fee to an amount that exceeds by more than 10 percent the amount of the fee imposed during the preceding academic year unless the amount of the increase is approved by a majority vote of students enrolled at the university participating in a general student election held for that purpose.

(f) For purposes of determining whether to waive the imposition of the fee as provided under Section 54.5035, a student is not reasonably able to use the student center for which a fee is imposed under this section if the student lives more than 50 miles outside the corporate limits of Victoria, Texas.

Added by Acts 2015, 84th Leg., R.S., Ch. 657 (H.B. 2568), Sec. 1, eff. June 17, 2015.

Sec. 54.541. RECREATIONAL FACILITY FEE; THE UNIVERSITY OF TEXAS AT EL PASO. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at El Paso a recreational facility fee. The fee may be used only for financing, constructing, operating, maintaining, and improving new and existing recreational sports facilities and programs at The University of Texas at El Paso.

(a-1) A fee imposed under this section may not exceed:

(1) $70 per student for a term or semester of 10 weeks or longer; or

(2) $50 per student for any other term or semester.

(b) The board of regents is authorized to pledge the fees levied under this section for the payment of obligations issued for authorized purposes pursuant to the revenue financing system of The University of Texas System.

(c) The recreational facility fee may not be increased unless the amount of the increase is approved by a majority vote of those

students participating in a general student election called at The University of Texas at El Paso for that purpose.

(d) The University of Texas at El Paso shall collect the recreational facility fee and deposit the money collected in an account to be known as The University of Texas at El Paso recreational facility account.

(e) The recreational facility fee is not counted in determining the maximum amount of student services fees which may be charged under Section 54.503 of this code, as amended.

Added by Acts 1993, 73rd Leg., ch. 58, Sec. 1, eff. April 29, 1993.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 639 (H.B. 868), Sec. 1, eff. June 15, 2007.

Sec. 54.542. STUDENT UNION BUILDING FEE; THE UNIVERSITY OF TEXAS-PAN AMERICAN. (a) Except as provided by Subsection (c) of this section, the board of regents of The University of Texas System may levy a student union fee, not to exceed $30 for each student for each regular semester or $15 for each student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining, and improving a student union building for The University of Texas-Pan American.

(b) The board of regents may pledge the fees levied under this section to pay obligations issued pursuant to the revenue financing system of The University of Texas System.

(c) A student union fee levied under this section may not be levied or increased unless the levy or increase is approved by a majority vote of those students participating in a general election held for that purpose.

(d) Student union fees levied under this section are in addition to any other fee the board of regents is authorized by law to charge and may not be considered in determining the maximum student services fee that may be charged under Section 54.503(b) of this code.

(e) The board shall deposit student union fees levied under this section to the credit of an account known as The University of Texas-Pan American Student Union Fee Account.

(f) Notwithstanding Section 51.002 of this code, student union

fees levied under this section are under the control of the Student Union Advisory Committee. The committee annually shall submit to the president of The University of Texas-Pan American a complete and itemized budget with a complete report of all activities conducted during the past year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the institutional budget. Before approving the budget, the board of regents may make changes in the budget that the board determines are necessary. After approving the budget, the board, in accordance with this section, may levy the student union fees for that year in amounts sufficient to meet the budgetary needs of the student union building.

Added by Acts 1993, 73rd Leg., ch. 341, Sec. 1, eff. Aug. 30, 1993. Renumbered from Education Code Sec. 54.541 by Acts 1995, 74th Leg., ch. 76, Sec. 17.01(8), eff. Sept. 1, 1995.

Sec. 54.5421. SPORTS RECREATION AND WELLNESS FACILITY FEE; THE UNIVERSITY OF TEXAS--PAN AMERICAN. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas--Pan American a sports recreation and wellness facility fee to finance, construct, operate, maintain, or improve sports recreation and wellness programs and facilities at the university. The amount of the fee may not exceed $75 for each semester of the regular term or for each summer session.

(b) The fee may not be imposed unless the fee is approved by a majority vote of those students voting in a general student election called for that purpose.

(c) The board may not increase the amount of the fee from one academic year to the next unless the amount of the increase is approved by a majority vote of those students voting in a general student election called for that purpose.

(d) The board shall deposit the revenue from the fee in an account known as The University of Texas--Pan American sports recreation and wellness facility account.

(e) The board may pledge revenue from the fee to pay obligations issued pursuant to the revenue financing system of The University of Texas System.

(f) A fee imposed under this section may not be considered in

determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) The board may permit a person who is not enrolled at The University of Texas--Pan American to use a facility financed with revenue from a fee imposed under this section if:

(1) the person's use of the facility will not materially interfere with student demand or use;

(2) the person is charged a fee that is not less than the student fee and that is not less than the direct and indirect cost to the university of providing for the person's use; and

(3) the person's use will not materially increase the potential liability of the university.

Added by Acts 2005, 79th Leg., Ch. 483 (H.B. 258), Sec. 1, eff. June 17, 2005.

Sec. 54.543. RECREATIONAL FACILITY FEE; THE UNIVERSITY OF TEXAS AT SAN ANTONIO. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at San Antonio a recreational facility fee not to exceed:

(1) $150 for a term or semester of more than six weeks; or

(2) $75 for a term or semester of six weeks or less.

(a-1) The recreational facility fee may be used only to finance, construct, operate, maintain, or improve student recreational facilities at the university.

(b) The board of regents may pledge the fees charged under this section to pay obligations issued pursuant to the revenue financing system of The University of Texas System.

(c) The recreational facility fee may not be charged unless the charging of the fee is approved by a majority vote of those students participating in a general student election called for that purpose.

(d) If approved in accordance with this section, the board of regents shall collect the recreational facility fees and deposit the fees in an account known as the recreational facility account.

(e) A recreational facility fee charged under this section may not be counted in determining the maximum amount of student services fees that may be charged under Section 54.503(b) of this code.

(f) The board of regents may permit a person who is not enrolled at The University of Texas at San Antonio to use a facility

financed with recreational facility fees if:

(1) the person's use of the facility will not materially interfere with student demand or use;

(2) the person is charged a fee that is not less than the student fee and that is not less than the direct and indirect cost to the university of providing for the person's use; and

(3) the person's use will not materially increase the potential liability of the university.

(g) The board may not increase the amount of the recreational facility fee in any academic year unless the amount of the increase is approved by a majority vote of the students participating in a general student election held for that purpose.

Added by Acts 1993, 73rd Leg., ch. 894, Sec. 1, eff. Aug. 30, 1993. Renumbered from Education Code Sec. 54.541 by Acts 1995, 74th Leg., ch. 76, Sec. 17.01(9), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 575, Sec. 2, eff. June 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1285 (H.B. 2441), Sec. 1, eff. June 18, 2005.

Sec. 54.544. RECREATIONAL FACILITY FEE; THE UNIVERSITY OF TEXAS AT DALLAS. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Dallas a recreational facility fee to finance, construct, equip, operate, maintain, or improve student recreational facilities or programs at the university.

(b) A recreational facility fee may not exceed:

(1) $65 for each student for a semester of the regular term or a summer session of 12 weeks or longer; and

(2) $43.33 for each student for a summer session of less than 12 weeks.

(b-1), (b-2) Expired.

(c) A recreational facility fee may not be charged or increased unless charging or increasing the fee is approved by a majority vote of the students participating in a general student election called for that purpose.

(d) The board of regents shall collect a fee charged under this section and deposit the fee in an account known as the recreational

facility account.

(e) The board of regents may pledge a fee charged under this section to pay an obligation issued under the revenue financing system of The University of Texas System.

(f) A fee charged under this section may not be counted in determining the maximum amount of student services fees that may be charged under Section 54.503(b).

(g) A recreational facility fee may not be collected after the 20th anniversary of the date it is first collected or after all bonded indebtedness for the recreational facility for which the fee receipts are pledged is paid, whichever is later.

Added by Acts 1995, 74th Leg., ch. 757, Sec. 6, eff. June 16, 1995. Amended by Acts 2003, 78th Leg., ch. 669, Sec. 1, eff. June 20, 2003.

Sec. 54.5441. STUDENT RECREATIONAL AND HEALTH FACILITIES FEE; MIDWESTERN STATE UNIVERSITY. (a) The board of regents of Midwestern State University may charge each student enrolled at the university a recreational and health facilities fee not to exceed $130 per semester or summer session of longer than six weeks or $65 per summer session of six weeks or less. The fee may be used to finance, construct, operate, renovate, or maintain recreational and wellness facilities and programs at the university.

(b) The recreational and health facilities fee authorized by this section may not be increased more than 10 percent from one academic year to the next unless the increase has been approved by a majority vote of those students participating in a general student election called for that purpose. The fee may not exceed the amounts provided by Subsection (a).

(c) The chief fiscal officer of the university shall collect any recreational and health facilities fee imposed under this section and shall deposit the money collected in an account to be known as the student recreational and health facilities account.

(d) A recreational and health facilities fee imposed under this section is not counted in determining the maximum student services fee that may be charged under Section 54.503.

Added by Acts 2005, 79th Leg., Ch. 616 (H.B. 2272), Sec. 1, eff. June 17, 2005.

Sec. 54.5442. INTERCOLLEGIATE ATHLETICS FEE; MIDWESTERN STATE UNIVERSITY. (a) The board of regents of Midwestern State University may charge each student enrolled at the university an intercollegiate athletics fee in an amount that, except as authorized under Subsection (d), may not exceed:

(1) the lesser of $10 per semester credit hour or $120 for each regular semester or each summer session of more than six weeks; or

(2) $60 for each summer session of six weeks or less.

(b) The fee may not be charged unless approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(c) The fee may be used only to develop and maintain an intercollegiate athletics program at the university.

(d) The board of regents may increase the amount of the fee for a semester or summer session in excess of the applicable amount provided by Subsection (a) if the increase:

(1) is approved by a majority vote of the students enrolled at the university who participate in a general student election called for that purpose; or

(2) does not exceed 10 percent of the amount of the fee charged for the same semester or summer session in the preceding academic year.

(e) The chief fiscal officer of the university shall collect the fee and shall deposit the revenue from the fee in an account to be known as the Midwestern State University intercollegiate athletics fee account.

(f) The fee is not considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) A fee may not be charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the institution of higher education has issued bonds payable from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

Added by Acts 2009, 81st Leg., R.S., Ch. 202 (S.B. 256), Sec. 1, eff. May 27, 2009.

Sec. 54.545. FEES FOR CONTINUING EDUCATION COURSES. (a) The governing board of an institution of higher education shall charge a reasonable fee to each person registered in a continuing education course at the institution. The board shall set the fee in an amount sufficient to permit the institution to recover the costs to the institution of providing the course.

(b) This section applies only to a course for which an institution does not collect tuition or receive formula funding, including an extension course, correspondence course, or other self-supporting course.

(c) Subchapters B and D do not apply to a fee charged under this section, except to a fee for a correspondence course taken by a student who would qualify for an exemption from tuition under Section 54.341 if the correspondence course applies towards the student's degree plan. The governing board of an institution of higher education may grant an exemption provided by Section 54.341 for continuing education courses.

Added by Acts 1995, 74th Leg., ch. 757, Sec. 5, eff. June 16, 1995.
Amended by Acts 1997, 75th Leg., ch. 1404, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 4, eff. January 1, 2012.

Sec. 54.546. STUDENT UNION FEES; THE UNIVERSITY OF TEXAS AT BROWNSVILLE. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Brownsville a student union fee of not less than $34.35 or more than $70 for each semester or long summer session for the sole purpose of financing, constructing, operating, maintaining, renovating, and improving a student union building owned by Texas Southmost College and used by the partnership of The University of Texas at Brownsville and Texas Southmost College under Section 78.02. The fee may be imposed in addition to any other fee.

(b) Revenue from the fee imposed under this section shall be deposited to an account known as The University of Texas at Brownsville student union account. Money in the account shall be used in accordance with the terms of the partnership agreements

entered into between The University of Texas at Brownsville and Texas Southmost College under Section 78.02.

(c) The board of trustees of the Southmost Union Junior College District may pledge revenue from a fee imposed under this section, whether received directly from a student or from The University of Texas at Brownsville, under the terms of the partnership agreement between The University of Texas at Brownsville and Texas Southmost College, for the payment of obligations issued by the Southmost Union Junior College District to finance the construction, operation, maintenance, renovation, and improvement of a student union building to be owned by Texas Southmost College and used by the two institutions under the partnership. If the fee imposed under this section is pledged to the payment of obligations issued by Southmost Union Junior College District, the board of regents of The University of Texas System may not pledge revenue from the fee for the payment of obligations issued for an authorized purpose under the revenue financing system of The University of Texas System.

(d) The board may not increase the amount of the fee by more than 10 percent in any academic year unless the amount of the increase is approved by a majority of the students voting in an election held for that purpose and by a majority of the members of the legislative body of the student government of the institution.

(e) Subject to the limitations of this section on the amount of the fee and any increase in the amount of the fee, the fee imposed under this section must be in the same amount as the student union fee charged a student at Texas Southmost College by the board of trustees of Southmost Union Junior College District. A student attending either or both institutions may be charged a student union fee by only one of the institutions.

Added by Acts 1999, 76th Leg., ch. 113, Sec. 1, eff. May 17, 1999.

Sec. 54.550. WELLNESS, RECREATIONAL, AND FITNESS COMPLEX FEE; THE UNIVERSITY OF TEXAS AT BROWNSVILLE. (a) The board of regents of The University of Texas System may charge each student enrolled at The University of Texas at Brownsville a wellness, recreational, and fitness complex fee. The amount of the fee may not exceed $79 per student for each regular semester and $39.50 per student for each term of the summer session.

(b) The board may:

(1) use revenue from the fee only to finance, construct, operate, maintain, renovate, or improve a wellness, recreational, and fitness complex owned by Texas Southmost College and used by the partnership of The University of Texas at Brownsville and Texas Southmost College under Section 78.02; and

(2) pledge revenue from the fee to pay an obligation issued for a purpose authorized by Subdivision (1) under the revenue financing system of The University of Texas System.

(c) The board shall deposit revenue from the fee to the credit of an account known as The University of Texas at Brownsville wellness, recreational, and fitness complex fee account. Money in the account shall be used in accordance with the terms of the partnership agreements entered into between The University of Texas at Brownsville and Texas Southmost College under Section 78.02.

(d) The board may not increase the amount of the fee by more than 10 percent in any academic year unless the amount of the increase is approved by:

(1) a majority vote of the students participating in a general student election held at the institution for that purpose; and

(2) a majority of the members of the legislative body of the student government of the institution.

(e) A fee charged under this section is in addition to any other fee the board is authorized by law to charge.

(f) Subject to the limitations of this section on the amount of the fee and any increase in the amount of the fee, the fee charged under this section must be in the same amount as the wellness, recreational, and fitness complex fee charged a student at Texas Southmost College by the board of trustees of Southmost Union Junior College District. A student attending either or both institutions may be charged a wellness, recreational, and fitness complex fee by only one of the institutions.

(g) The board of trustees of the Southmost Union Junior College District may pledge revenue from a fee imposed under this section, whether received directly from a student or from The University of Texas at Brownsville, under terms of the partnership agreement between The University of Texas at Brownsville and Texas Southmost College, for the payment of obligations issued by the Southmost Union Junior College District to finance the construction, operation,

maintenance, renovation, and improvement of a wellness, recreational, and fitness complex owned by Texas Southmost College and used by the two institutions under the partnership. If the fee imposed under this section is pledged to the payment of obligations issued by Southmost Union Junior College District, the board of regents of The University of Texas System may not pledge revenue from the fee for the payment of obligations issued for an authorized purpose under the revenue financing system of The University of Texas System.

Added by Acts 2005, 79th Leg., Ch. 1223 (H.B. 1063), Sec. 1, eff. June 18, 2005.

Sec. 54.551. INTERCOLLEGIATE ATHLETICS FEE; THE UNIVERSITY OF TEXAS AT BROWNSVILLE. (a) The board of regents of The University of Texas System may impose on each student enrolled at The University of Texas at Brownsville an intercollegiate athletics fee in an amount not to exceed $7 per semester credit hour.

(b) The board shall deposit revenue from the fee to the credit of an account known as The University of Texas at Brownsville intercollegiate athletics fee account. Money in the account shall be used in accordance with the terms of the partnership agreements entered into between The University of Texas at Brownsville and Texas Southmost College under Section 78.02.

(c) The fee may not be imposed unless approved by a majority vote of the students of the university who participate in a general student election held for that purpose.

(d) The amount of the fee may not be increased to an amount that exceeds by 10 percent or more the total amount of the fee as last approved by a student vote under Subsection (c) or this subsection unless the increase has been approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(e) A fee imposed under this section is in addition to any other fee the board is authorized by law to impose.

(f) Subject to the limitations of this section on the amount of the fee and any increase in the amount of the fee, the fee imposed under this section must be in the same amount as the intercollegiate athletics fee charged a student at Texas Southmost College by the board of trustees of Southmost Union Junior College District. A

student attending either or both institutions may be charged an intercollegiate athletics fee by only one of the institutions.

(g) The board may not impose the fee authorized by this section on a student who is enrolled solely in online courses at the university.

Added by Acts 2007, 80th Leg., R.S., Ch. 137 (H.B. 1505), Sec. 1, eff. May 18, 2007.

SUBCHAPTER F. PREPAID HIGHER EDUCATION TUITION PROGRAM

Sec. 54.6001. PUBLIC PURPOSE. An educated population being necessary to the social development and economic health of this state, the legislature finds and declares it to be an urgent public necessity to assist young Texans in obtaining a higher education. Because the state's population is rapidly growing and is diverse, the state is required to use all of the higher education facilities and resources within the state, both public and private, to provide a wide variety of educational environments and instructional options and to preserve the partnership between the state and private or independent institutions of higher education and between the state and career schools and colleges, as defined by Section 132.001, that offer a two-year associate degree as approved by the Texas Higher Education Coordinating Board. Therefore, the prepaid higher education tuition program is established to help Texas students attend the institution that best meets their individual needs.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1181, Sec. 1, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 2.03, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.18, eff. Sept. 1, 2003.

Sec. 54.601. DEFINITIONS. In this subchapter:

(1) "Beneficiary" means a person who is entitled to receive benefits under a prepaid tuition contract.

(2) "Board" means the Prepaid Higher Education Tuition Board.

(3) "Estimated average private tuition and required fees" means an estimated average of tuition and required fees to be charged by private or independent institutions of higher education as

determined annually by the board.

(4) "Fund" means the Texas tomorrow constitutional trust fund.

(5) "Institution of higher education" has the meaning assigned by Section 61.003.

(6) "Prepaid tuition contract" means a contract entered into under this subchapter by the board and a purchaser to provide for the payment of higher education tuition and required fees of a beneficiary.

(7) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

(8) "Program" means the prepaid higher education tuition program.

(9) "Career school or college" means a career school or college, as defined by Section 132.001, that offers a two-year associate degree as approved by the Texas Higher Education Coordinating Board.

(10) "Public junior college" has the meaning assigned by Section 61.003.

(11) "Public senior college or university" has the meaning assigned by Section 61.003.

(12) "Purchaser" means a person who is obligated to make payments under a prepaid tuition contract.

(13) "Account" means the Texas college savings plan account.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1181, Sec. 2, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1250, Sec. 2, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.04, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.19, eff. Sept. 1, 2003.

Sec. 54.602. ESTABLISHMENT OF BOARD; FUNCTION. (a) The Prepaid Higher Education Tuition Board is in the office of the comptroller.

(b) The board shall administer the following programs:

(1) the prepaid higher education tuition program established under this subchapter;

(2) the higher education savings plan established under

Subchapter G;

(3) the prepaid tuition unit undergraduate education program established under Subchapter H;

(4) the Texas Save and Match Program established under Subchapter I; and

(5) the Texas Achieving a Better Life Experience Program established under Subchapter J.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2001, 77th Leg., ch. 1250, Sec. 3, eff. June 15, 2001.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 1, eff. June 19, 2015.

Sec. 54.603. SUNSET PROVISION. The Prepaid Higher Education Tuition Board is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and the programs established under this subchapter and under Subchapters G and H terminate September 1, 2021.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2001, 77th Leg., ch. 1250, Sec. 4, eff. June 15, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1232 (S.B. 652), Sec. 5.02, eff. June 17, 2011.

Sec. 54.604. TERMINATION OR MODIFICATION OF PROGRAM. If the comptroller determines the program is financially infeasible, the comptroller shall notify the governor and the legislature and recommend that the program be modified or terminated.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.605. EFFECT OF TERMINATION OF PROGRAM ON CONTRACT. (a) A prepaid tuition contract remains in effect after the program is terminated if, when the program is terminated, the beneficiary:

(1) has been accepted by or is enrolled in an institution of higher education, a private or independent institution of higher education, or a career school or college; or

(2) is projected to graduate from high school not later than the third anniversary of the date the program is terminated.

(b) A prepaid tuition contract terminates when the program is terminated if the contract does not remain in effect under Subsection (a).

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1181, Sec. 3, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 2.05, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.20, eff. Sept. 1, 2003.

Sec. 54.606. MEMBERS OF BOARD; APPOINTMENT; TERMS OF OFFICE. (a) The board consists of:

(1) the comptroller;

(2) two members appointed by the governor with the advice and consent of the senate; and

(3) four members appointed by the lieutenant governor, at least two of whom must be appointed from a list of persons recommended by the speaker of the house of representatives.

(b) The appointed members must possess knowledge, skill, and experience in higher education, business, or finance.

(c) The appointed members serve for staggered six-year terms. The terms of one-third of the appointed members expire on February 1 of each odd-numbered year.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.607. DUTY IN RECOMMENDING, MAKING, OR CONFIRMING APPOINTMENTS. (a) In recommending, making, or confirming appointments to the board, the governor, lieutenant governor, speaker of the house of representatives, and senate shall ensure that each

appointee has the background and experience suitable for performing the statutory responsibilities of a member of the board.

(b) Appointments to the board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.608. RESTRICTIONS ON BOARD APPOINTMENT, MEMBERSHIP, AND EMPLOYMENT. (a) A person is not eligible for appointment as a member of the board if the person or the person's spouse:

(1) is employed by or participates in the management of a business entity receiving funds from the board;

(2) owns or controls, directly or indirectly, more than a 10-percent interest in a business entity receiving funds from the board; or

(3) uses or receives a substantial amount of tangible goods, services, or funds from the board, other than compensation or reimbursement authorized by law for board membership, attendance, or expenses.

(b) A person may not be a member of the board and may not be a board employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of higher education, banking, securities, or investments; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of higher education, banking, securities, or investments.

(d) A person may not serve as a member of the board or act as the general counsel to the board if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

(e) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1054, Sec. 12, eff. June 15, 2007.

(f) In this section, "Texas trade association" means a

cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 2, eff. June 15, 2007.
Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 12, eff. June 15, 2007.

Sec. 54.6085. PREPAID HIGHER EDUCATION TUITION BOARD ETHICS POLICY. (a) In addition to any other requirements provided by law, the board shall adopt and enforce an ethics policy that provides standards of conduct relating to the management and investment decisions of the board. The ethics policy must include provisions that address the following issues as they apply to the management and investment decisions of the board:

(1) general ethical standards;

(2) conflicts of interest, including disclosure and recusal requirements;

(3) the acceptance of gifts and entertainment; and

(4) compliance with and enforcement of the ethics policy.

(b) The ethics policy must include provisions applicable to:

(1) members of the board;

(2) the comptroller; and

(3) employees of the board.

Added by Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 3, eff. June 15, 2007.

Sec. 54.609. REMOVAL OF BOARD MEMBER. (a) It is a ground for removal from the board if a member:

(1) does not have at the time of taking office the applicable qualifications required by Section 54.606(b);

(2) is ineligible for membership under Section 54.608;

(3) cannot because of illness or disability discharge the

member's duties for a substantial part of the term for which the member is appointed; or

(4) is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year unless the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that the action was taken when a ground for removal of a board member existed.

(c) If the staff of the board has knowledge that a potential ground for removal exists, the staff shall notify the presiding officer of the board of the potential ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the staff of the board shall notify the next highest ranking officer of the board, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 4, eff. June 15, 2007.

Sec. 54.610. TRAINING OF BOARD MEMBERS. (a) A person who is appointed to and qualifies for office as a member of the board may not vote, deliberate, or be counted as a member in attendance at a meeting of the board until the person completes a training program that complies with this section.

(b) A training program established under this section shall provide information to the member regarding:

(1) the enabling legislation that created the board;

(2) the programs operated by the board;

(3) the role and functions of the board;

(4) the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority;

(5) the current budget for the board;

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

(7) the requirements of the:

(A) open meetings law, Chapter 551, Government Code;

(B) open records law, Chapter 552, Government Code; and

(C) administrative procedure law, Chapter 2001, Government Code;

(8) the requirements of the conflict of interest laws and other laws relating to public officials; and

(9) any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 5, eff. June 15, 2007.

Sec. 54.611. BOARD OFFICERS. (a) The comptroller serves as the presiding officer of the board.

(b) The board shall appoint a secretary of the board whose duties may be prescribed by law and by the board.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.612. COMPENSATION AND EXPENSES OF APPOINTED BOARD MEMBERS. Appointed members of the board shall serve without pay but shall be reimbursed for their actual expenses incurred in attending meetings of the board or in performing other work of the board when that work is approved by the presiding officer of the board.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.613. MEETINGS. (a) The board shall hold regular quarterly meetings in the city of Austin and other meetings at places

and times scheduled by the board in formal sessions and called by the presiding officer.

(b) The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the board.

(c) Minutes of all meetings shall be available in the board's office for public inspection.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.614. APPLICABILITY OF OPEN MEETINGS LAW AND ADMINISTRATIVE PROCEDURE LAW. The board is subject to the open meetings law, Chapter 551, Government Code, and the administrative procedure law, Chapter 2001, Government Code.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.615. EXECUTIVE DIRECTOR; STAFF. (a) The comptroller serves as the executive director of the board.

(b) The employees of the comptroller selected by the comptroller for that purpose serve as the staff of the board.

(c) The comptroller shall select and supervise the staff of the board and perform other duties delegated to the comptroller by the board.

(d) The comptroller shall provide to members of the board and to board staff, as often as necessary, information regarding their qualifications for office or employment under this subchapter and their responsibilities under applicable laws relating to standards of conduct for state officers or employees.

(e) The board shall develop and implement policies that clearly separate the policy-making responsibilities of the board and the management responsibilities of the comptroller and the staff of the board.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.616. PROGRAM AND FACILITY ACCESSIBILITY. (a) The board shall comply with federal and state laws related to program and

facility accessibility.

(b) The board shall prepare and maintain a written plan that describes how a person who does not speak English can be provided reasonable access to the board's programs and services.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.617. PUBLIC INTEREST INFORMATION AND COMPLAINTS. (a) The board shall prepare information of public interest describing the functions of the board and the board's procedures by which complaints are filed with and resolved by the board. The board shall make the information available to the public and appropriate state agencies.

(b) The board by rule shall establish methods by which consumers and service recipients are notified of the name, mailing address, and telephone number of the board for the purpose of directing complaints to the board.

(c) The board shall maintain a system to promptly and efficiently act on complaints filed with the board. The board shall maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

(d) The board shall make information available describing its procedures for complaint investigation and resolution.

(e) The board shall periodically notify the complaint parties of the status of the complaint until final disposition.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 6, eff. June 15, 2007.

Sec. 54.6175. USE OF TECHNOLOGY. The board shall implement a policy requiring the board to use appropriate technological solutions to improve the board's ability to perform its functions. The policy must ensure that the public is able to interact with the staff of the board on the Internet.

Added by Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 7, eff. June 15, 2007.

Sec. 54.618. POWERS OF BOARD. (a) The board has the powers necessary or proper to carry out this subchapter.

(b) The board may:

(1) adopt an official seal;

(2) adopt rules to implement this subchapter;

(3) sue and be sued;

(4) enter into contracts and other necessary instruments;

(5) enter into agreements or other transactions with the United States, state agencies, including institutions of higher education, private or independent institutions of higher education, career schools and colleges, and local governments;

(6) appear in its own behalf before governmental agencies;

(7) contract for necessary goods and services and engage the services of private consultants, actuaries, trustees, records administrators, managers, legal counsel, and auditors for administrative or technical assistance;

(8) solicit and accept gifts, grants, loans, and other aid from any source or participate in any other way in any government program to carry out this subchapter;

(9) impose administrative fees;

(10) contract with a person to market the program;

(11) purchase liability insurance covering the board and employees and agents of the board; and

(12) establish other policies, procedures, and eligibility criteria to implement this subchapter.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1181, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 2.06, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.21, eff. Sept. 1, 2003.

Sec. 54.619. PREPAID HIGHER EDUCATION TUITION PROGRAM. (a) Under the program, a purchaser may enter into a prepaid tuition contract with the board under which the purchaser agrees to prepay the tuition and required fees for a beneficiary to attend an institution of higher education or private or independent institution of higher education.

(b) The board shall deposit the money paid under a prepaid tuition contract in the fund, invest the money and credit the income earned to the fund, and apply money in the fund to the tuition and required fees of the institution of higher education or private or independent institution of higher education in which the beneficiary enrolls as provided by the prepaid tuition contract.

(c) If the beneficiary of a plan described by Section 54.623, 54.624, or 54.625 enrolls in a private or independent institution of higher education, the board shall pay the institution the tuition and required fees the board would have paid had the beneficiary enrolled in an institution of higher education covered by the plan selected in the prepaid tuition contract. The beneficiary is responsible for paying the private or independent institution of higher education the amount by which the tuition and required fees of the institution exceed the tuition and required fees paid by the board.

(c-1) If the beneficiary of a prepaid tuition contract entered into after December 31, 2003, under Section 54.623, 54.624, or 54.625 enrolls in an institution of higher education, the board:

(1) shall pay to the institution the tuition and required fees of the institution; and

(2) may pay to the purchaser all or part of any amount paid or accrued under the contract that exceeds the tuition and required fees of the institution if the board determines that it may do so in a manner consistent with the actuarial soundness of the program.

(d) If the beneficiary of a plan described by Section 54.6251 enrolls in an institution of higher education, the board shall pay:

(1) to the institution the tuition and required fees of the institution; and

(2) to the purchaser the amount by which the estimated average private tuition and required fees exceeds the tuition and required fees of the institution.

(e) If the beneficiary of a plan described by Section 54.6251 enrolls in a private or independent institution of higher education, the board shall pay:

(1) to the institution the lesser of:

(A) the tuition and required fees of the institution; or

(B) the estimated average private tuition and required fees; and

(2) to the purchaser the amount by which the estimated

average private tuition and required fees exceeds the tuition and required fees of the institution.

(f) If the beneficiary of a plan described by Section 54.6251 enrolls in a private or independent institution of higher education, the beneficiary is responsible for paying the institution the amount by which the tuition and required fees of the institution exceeds the estimated average private tuition and required fees.

(g) If in any fiscal year there is not enough money in the fund to pay the tuition and required fees of the institution of higher education in which a beneficiary enrolls or the appropriate portion of the tuition and required fees of the private or independent institution of higher education in which the beneficiary enrolls as provided by the prepaid tuition contract, the comptroller shall transfer to the fund out of the first money coming into the state treasury not otherwise appropriated by the constitution the amount necessary for the board to pay the applicable amount of tuition and required fees of the institution.

(h) Notwithstanding other provisions of this subchapter, any contract benefits purchased under this subchapter may be applied to the payment of tuition and required fees at a career school or college as if the school or college were an institution of higher education or private or independent institution of higher education. On the purchaser's request, the board shall apply, in accordance with Section 54.628, any existing amount of prepaid tuition contract benefits to the payment of tuition and required fees at a career school or college. The board is not responsible for the payment of tuition and required fees at the career school or college in excess of that amount. The board may adopt rules as necessary to implement this subsection.

(i) [Blank].

(j) The board may temporarily suspend new enrollment in the program on the request of the comptroller as the comptroller considers necessary to ensure the actuarial soundness of the fund.

(k) The board by rule shall establish criteria and procedures to guide the board in determining when and under what conditions to reopen new enrollment in the program in the event new enrollment in the program is suspended under Subsection (j). The procedure must require that, each year in which new enrollment in the program is suspended, the board consider the current structure of the program and determine whether any statutory or administrative changes are

needed to enable the board to reopen new enrollment in the program in an actuarially sound manner.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 134, Sec. 1; Acts 1997, 75th Leg., ch. 522, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1181, Sec. 5, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 2.07, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.22, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1310, Sec. 12, eff. June 20, 2003.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 8, eff. June 15, 2007.

Sec. 54.6195. APPLICATION FOR ENROLLMENT. (a) The board shall adopt a form for an application for enrollment in the program. The form must indicate the information that the applicant is required to provide in order for the application to be considered, including the information required by Subsection (b) and any other information the board considers appropriate.

(b) An application for enrollment in the program must include the following information:

(1) the annual household income of the purchaser;

(2) the highest educational level of the purchaser;

(3) the race or ethnicity of the beneficiary;

(4) how the purchaser first learned about the program; and

(5) how the purchaser intends to finance the prepaid tuition contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 9, eff. June 15, 2007.

Sec. 54.620. PREPAID TUITION CONTRACT. (a) The board may contract with a purchaser for the purchaser to prepay the tuition and required fees for a beneficiary to attend an institution of higher education or private or independent institution of higher education to which the beneficiary is admitted as a student.

(b) The terms of a prepaid tuition contract shall be based on an actuarial analysis of:

(1) the rates of increase of:

(A) tuition and required fees at institutions of higher education; or

(B) estimated average private tuition and required fees;

(2) expected investment returns;

(3) estimated administrative costs; and

(4) the period between the date the contract is entered into and the date the beneficiary is projected to graduate from high school.

(c) The board shall adopt a form for a prepaid tuition contract to be used by the board and purchasers.

(d) A prepaid tuition contract must:

(1) specify the amount and number of payments required from the purchaser on behalf of the beneficiary;

(2) specify the terms under which the purchaser shall make payments, including the date on which each payment is due;

(3) specify the consequences of default;

(4) specify the name and date of birth of the beneficiary of the contract and the terms under which another person may be substituted as the beneficiary;

(5) specify the number of credit hours contracted by the purchaser;

(6) specify the type of plan toward which the contracted credit hours shall be applied;

(7) contain an assumption of a contractual obligation by the board to the beneficiary to provide for a specified number of credit hours of undergraduate instruction at an institution of higher education or private or independent institution of higher education, not to exceed the typical number of credit hours required for the degree that corresponds to the plan purchased on behalf of the beneficiary;

(8) specify the date the beneficiary is projected to graduate from high school; and

(9) contain any other provisions the board considers necessary or appropriate.

(e) A prepaid tuition contract does not cover the cost of laboratory fees charged for specific courses.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.621. BENEFICIARY. (a) Except as provided by Subsection (d), the beneficiary of a prepaid tuition contract must be younger than 18 years of age or 18 years of age or older and enrolled in high school at the time the purchaser enters into the contract and must be:

(1) a resident of this state at the time the purchaser enters into the contract; or

(2) a nonresident who is the child of a parent who is a resident of this state at the time that parent enters into the contract.

(b) The board may require a reasonable period of residence in this state for a beneficiary or the parent of a beneficiary.

(c) Notwithstanding any provision of Subchapter B, the tuition and required fees charged by an institution of higher education for semester hours and fees that are paid for by a prepaid tuition contract shall be determined as if the beneficiary of that contract were a resident student.

(d) In order to provide sufficient time for program investments to mature in an actuarially sound manner with regard to the amounts prepaid under a contract entered into after December 31, 2003, the board may require a maturity period between the time a purchaser enters into the contract and the time the board must act on its contractual obligation to pay any tuition or fees on behalf of the beneficiary.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 522, Sec. 2, eff. Sept. 1, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 7, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 10, eff. June 15, 2007.

Sec. 54.622. TYPES OF PLANS. The board shall make prepaid tuition contracts available for the:

(1) junior college plan;

(2) senior college plan;

(3) junior-senior college plan; and
(4) private college plan.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.623. JUNIOR COLLEGE PLAN. Through the junior college plan, a prepaid tuition contract shall provide prepaid tuition and required fees for the beneficiary to attend a public junior college for a specified number of undergraduate credit hours not to exceed the typical number of hours required for a certificate or an associate degree awarded by a public junior college.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.624. SENIOR COLLEGE PLAN. (a) Through the senior college plan, a prepaid tuition contract shall provide prepaid tuition and required fees for the beneficiary to attend a public senior college or university for a specified number of undergraduate credit hours not to exceed the typical number of hours required for a baccalaureate degree awarded by a public senior college or university.

(b) When the beneficiary of a senior college plan prepaid tuition contract entered into on or before December 31, 2003, enrolls in a public senior college or university, the university shall accept as payment in full of the beneficiary's tuition and required fees the lesser of:

(1) the amount of tuition and required fees charged by the institution; or

(2) an amount paid by the board under the contract equal to the weighted average amount of tuition and required fees of all public senior colleges and universities for that semester or other academic period as determined by the board.

(c) Each public senior college or university shall provide the information requested by the board on or before June 1 each year to assist the board in determining the weighted average amount of tuition and required fees of all public senior colleges and universities for each semester or other academic term of the following academic year for purposes of this section.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 1310, Sec. 13, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1321, Sec. 4, eff. Sept. 1, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1054 (H.B. 2173), Sec. 11, eff. June 15, 2007.

Sec. 54.6245. GRADUATE AND PROFESSIONAL DEGREE PLANS. (a) The board may establish one or more plans to allow a person to prepay all or part of the tuition and required fees for enrollment in a graduate or professional degree program at an institution of higher education or private or independent institution of higher education, if the board determines that:

(1) a particular plan is feasible; and

(2) there is sufficient demand for the plan to justify administration of the plan.

(b) The board may limit a plan established under this section to a specified field or fields of study, to a specified level or type of degree, or to a specified number of hours or semesters, as the board considers appropriate.

(c) The board is not required to continue offering a plan established under this section in subsequent years.

(d) The board may modify the terms of a prepaid tuition contract otherwise required by this subchapter for a plan established under this section as the board considers necessary.

Added by Acts 1999, 76th Leg., ch. 269, Sec. 1, eff. Aug. 30, 1999.

Sec. 54.625. JUNIOR-SENIOR COLLEGE PLAN. Through the junior-senior college plan, a prepaid tuition contract shall provide prepaid tuition and required fees for the beneficiary to attend:

(1) a public junior college for a specified number of undergraduate credit hours not to exceed the typical number of hours required for a person to receive a certificate or associate degree awarded by a public junior college; and

(2) a public senior college or university for a specified number of credit hours not to exceed the typical number of additional hours required for the person to receive a baccalaureate degree

awarded by a public senior college or university.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.6251. PRIVATE COLLEGE PLAN. Through the private college plan, a prepaid tuition contract shall provide prepaid estimated average private tuition and required fees for the beneficiary to attend a private or independent institution of higher education for a specified number of undergraduate credit hours not to exceed the typical number of hours required for a baccalaureate degree awarded by a private or independent institution of higher education.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.6252. CONTRACT FOR ADDITIONAL CREDIT HOURS. (a) The board may permit the purchaser of a prepaid tuition contract for a senior college plan or a private college plan at any time during which the contract is in effect and before the beneficiary graduates from high school to enter into a supplemental contract to prepay the tuition and required fees of the beneficiary for a number of undergraduate credit hours, in addition to the undergraduate credit hours included in the primary contract, equal to the number of credit hours purchased for one year under the primary contract. The additional credit hours must be for the same type of institution as the credit hours purchased under the primary contract.

(b) The contract is subject to Section 54.620.

Added by Acts 1997, 75th Leg., ch. 522, Sec. 3, eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1181, Sec. 6, eff. Sept. 1, 1999.

Sec. 54.626. CONTRACT PAYMENT. (a) The board may provide for the receipt of payments under prepaid tuition contracts in lump sums or installment payments. If the board allows payments under a contract to be made in installments over a period longer than one year, it must provide for those payments to be made in single annual installments in addition to any other permitted installment plans.

(b) A purchaser may make payments under a prepaid tuition contract by electronic funds transfer.

(c) An employee of the state or a political subdivision of the state may make payments under a prepaid tuition contract by payroll deductions made by the appropriate officer of the state or political subdivision.

(d) The board may impose a fee for a late payment under a prepaid tuition contract.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 95, Sec. 1, eff. May 15, 1997.

Sec. 54.6261. DEFERRED USE OF PREPAID CREDIT HOURS. (a) A prepaid tuition contract must permit the beneficiary to elect to pay from another source the beneficiary's tuition and required fees for some or all of the semester credit hours to which the beneficiary is entitled to payment under the contract, and to defer to a subsequent semester or term the right to payment of the beneficiary's tuition and required fees for the number of semester credit hours remaining under the contract. The beneficiary is responsible for payment of the amount of tuition and required fees for the number of semester credit hours that the beneficiary elects not to pay under the contract.

(b) This section does not affect the date on which a prepaid tuition contract terminates under this subchapter and does not give the beneficiary the right to any payment under the contract after termination of the contract.

Added by Acts 1997, 75th Leg., ch. 522, Sec. 3, eff. Sept. 1, 1997.

Sec. 54.6262. APPLICATION OF UNUSED CREDIT HOURS TO GRADUATE TUITION. (a) If the beneficiary of a prepaid tuition contract registers in a graduate or professional degree program before the termination of the contract and the beneficiary has not received payment under the contract for tuition and required fees for all of the semester credit hours to which the beneficiary is entitled, the beneficiary may apply the value of the remaining semester credit hours under the contract to the payment of the beneficiary's tuition and required fees in the graduate or professional degree program.

(b) For purposes of this section, the value of a semester credit hour under a prepaid tuition contract is equal to the average amount of undergraduate tuition and required fees for a semester credit hour that would have been paid under the contract if the beneficiary registered in an undergraduate program for the same term or semester for which the beneficiary applies the payment to the beneficiary's tuition and required fees in a graduate or professional degree program under this section.

(c) This section does not affect the date on which a prepaid tuition contract terminates under this subchapter and does not give the beneficiary the right to any payment under the contract after termination of the contract.

Added by Acts 1997, 75th Leg., ch. 522, Sec. 3, eff. Sept. 1, 1997.

Sec. 54.627. CHANGE OF BENEFICIARY. (a) The purchaser of a prepaid tuition contract may designate a new beneficiary instead of the original beneficiary if the new beneficiary meets the requirements of a beneficiary on the date the designation is changed. Except as provided by Subsection (b), the new beneficiary must meet the requirements of Section 529 of the Internal Revenue Code of 1986 so that the change of beneficiary is not treated as a distribution under that law.

(b) If the purchaser is this state, a local government of this state, or an organization exempt from taxation under Section 501(a) of the Internal Revenue Code of 1986 because it is listed in Section 501(c)(3) of that code that purchases an interest in a prepaid tuition contract as part of a scholarship program operated by the government or organization, the purchaser may designate a new beneficiary without regard to the relationship of the new beneficiary to the original beneficiary.

(c) The board may adjust the terms of the contract so that the purchaser is required to pay the amount the purchaser would have been required to pay had the purchaser originally designated the new beneficiary as the beneficiary, taking into account any payments made before the date the designation is changed.

(d) The purchaser of a prepaid tuition contract may not sell the contract.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 1997, 75th Leg., ch. 522, Sec. 4, eff. Sept. 1, 1997.

Sec. 54.628. CONVERSION TO ANOTHER PLAN. (a) A purchaser may convert a prepaid tuition contract from one plan to another plan.

(b) The board may adjust the terms of the contract so that the purchaser is required to pay the amount required under the plan to which the contract is converted, taking into account any payments made before the date the contract is converted.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.629. VERIFICATION UNDER OATH. The board may require a purchaser to verify under oath a request to:

(1) change a beneficiary;

(2) convert a contract to another plan; or

(3) terminate a contract.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.630. PROMISE OR GUARANTEE OF ADMISSION. This subchapter is not a promise or guarantee that a beneficiary will be:

(1) admitted to any institution of higher education or private or independent institution of higher education;

(2) admitted to a particular institution of higher education or private or independent institution of higher education;

(3) allowed to continue enrollment at an institution of higher education or private or independent institution of higher education after admission; or

(4) graduated from an institution of higher education or private or independent institution of higher education.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.631. CONTRACT TERMINATION. (a) A prepaid tuition contract shall specify:

(1) the name of any person who may terminate the contract; and

(2) the terms under which the contract may be terminated.

(b) A prepaid tuition contract terminates on the 10th anniversary of the date the beneficiary is projected to graduate from high school, not counting time spent by the beneficiary as an active duty member of the United States armed services.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.632. REFUND. (a) A prepaid tuition contract shall specify:

(1) the name of the person entitled to any refund if the contract is terminated;

(2) the terms under which a person is entitled to a refund; and

(3) the method by which the amount of the refund is calculated.

(b) The person named in the contract is entitled to a refund following termination of a prepaid tuition contract.

(c) The board shall determine the method by which the amount of the refund is calculated.

(d) The board shall comply with Section 529 of the Internal Revenue Code of 1986 in imposing penalties for refunds and excess amounts payable under Sections 54.619(d) and (e).

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 522, Sec. 5, eff. Sept. 1, 1997.

Sec. 54.633. PREPAID HIGHER EDUCATION TUITION SCHOLARSHIPS FOR STUDENTS. (a) To the extent money is available, the board or the board of a direct-support organization established by the board under Subsection (e) may award a prepaid higher education tuition scholarship to a student who meets:

(1) economic or academic requirements adopted by the board; or

(2) economic or academic requirements established by the board of a direct-support organization that are approved by the board.

(b) A scholarship awarded under this section terminates if the student to whom the scholarship is awarded is:

(1) convicted of, or adjudicated as having engaged in delinquent conduct constituting, an offense under Chapter 481, Health and Safety Code; or

(2) convicted of, or adjudicated as having engaged in delinquent conduct constituting, a felony or Class A misdemeanor.

(c) The board shall ensure that each region of the state is equitably represented in the awarding of scholarships under this section.

(d) Scholarships under this section may be funded by the private sector, the state, or a local government of the state.

(e) The board may establish a direct-support organization under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes) to:

(1) receive, hold, invest, and administer money, gifts, grants, loans, or other property for or on behalf of the program;

(2) purchase and award scholarships under this section; and

(3) establish economic and academic eligibility requirements that are approved by the board.

(f) The board of directors of the direct-support organization consists of:

(1) the comptroller;

(2) a member appointed by the governor with the advice and consent of the senate; and

(3) three members appointed jointly by the comptroller and the member appointed by the governor.

(g) The comptroller serves as executive director of the board of the direct-support organization. The comptroller shall:

(1) select and assign employees of the comptroller to serve as the staff to the board of the direct-support organization;

(2) select and supervise the staff of the board of the direct-support organization and perform other duties delegated to the comptroller by the board of the direct-support organization; and

(3) provide to the board of the direct-support organization and to that board's staff, as necessary, information regarding that board's qualifications for office or employment under this subchapter and responsibilities under applicable laws relating to standards of conduct for state officers or employees.

(h) The board of the direct-support organization shall develop and implement policies that clearly separate the policy-making

responsibilities of the board of the direct-support organization and the management responsibilities of the comptroller and the staff of the board of the direct-support organization.

(i) The board must certify that the direct-support organization operates in a manner consistent with the goals of this state and in the best interests of this state.

(j) The board may contract with an independent certified public accountant to annually audit the direct-support organization under rules adopted by the board. The board shall submit the audit to the comptroller, governor, lieutenant governor, speaker of the house of representatives, Legislative Budget Board, Legislative Audit Committee, and Texas Higher Education Coordinating Board. The comptroller may require the direct-support organization or independent certified public accountant to provide additional information relating to the operation of the organization.

(k) The identity of a donor under this section who desires to remain anonymous and the records of the direct-support organization, other than the records disclosed under Subsection (j), are confidential.

(l) A prepaid tuition contract may be purchased for scholarship purposes under this section without identifying a specific beneficiary.

(m) In awarding a scholarship under this section, the awarding entity may not award a scholarship using funds derived from this state or a local government unless the awarding entity determines, using sound actuarial principles, that awarding the scholarship will not jeopardize the soundness of the fund or require an appropriation from the state to cover the tuition and required fees.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 522, Sec. 6, eff. Sept. 1, 1997.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 13, eff. September 1, 2013.

Sec. 54.634. ESTABLISHMENT OF TRUST FUND; COLLEGE SAVINGS PLAN ACCOUNT. (a) The Texas tomorrow constitutional trust fund is created as a trust fund to be held with the comptroller. The fund consists of:

(1) state appropriations for purposes of the fund;

(2) money acquired from other governmental or private sources;

(3) money paid under prepaid tuition contracts; and

(4) the income from money deposited in the fund.

(b) The board shall administer the assets of the fund. The board is the trustee of the fund's assets.

(c) The board may:

(1) segregate contributions and payments to the fund into various accounts; and

(2) acquire, hold, manage, purchase, sell, assign, trade, transfer, and dispose of any security, evidence of indebtedness, or other investment in which the fund's assets may be invested.

(d) The Texas college savings plan account is created within the Texas tomorrow constitutional trust fund and is financed through administrative fees and service charges as authorized by Section 54.702(c).

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1250, Sec. 4, eff. June 15, 2001.

Sec. 54.635. COMPTROLLER. (a) Except as provided by Subsection (d), the comptroller is the custodian of the assets of the fund.

(b) The comptroller shall pay money from the fund on a warrant drawn by the comptroller supported only on a voucher signed by the comptroller or the comptroller's authorized representative.

(c) The comptroller annually shall furnish to the board a sworn statement of the amount of the fund's assets in the comptroller's custody.

(d) The board may select one or more commercial banks, depository trust companies, or other entities to serve as custodian of all or part of the fund's assets.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.13, eff. Sept. 1, 1997.

Sec. 54.636. INVESTMENT OF FUND ASSETS. (a) The board shall invest the assets of the fund.

(b) The board may contract with private professional investment managers to assist the board in investing the assets of the fund.

(c) The board shall develop written investment objectives concerning the investment of the assets of the fund. The objectives may address desired rates of return, risks involved, investment time frames, and any other relevant considerations.

(d) The comptroller shall develop a comprehensive plan for the investment of the assets of the fund consistent with the objectives developed by the board under Subsection (c). The plan shall specify the policies under which the board shall invest the assets of the fund. The board must approve the plan.

(e) In making investments of the assets of the fund, the board shall exercise the judgment and care, under the circumstances at the time of the investment, that a person of ordinary prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation but for making a permanent disposition of funds, considering the probable income from the disposition and the probable safety of capital.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 522, Sec. 7, eff. Sept. 1, 1997.

Sec. 54.637. USE OF FUND ASSETS. The assets of the fund may be used only to:

(1) pay the costs of program administration and operations;

(2) make payments to institutions of higher education or private or independent institutions of higher education on behalf of beneficiaries; and

(3) make refunds under prepaid tuition contracts.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.6385. EXEMPTION FROM SECURITIES LAWS. The registration requirements of The Securities Act (Article 581-1 et seq., Vernon's Texas Civil Statutes) do not apply to the sale of a prepaid tuition contract by the board or by a registered securities dealer or registered investment adviser.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1091, Sec. 4.01, eff. Sept. 1, 2001.

Sec. 54.639. EXEMPTION FROM CREDITORS' CLAIMS. (a) Money in the fund is exempt from claims of creditors, including claims of creditors of a purchaser, a beneficiary, or a successor in interest of a purchaser or beneficiary.

(b) The rights of a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary in and under a prepaid tuition contract and the payment of tuition and required fees for a beneficiary under a prepaid tuition contract to an institution of higher education or a private or independent institution of higher education under this chapter are exempt from attachment, levy, garnishment, execution, and seizure for the satisfaction of any debt, judgment, or claim against a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary.

(c) A claim or judgment against a purchaser, beneficiary, or a successor in interest of a purchaser or beneficiary does not impair or entitle the claim or judgment holder to assert or enforce a lien against:

(1) the rights of a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary in and under a prepaid tuition contract; or

(2) the right of a beneficiary to the payment of tuition and required fees to an institution of higher education or a private or independent institution of higher education under a prepaid tuition contract.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 522, Sec. 8, eff. Sept. 1, 1997.

Sec. 54.640. ACTUARIAL SOUNDNESS OF FUND. (a) The board shall administer the fund in a manner that is sufficiently actuarially sound to pay the costs of program administration and operations and meet the obligations of the program.

(b) The board shall annually evaluate the actuarial soundness of the fund.

(c) The board may adjust the terms of subsequent prepaid tuition contracts as necessary to ensure the actuarial soundness of the fund.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Sec. 54.6401. COMPLIANCE WITH LIMITS ON CONTRIBUTIONS AND WITHDRAWALS. The board shall monitor contributions to and withdrawals from the fund and any account within the fund to ensure that any applicable limits on contributions or withdrawals are not exceeded.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 5, eff. June 15, 2001.

Sec. 54.641. STATEMENT REGARDING STATUS OF PREPAID TUITION CONTRACT. (a) Not later than January 1 of each year, the board shall furnish without charge to each purchaser a statement of:

(1) the amount paid by the purchaser under the prepaid tuition contract;

(2) the number of credit hours originally covered by the contract;

(3) the number of credit hours remaining under the contract; and

(4) any other information the board determines by rule is necessary or appropriate.

(b) The board shall furnish a statement complying with Subsection (a) to a purchaser or beneficiary on written request. The board may charge a reasonable fee for each statement furnished under this subsection.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 522, Sec. 9, eff. Sept. 1, 1997.

Sec. 54.642. REPORTS. (a) Not later than December 1 of each year, the board shall submit to the governor, lieutenant governor, speaker of the house of representatives, Legislative Budget Board, Legislative Audit Committee, and Texas Higher Education Coordinating Board a report including:

(1) the board's fiscal transactions during the preceding fiscal year;

(2) the market and book value of the fund as of the end of the preceding fiscal year;

(3) the asset allocations of the fund expressed in percentages of stocks, fixed income, cash, or other financial investments;

(4) the rate of return on the investment of the fund's assets during the preceding fiscal year; and

(5) an actuarial valuation of the assets and liabilities of the program, including the extent to which the program's liabilities are unfunded.

(b) The board shall make the report described by Subsection (a) available to purchasers of prepaid tuition contracts.

(c) The board shall include in the report described by Subsection (a):

(1) complete prepaid tuition contract sales information, including projected enrollments of beneficiaries at institutions of higher education; and

(2) the information maintained by the board under Section 54.777.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 14, eff. September 1, 2013.

Sec. 54.643. CONFIDENTIALITY. (a) Records in the custody of the board relating to the participation of specific purchasers and beneficiaries in the program are confidential.

(b) Notwithstanding Subsection (a), the board may release information described by that subsection to an institution of higher education in which a beneficiary may enroll or is enrolled. The institution of higher education shall keep the information confidential.

(c) Notwithstanding any other provision of this subchapter, the board may release information to the Internal Revenue Service and to any state tax agencies as required by applicable tax law.

Added by Acts 1995, 74th Leg., ch. 1032, Sec. 1, eff. Sept. 1, 1995.

Amended by Acts 1997, 75th Leg., ch. 522, Sec. 10, eff. Sept. 1, 1997.

Sec. 54.644. TAX EXEMPT STATUS REQUIREMENTS. (a) The provisions of this section are intended to meet the requirements of Section 529 of the Internal Revenue Code of 1986.

(b) A payment of an amount due to the fund for a prepaid tuition contract must be made in cash. A person may not make a payment to the fund in excess of the amounts required to be paid under a prepaid tuition contract.

(c) The board shall maintain a separate accounting for each beneficiary.

(d) The purchaser of a prepaid tuition contract and the beneficiary of the contract may not control or direct the investment of payments under the contract or any earnings of the fund.

(e) The purchaser of a prepaid tuition contract and the beneficiary of the contract may not use any interest in the contract as security for a loan or other obligation.

(f) The board shall make reports required by the secretary of the United States Treasury.

Added by Acts 1997, 75th Leg., ch. 522, Sec. 11, eff. Sept. 1, 1997.

SUBCHAPTER G. HIGHER EDUCATION SAVINGS PLAN

Sec. 54.701. DEFINITIONS. In this subchapter:

(1) "Beneficiary" means an individual designated as the individual whose qualified higher education expenses are expected to be paid from the savings trust account.

(2) "Board" means the Prepaid Higher Education Tuition Board.

(3) "Eligible educational institution" has the meaning assigned by Section 529, Internal Revenue Code of 1986, as amended.

(4) "Financial institution" means a bank, trust company, savings and loan association, credit union, broker-dealer, mutual fund, insurance company, or other similar financial institution authorized to transact business in this state.

(5) "Nonqualified withdrawal" means a withdrawal from a savings trust account other than:

(A) a qualified withdrawal;

(B) a withdrawal made as the result of the death or disability of the beneficiary of the account; or

(C) a withdrawal made due to a scholarship or to an allowance or payment described by Section 135(d)(1)(B) or (C), Internal Revenue Code of 1986, as amended, received by the beneficiary to the extent the amount of the withdrawal does not exceed the amount of the scholarship, allowance, or payment, in accordance with federal law.

(6) "Plan" means the higher education savings plan established under this subchapter.

(7) "Plan manager" means a financial institution under contract with the board to serve as plan administrator.

(8) "Qualified higher education expenses" means tuition, fees, or expenses for books, supplies, and equipment required for the enrollment or attendance of an individual at an eligible educational institution, the costs of room and board, and any other higher education expenses that may be permitted under Section 529, Internal Revenue Code of 1986, as amended.

(9) "Qualified withdrawal" means a withdrawal from a savings trust account to pay the qualified higher education expenses of the beneficiary of the account.

(10) "Savings trust account" means an account established through the plan by an individual under this subchapter on behalf of a beneficiary in order to apply distributions from the account toward qualified higher education expenses at eligible educational institutions.

(11) "Savings trust agreement" means the agreement between an individual establishing a savings trust account and the board.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.702. POWERS AND DUTIES OF BOARD. (a) The board shall:

(1) develop and implement the plan in a manner consistent with this subchapter;

(2) select the financial institution or institutions to serve as plan manager; and

(3) adopt rules governing withdrawal of money from a savings trust account and develop policies and penalties for

nonqualified withdrawals.

(b) The board may seek rulings and other guidance from the United States Department of the Treasury, the Internal Revenue Service, and the Securities and Exchange Commission relating to the plan as necessary for proper implementation and development of the plan. The board shall make changes to the plan as necessary for savings trust account owners and beneficiaries of the plan to obtain or maintain federal income tax benefits or treatment provided by Section 529, Internal Revenue Code of 1986, as amended, and exemptions under federal securities laws.

(c) The board shall collect administrative fees and service charges in connection with any agreement, contract, or transaction relating to the plan in amounts not exceeding the cost of establishing and maintaining the plan.

(d) A savings trust agreement must be developed and approved by the board. The board shall review for compliance with applicable law and must approve in advance any informational materials that a plan manager provides to participants or potential participants in the plan.

(e) The board shall adopt a policy to prevent contributions to an account on behalf of a beneficiary in excess of those necessary to pay the qualified higher education expenses of the beneficiary.

(f) The board shall monitor contributions to and withdrawals from the plan and each plan account to ensure that any applicable limits on contributions or withdrawals are not exceeded.

(g) The board shall prepare and file statements and information returns relating to accounts to the extent required by federal or state tax law.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.703. OPERATION OF PLAN; ACCOUNTS HELD IN TRUST. (a) The board shall administer a higher education savings plan to enable individuals to save money for the qualified higher education expenses of an individual by establishing a savings trust account in the plan.

(b) Money contributed to a savings trust account and earnings on the account are held in trust by the board for the sole benefit of the account owner and beneficiary.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.704. SELECTION OF FINANCIAL INSTITUTION AS PLAN MANAGER. (a) The board shall contract with one or more financial institutions to serve as plan manager and to invest the money in savings trust accounts. The board shall ensure that investments by a plan manager are made with the judgment and care that persons of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of capital.

(b) The board shall solicit proposals from financial institutions to serve as plan managers.

(c) The board shall select a plan manager or managers from among bidding financial institutions that demonstrate the most advantageous combination to account owners and beneficiaries, based on the following factors:

(1) financial stability and integrity;

(2) the ability of the financial institution, directly or through a subcontract, to satisfy recordkeeping and reporting requirements;

(3) the financial institution's strategy for promoting the plan and the investment that the financial institution is willing to make to promote the plan;

(4) the historic ability of the portfolios or investment strategies to be used by the financial institution to track the estimated costs of higher education as calculated by the United States Department of Education;

(5) the fees, if any, proposed to be charged to account owners for maintaining accounts;

(6) the minimum contributions that the financial institution will require and the willingness of the financial institution to accept contributions through payroll deduction plans or systematic deposit plans; and

(7) any other proposed benefits to this state or to its residents.

(d) The board may require that any financial institution selected provide several investment options to account owners, taking into consideration the age of the beneficiary and the number of years remaining until likely enrollment at an eligible educational

institution. To the extent permitted by federal law, the investment options may include mutual funds, fixed annuities, variable annuities, and variable life insurance policies.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.705. DUTIES OF PLAN MANAGER. (a) A plan manager shall:

(1) take all actions required to keep the plan in compliance with this subchapter, to ensure that the plan qualifies as a qualified state tuition program under Section 529, Internal Revenue Code of 1986, as amended, and to ensure that the plan is exempt from registration under federal securities law;

(2) keep adequate and separate records of each savings trust account and provide the board with the information necessary to prepare the reports required by Section 529, Internal Revenue Code of 1986, as amended, or to file those reports on behalf of the board;

(3) compile necessary information for statements to account owners and statements required by federal or state tax law and provide those compilations to the board; and

(4) provide representatives of the board with access to the books and records of the manager as necessary to determine compliance with the plan manager contract.

(b) A plan manager shall hold all savings trust accounts in trust as authorized by the board in the plan manager contract. A plan manager shall make investments according to the standard provided by Section 54.704(a).

(c) A plan manager shall develop a strategy to promote the plan and, on approval by the board, promote the plan according to that strategy.

(d) A plan manager may provide for any financial institution to market the plan on its behalf and to provide account services to an individual who opens or owns a savings trust account administered by the plan manager. A financial institution that markets the plan or provides account services under this subsection may charge a fee or commission for those services.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.706. CONTRACT BETWEEN BOARD AND PLAN MANAGER. (a) A contract between the board and a financial institution to act as a plan manager under this subchapter must be for a term of at least five years and may be renewable.

(b) If the contract is not renewed, the following conditions apply at the end of the term of the contract, so long as applying the conditions does not disqualify the plan as a qualified state tuition program under Section 529, Internal Revenue Code of 1986, as amended:

(1) the board shall continue to maintain the plan at the financial institution;

(2) accounts previously established at the financial institution may not be terminated, except as provided by Subdivision (5) or Subsection (c);

(3) additional contributions may be made to the accounts;

(4) new accounts may not be opened with that financial institution; and

(5) if the board determines that continuing the accounts at that financial institution is not in the best interest of the account owners, the accounts may be transferred to another financial institution acting as a plan manager.

(c) The board may cancel a plan manager contract with a financial institution for a violation of the contract or a provision of this subchapter by the financial institution at any time. If a contract is terminated under this subsection, the board shall take custody of accounts held at that financial institution and shall promptly seek to transfer the accounts to another financial institution acting as a plan manager and into investment instruments as similar to the original investment instruments as possible.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.707. SAVINGS TRUST ACCOUNTS. (a) An individual may open a savings trust account to save money for the payment of the qualified higher education expenses of a beneficiary. The individual who opens the account is the owner of the account. The owner of the account may also be the beneficiary.

(b) An individual may open an account by entering into a savings trust agreement with the board as prescribed and approved by the board and making the minimum contribution required by the plan

manager selected by the individual to open an account.

(c) A savings trust agreement must include the following terms:

(1) the name and address of the savings trust account owner;

(2) the name, address, and date of birth of the beneficiary on whose behalf the account is opened;

(3) the maximum and minimum contributions allowed to the account;

(4) provisions for withdrawals, refunds, transfers, and any penalties;

(5) terms and conditions for a substitution of the beneficiary originally named;

(6) terms and conditions for termination of the account, including any refunds, withdrawals, or transfers, and applicable penalties, and the name of the person or persons entitled to terminate the account;

(7) all other rights and obligations of the account owner, the plan manager, and the board; and

(8) any other terms and conditions the board considers necessary or appropriate, including those necessary to conform the savings trust account to the requirements of Section 529, Internal Revenue Code of 1986, as amended, or other applicable federal law.

(d) An account owner may change the designated beneficiary of an account as provided by Section 529, Internal Revenue Code of 1986, as amended, in accordance with procedures established by the board.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.708. CONTRIBUTIONS AND WITHDRAWALS; PENALTY FOR NONQUALIFIED WITHDRAWAL. (a) Contributions to a savings trust account may be made only in cash or by electronic funds transfer. An employee of the state or a political subdivision of the state may make contributions to a savings trust account by payroll deductions made by the appropriate officer of the state or political subdivision.

(b) An account owner may withdraw all or part of the balance of an account on prior notice as authorized by board rules. The board shall adopt rules governing the determination whether a withdrawal is a qualified withdrawal or a nonqualified withdrawal. The rules may

require an account owner requesting to make a qualified withdrawal to provide a certification of qualified higher education expenses.

(c) In the case of a nonqualified withdrawal from an account, an amount equal to 10 percent of the portion of the withdrawal constituting income as determined in accordance with Section 529, Internal Revenue Code of 1986, as amended, shall be withheld as a penalty.

(d) The amount of the penalty prescribed by Subsection (c) may be increased if the board determines that the increased penalty is necessary to constitute a greater than de minimis penalty for purposes of qualifying the plan as a qualified state tuition program under Section 529, Internal Revenue Code of 1986, as amended.

(e) The amount of the penalty prescribed by Subsection (c) may be decreased by board rule if the board determines that:

(1) the amount of the penalty prescribed by Subsection (c) is greater than required to constitute a greater than de minimis penalty for purposes of qualifying the plan as a qualified state tuition program under Section 529, Internal Revenue Code of 1986, as amended; and

(2) the penalty together with other revenue generated under this subchapter is producing more revenue than required to cover the costs of operating the plan and to recover any prior costs not previously recovered.

(f) Penalties collected under this subchapter shall be used to cover costs of administering this subchapter, and any excess shall be treated as earnings of the savings trust accounts in the plan.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.709. ADMINISTRATION OF ACCOUNTS. (a) A plan manager shall provide separate accounting for each savings trust account.

(b) An account owner or beneficiary may not direct the investment of any contributions to or earnings on an account.

(c) If the board terminates the contract of a financial institution to act as a plan manager and accounts must be transferred from that financial institution to another financial institution, the board shall select the financial institution to which the balances of the accounts are transferred.

(d) A savings trust agreement must provide that, if after a

specified period the savings trust agreement has not been terminated and the beneficiary's rights in the account have not been exercised, the board, after making reasonable efforts to contact the owner and beneficiary of the account or their agents, shall report the unclaimed money in the account to the comptroller.

(e) Money in a savings trust account is exempt from attachment, execution, and seizure for the satisfaction of debt or liability of an account owner or beneficiary.

(f) A savings trust account may not be assigned for the benefit of creditors, used as security or collateral for any loan, or otherwise subject to alienation, sale, transfer, assignment, pledge, encumbrance, or charge.

(g) A distribution from an account to any individual or for the benefit of any individual during a calendar year shall be reported to the Internal Revenue Service and to the account owner or the beneficiary to the extent required by federal law.

(h) A plan manager shall provide an annual statement to each account owner not later than the January 31 after the end of each calendar year and may provide statements more frequently than annually. A statement must identify the contributions made during the reporting period, the total contributions made through the end of the reporting period, the value of the account at the end of the reporting period, withdrawals made during the reporting period, and any other information the board requires.

(i) Notwithstanding Subsection (b), if Section 529, Internal Revenue Code of 1986, as amended, is amended to permit an account owner to direct the investment of a contribution to or an account balance in a qualified state tuition program, the board in each subsequent plan manager contract shall provide that each plan manager must provide a savings trust account owner with the ability to direct the investment of a contribution to the account or the balance in the account among a wide variety of investment options.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.710. PLAN LIMITATIONS. (a) Nothing in this subchapter or in any savings trust agreement entered into under this subchapter may be construed to:

(1) give a beneficiary any rights or legal interest with

respect to a savings trust account unless the beneficiary is the account owner;

(2) guarantee that amounts saved under the plan will be sufficient to cover the qualified higher education expenses of a beneficiary; or

(3) establish state residency for tuition or other purposes for a beneficiary because of the designation as a beneficiary.

(b) Nothing in this subchapter or in any savings trust agreement entered into under this subchapter may be construed to create any obligation of the state, any agency or instrumentality of the state, or a plan manager to guarantee for the benefit of an account owner or beneficiary:

(1) the return of any amount contributed to an account;

(2) the rate of interest or other return on an account;

(3) the payment of interest or other return on an account; or

(4) tuition rates or the cost of related education expenditures.

(c) The board by rule shall require that every savings trust agreement, deposit slip, and other similar document used in connection with a contribution to an account clearly indicate that the account is not insured by this state and that neither the principal deposited nor the investment return is guaranteed by this state.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.711. NO PROMISE OF ADMISSION, ENROLLMENT, OR GRADUATION. The opening or maintenance of a savings trust account does not promise or guarantee that a beneficiary of the account will:

(1) be admitted to any eligible educational institution;

(2) be admitted to a particular eligible educational institution;

(3) be allowed to continue enrollment at an eligible educational institution after admission; or

(4) receive a degree or certificate from an eligible educational institution.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.712. RESIDENCY NOT REQUIRED. A savings trust account owner or beneficiary is not required to be a resident of this state.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.713. POLICIES FOR PROMOTION AND DISCLOSURE OF INFORMATION. The board shall adopt policies for promotion of the plan and the disclosure of plan information to savings trust account owners and beneficiaries in a manner consistent with this subchapter and the requirements of Section 529, Internal Revenue Code of 1986, as amended, to ensure that:

(1) promotional material and plan information disclose that no money invested in the plan is insured by this state and that neither the principal deposited nor the investment returned is guaranteed by this state; and

(2) any fees imposed under this subchapter are disclosed in promotional material and plan information provided to the public and to account owners and beneficiaries.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.714. CONFIDENTIALITY OF RECORDS. (a) Except as otherwise provided by this section, all information relating to the plan is public and subject to disclosure under Chapter 552, Government Code.

(b) Information relating to a beneficiary or owner of a savings trust account, including any personally identifiable information about an owner or beneficiary, is confidential except that the board may disclose that information to an account owner regarding the owner's account.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.715. TERMINATION OR MODIFICATION OF PLAN. If the comptroller determines that the plan is not financially feasible, the comptroller shall notify the governor and the legislature and recommend that the board not administer a higher education savings plan or that the plan be modified or terminated.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

Sec. 54.716. EFFECT OF TERMINATION OF PLAN ON SAVINGS TRUST AGREEMENT. If the plan is terminated, the balance of each savings trust account shall be paid to the account owner, to the extent possible, and any unclaimed assets shall escheat to the state in accordance with general law regarding unclaimed property.

Added by Acts 2001, 77th Leg., ch. 1250, Sec. 1, eff. June 15, 2001.

SUBCHAPTER H. PREPAID TUITION UNIT UNDERGRADUATE EDUCATION PROGRAM: TEXAS TOMORROW FUND II

Sec. 54.751. DEFINITIONS. In this subchapter:

(1) "Accredited out-of-state institution of higher education" means a public or private institution of higher education that:

(A) is located outside this state; and

(B) is accredited by a recognized accrediting agency.

(2) "Beneficiary" means the person designated under a prepaid tuition contract as the person entitled to apply one or more tuition units purchased under the contract to the payment of the person's undergraduate tuition and required fees at a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education.

(3) "Board" means the Prepaid Higher Education Tuition Board.

(3-a) "Career school" means a career school or college as defined by Section 132.001 that offers a two-year associate degree as approved by the Texas Higher Education Coordinating Board.

(4) "Fund" means the Texas tomorrow fund II.

(5) "General academic teaching institution" has the meaning assigned by Section 61.003, except that the term does not include a public state college.

(6) "Prepaid tuition contract" means a contract under which a person purchases from the board on behalf of a beneficiary one or more tuition units that the beneficiary is entitled to apply to the

payment of the beneficiary's undergraduate tuition and required fees at a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education.

(7) "Private or independent institution of higher education," "public junior college," "public state college," "public technical institute," and "recognized accrediting agency" have the meanings assigned by Section 61.003.

(8) "Program" means the prepaid tuition unit undergraduate education program.

(9) "Purchaser" means a person who enters into a prepaid tuition contract with the board on behalf of a beneficiary for the purchase of one or more tuition units.

(10) "Required fee" means a fee, other than a laboratory fee for a specific course, that is charged by a public or private institution of higher education to all students at the institution who are not exempt from the fee. For purposes of this subdivision, a fee is a required fee only to the extent that the fee is considered a qualified higher education expense under Internal Revenue Code provisions applicable to the program.

(11) "Two-year institution of higher education" means a public junior college, a public state college, and a public technical institute.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 2, eff. June 19, 2009.

Sec. 54.752. POWERS AND DUTIES OF BOARD CONCERNING PROGRAM. (a) In addition to carrying out duties assigned under Subchapters F and G, the Prepaid Higher Education Tuition Board shall administer the prepaid tuition unit undergraduate education program established under this subchapter. The board shall comply with federal and state law related to the program.

(b) In addition to the board's powers assigned under Subchapters F and G, the board has the powers necessary or proper to

carry out this subchapter, including the power to:

(1) adopt rules to implement this subchapter;

(2) sue and be sued;

(3) enter into contracts and other necessary instruments;

(4) enter into agreements or other transactions with the United States, state agencies, general academic teaching institutions, two-year institutions of higher education, and local governments;

(5) appear on its own behalf before governmental agencies;

(6) contract for necessary goods and services, including specifying in the contract duties to be performed by the provider of a good or service that are a part of or are in addition to the person's primary duties under the contract;

(7) engage the services of private consultants, actuaries, trustees, records administrators, managers, legal counsel, and auditors for administrative or technical assistance;

(8) solicit and accept gifts, grants, loans, and other aid from any source or participate in any other way in any government program to carry out this subchapter;

(9) impose administrative fees;

(10) contract with a person to market the program;

(11) purchase liability insurance covering the board and employees and agents of the board; and

(12) establish other policies, procedures, and eligibility criteria to implement this subchapter.

(c) In marketing the program, regardless of whether the board markets the program directly or under contract as authorized by Subsection (b)(10), the board, in coordination with the Health and Human Services Commission, the Texas Workforce Commission, and the Texas Higher Education Coordinating Board, shall ensure that:

(1) the program is marketed across the state in a manner that promotes the participation goals and targets of the most recent revision of "Closing the Gaps," the state's master plan for higher education; and

(2) any marketing plan for the program includes a specific strategy to promote enrollment in the program by persons likely to qualify for federal earned income tax credits.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.753. PREPAID TUITION UNITS: PURCHASE; ASSIGNED VALUE; TYPES; PRICE. (a) Under the program, a purchaser may prepay the costs of all or a portion of a beneficiary's undergraduate tuition and required fees at a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education by entering into a prepaid tuition contract with the board to purchase one or more tuition units of a type described by this section at the applicable price established by the board for that type of unit for the year in which the unit is purchased. The portion of the beneficiary's undergraduate tuition and required fees for which a tuition unit may be redeemed at a particular general academic teaching institution or two-year institution of higher education is assigned to the tuition unit at the time of purchase, and the tuition unit may be redeemed to pay that portion of the tuition and fees at the general academic teaching institution or two-year institution of higher education in any academic year in which the unit is redeemed in accordance with this subchapter. The purchaser may purchase one type of unit or a combination of two or three types of units.

(b) The assigned value of a tuition unit, purchased as provided by this section, when used to pay the cost of tuition and required fees at a general academic teaching institution or two-year institution of higher education, is equal to one percent of the amount necessary for the academic year in which the unit is redeemed to cover the applicable cost of undergraduate resident tuition and required fees for one academic year consisting of 30 semester credit hours as follows:

(1) for a Type I tuition unit, the cost of undergraduate resident tuition and required fees charged by the general academic teaching institution with the highest such tuition and fee costs, determined as provided by Subsection (d);

(2) for a Type II tuition unit, the weighted average undergraduate resident tuition and required fees charged by general academic teaching institutions, determined as provided by Subsection (e); and

(3) for a Type III tuition unit, the weighted average undergraduate resident tuition and required fees of two-year

institutions of higher education, determined as provided by Subsection (f).

(c) Each year, the board shall establish the price at which each type of tuition unit may be purchased during the next sales period and the percentage of the total cost of undergraduate resident tuition and required fees for one academic year consisting of 30 semester credit hours for which each type of tuition unit may be redeemed at each general academic teaching institution and two-year institution. The percentage shall be based on the total cost of required tuition and fees at a particular general academic teaching institution or two-year institution of higher education in relation to the amount determined for the institution with the highest cost or weighted average cost, as applicable. The purchase price established for each type of unit must be equal to the applicable cost of tuition and required fees as determined under this section for the most recent academic year that began before the beginning of the sales period. The sales period to which those prices apply expires on the first anniversary of the date the units become available for purchase at the prices established for that year.

(d) The board shall base the purchase price of a Type I tuition unit on one percent of the cost of the undergraduate resident tuition and required fees for the applicable academic year at the general academic teaching institution with the highest such tuition and fee cost for that academic year.

(e) The board shall base the purchase price of a Type II tuition unit on one percent of the cost of the weighted average general academic teaching institution undergraduate resident tuition and required fees for the applicable academic year. That cost is determined by:

(1) for each general academic teaching institution, multiplying the average amount of the institution's undergraduate resident tuition and required fees for an academic year consisting of 30 semester credit hours by the number of full-time equivalent undergraduate resident students at that institution;

(2) adding together the products computed under Subdivision (1) for each institution; and

(3) dividing the sum determined under Subdivision (2) by the total number of full-time equivalent undergraduate resident students at all general academic teaching institutions.

(f) The board shall base the purchase price of a Type III

tuition unit on one percent of the cost of the weighted average two-year institution of higher education undergraduate resident tuition and required fees for the applicable academic year, disregarding any portion of the tuition charged by a public junior college to a resident of this state who does not reside within the taxing jurisdiction of the junior college. That cost is determined by:

(1) for each two-year institution of higher education, multiplying the average amount of the institution's undergraduate resident tuition and required fees for an academic year consisting of 30 semester credit hours by the number of full-time equivalent undergraduate resident students at that institution;

(2) adding together the products computed under Subdivision (1) for each institution; and

(3) dividing the sum determined under Subdivision (2) by the total number of full-time equivalent undergraduate resident students at all two-year institutions of higher education.

(g) The total amount paid under a prepaid tuition contract on behalf of a single beneficiary may not exceed any limit established on the amount by Section 529, Internal Revenue Code of 1986. The board shall establish, in compliance with Section 529, Internal Revenue Code of 1986, the minimum amount that the purchaser is required to pay under the contract on behalf of a single beneficiary.

(h) At the time of the establishment of the account to which a purchaser's prepaid tuition contract money is assigned, the board may impose an administrative fee not to exceed $25. Money from that fee must be used directly in maintaining the actuarial soundness of the fund as required by Section 54.770. The board may not impose any other fee or charge in connection with the sale of a tuition unit.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 4, eff. June 19, 2009.

Sec. 54.754. REDEMPTION OF TUITION UNITS. (a) In accordance with this subchapter, when a beneficiary under a prepaid tuition contract redeems one or more tuition units to pay costs of tuition and required fees, the board shall apply money in the fund, in the

amount provided by Section 54.765 to pay all or the applicable portion of the costs of the beneficiary's tuition and required fees at the general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, or accredited out-of-state institution of higher education in which the beneficiary enrolls. Subject to Subsection (b)(2) and the other provisions of this section, a beneficiary may redeem any type of tuition unit for attendance at an institution described by this section. A general academic teaching institution or two-year institution of higher education shall accept the amount transferred to the institution under Section 54.765(c) when the unit or units are redeemed as payment for all or the applicable portion of the beneficiary's tuition and required fees.

(b) To pay for the entire cost of undergraduate resident tuition and required fees for an academic year consisting of 30 semester credit hours, redemption of 100 Type I tuition units is required at the general academic teaching institution with the highest tuition and fee cost as described by Section 54.753(d), redemption of 100 Type II tuition units is required at a general academic teaching institution with the applicable tuition and fee cost at the weighted average as described by Subsection (e) of that section, and redemption of 100 Type III units is required at a two-year institution of higher education with the applicable tuition and fee cost at the weighted average as described by Subsection (f) of that section. The number of tuition units that must be redeemed to pay for the entire cost of tuition and required fees for an academic year at another general academic teaching institution or two-year institution of higher education may be higher or lower:

(1) in proportion to the amount that the cost of tuition and required fees at that institution is higher or lower than the amount determined for the institution with the highest cost or weighted average cost, as applicable; or

(2) if a more or less valuable type of tuition unit is redeemed.

(c) To assist purchasers in determining the number of tuition units a beneficiary must redeem to cover the costs of tuition and required fees at general academic teaching institutions and two-year institutions of higher education, each year the board shall prepare a tuition unit redemption chart and shall post the chart on an Internet website. The chart must show for each general academic teaching

institution and for each two-year institution of higher education the number of each type of units purchased that year that would be required to cover the cost of tuition and required fees, based on an academic year consisting of 30 semester credit hours.

(d) If a beneficiary redeems fewer tuition units of the type or combination of types necessary to pay the total cost of the beneficiary's tuition and required fees at the general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education at which the beneficiary enrolls, the beneficiary is responsible for paying the amount of the difference between the amount of tuition and required fees for which the beneficiary pays through the redemption of one or more tuition units and the total cost of the beneficiary's tuition and required fees at the institution.

(d-1) A beneficiary who redeems one or more Type III tuition units to attend a public junior college and who does not reside within the taxing jurisdiction of the junior college is responsible for paying any portion of the tuition charged by the junior college to persons who do not reside within that taxing jurisdiction.

(e) If the beneficiary redeems fewer tuition units to pay the cost of tuition and required fees than the number of units purchased on behalf of the beneficiary under a prepaid tuition contract, other than to defer redemption as permitted in accordance with Section 54.758, the purchaser may:

(1) redeem for cash the amount of the purchase price of the excess units, plus annual interest earned on that money, accrued at a rate set by the board not to exceed five percent annually; or

(2) transfer the remaining units to another beneficiary in accordance with this subchapter.

(f) A beneficiary or purchaser may not redeem a tuition unit earlier than the third anniversary of the date the unit was purchased.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 5, eff. June 19, 2009.

Sec. 54.755. PREPAID TUITION CONTRACT. (a) The board shall adopt a form for a prepaid tuition contract to be used by the board and purchasers.

(b) A prepaid tuition contract must:

(1) specify the terms under which the purchaser must pay any amounts owed under the contract;

(2) specify the consequences of default;

(3) specify the name and date of birth of the beneficiary under the contract and the terms under which another person may be substituted as the beneficiary;

(4) specify the date the beneficiary is projected to graduate from high school; and

(5) contain any other provisions the board considers necessary or appropriate.

(c) A prepaid tuition contract may provide for the purchase of additional tuition units in subsequent years at the then-current price of the additional units.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.756. PURCHASER; BENEFICIARY. (a) A purchaser may be any person who is permitted to be a purchaser under Section 529, Internal Revenue Code of 1986. The purchaser is not required to be a resident of this state, except as provided by Subsection (c)(2).

(b) In accordance with applicable provisions of Section 529, Internal Revenue Code of 1986, a purchaser is the owner of the account to which the purchaser's prepaid tuition contract money is assigned.

(c) At the time the purchaser enters into a prepaid tuition contract, the beneficiary of the contract must be:

(1) a resident of this state at the time the purchaser enters into the contract; or

(2) a nonresident who is the child of a parent who is a resident of this state at the time that parent enters into the contract.

(d) For purposes of Subsection (c), the board may require a reasonable period of residence in this state for a beneficiary or the parent of a beneficiary.

(e) Notwithstanding any provision of Subchapter B, the tuition and required fees charged by a general academic teaching institution or two-year institution of higher education that are paid for with tuition units shall be determined as if the beneficiary of that contract were a resident student.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.757. CONTRACT PAYMENT. (a) The board may provide for the receipt of payment under prepaid tuition contracts in lump sums or installment payments. If the board allows payments under a contract to be made in installments over a period longer than one year, the board must provide for a plan that permits those payments to be made in single annual installments in addition to any other permitted installment plans.

(b) A purchaser may make payments under a prepaid tuition contract by an electronic funds transfer.

(c) An employee of this state or a political subdivision of this state may make payments under a prepaid tuition contract by payroll deductions made by the appropriate officer of the state or political subdivision. The board shall implement procedures to facilitate payments under this subsection.

(d) The board may impose a fee for a late payment under a prepaid tuition contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.758. DEFERRED USE OF PREPAID CREDIT HOURS. (a) A prepaid tuition contract must permit the beneficiary to elect to pay from a source other than tuition units purchased under the contract the beneficiary's tuition and required fees for some or all of the tuition and required fees to which the beneficiary is entitled to payment under the contract, and to defer to a subsequent semester or other academic term the right to payment of the beneficiary's tuition and required fees by using tuition units remaining under the contract.

(b) This section does not affect the date on which a prepaid

tuition contract terminates under this subchapter and does not give the beneficiary the right to a payment under the contract after termination of the contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.759. CHANGE OF BENEFICIARY. (a) The purchaser of a prepaid tuition contract may designate a different beneficiary in place of the original beneficiary if the new beneficiary meets the requirements of a beneficiary on the date the designation is changed. The new beneficiary must meet the requirements of Section 529, Internal Revenue Code of 1986, to prevent the change of beneficiary from being treated as a distribution under that law.

(b) The board may adjust the terms of the contract so that the purchaser is required to pay the amount the purchaser would have been required to pay had the purchaser originally designated the new beneficiary as the beneficiary, taking into account any payments made before the date the designation is changed.

(c) The board may not impose a fee in connection with the designation of a new beneficiary.

(d) The purchaser of a prepaid tuition contract may not sell the contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.760. VERIFICATION UNDER OATH. The board may require a purchaser to verify under oath a request to:

(1) change a beneficiary; or

(2) terminate a contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.761. PROMISE OR GUARANTEE OF ADMISSION. This subchapter is not a promise or guarantee that a beneficiary will be:

(1) admitted to any public or private institution of higher

education;

(2) admitted to a particular public or private institution of higher education;

(3) allowed to continue enrollment at a public or private institution of higher education; or

(4) graduated from a public or private institution of higher education.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.762. CONTRACT TERMINATION. (a) A prepaid tuition contract shall specify:

(1) the name of any person who may terminate the contract; and

(2) the terms under which the contract may be terminated.

(b) A prepaid tuition contract terminates on the 10th anniversary of the date the beneficiary is projected to graduate from high school, not counting time spent by the beneficiary as an active duty member of the United States armed services.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.763. REFUND. (a) A prepaid tuition contract shall specify:

(1) the name of the person entitled to any refund if the contract is terminated;

(2) the terms under which a person is entitled to a refund; and

(3) the method by which the amount of the refund is computed.

(b) The person named in the contract is entitled to a refund following termination of a prepaid tuition contract.

(c) The board shall determine the method by which the amount of the refund is computed.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.764. FUND. (a) The Texas tomorrow fund II prepaid tuition unit undergraduate education program fund is established as a trust fund outside of the state treasury.

(b) The board shall:

(1) deposit in the fund money paid under prepaid tuition contracts; and

(2) credit to the fund income earned on that money.

(c) The board shall provide for administering the assets of the fund and establishing and administering the accounts of purchasers under prepaid tuition contracts.

(d) The board shall provide for assigning payments to the fund to separate accounts for purchasers and may provide for assigning payments to other general accounts as otherwise considered appropriate by the board.

(e) The board may provide for acquiring, holding, managing, purchasing, selling, assigning, trading, transferring, or disposing of any security, evidence of indebtedness, or other investment in which the fund's assets may be invested.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.765. COMPTROLLER'S DUTIES; TRANSFERS TO INSTITUTIONS ON REDEMPTION OF TUITION UNITS. (a) Except as provided by Subsection (h), the comptroller is the custodian of the assets of the fund.

(b) The comptroller shall pay money from the fund supported only by a voucher signed by the comptroller or the comptroller's authorized representative. The comptroller may designate the plan manager as the comptroller's authorized representative to pay expenditures or transfer funds under this section and Sections 54.766 and 54.767.

(c) When a beneficiary enrolls at a general academic teaching institution or two-year institution of higher education, on written authorization from the purchaser of the tuition unit or units for that beneficiary, the comptroller or the comptroller's authorized representative shall transfer to the institution an amount equal to the lesser of:

(1) the sum of:

(A) the total purchase price of the tuition unit or units the beneficiary redeems for the semester or other academic term; and

(B) the amount determined under Subsection (d); or

(2) an amount equal to 101 percent of the amount of tuition and required fees covered by the tuition units being redeemed.

(d) The amount required to be transferred under Subsection (c)(1)(B) is the greater of:

(1) an amount equal to the portion of the actual total return on all investment assets of the fund attributable to the amount transferred under Subsection (c)(1)(A); or

(2) an amount equal to the portion of the total return on all investment assets of the fund attributable to the amount transferred under Subsection (c)(1)(A) that would result assuming an annual return on all investment assets of the fund of five percent, subject to the availability of money in the fund for that purpose.

(e) If the amount that would otherwise be transferred under Subsections (c)(1)(A) and (B) exceeds the amount that may be transferred under Subsection (c)(2), the excess amount shall be retained in the fund and used as necessary to provide sufficient money to meet the minimum transfer requirements under Subsection (c)(1)(B) as specified by Subsection (d).

(f) When a beneficiary enrolls at a private or independent institution of higher education, career school, or accredited out-of-state institution of higher education, on written authorization from the purchaser of the tuition unit or units for that beneficiary, the comptroller or the comptroller's authorized representative shall transfer to the institution the lesser of:

(1) an amount equal to the current cost of the tuition and required fees that would be covered by redemption of the number and type of tuition units the beneficiary is redeeming if the beneficiary were redeeming the unit or units at a general academic teaching institution or two-year institution of higher education as follows:

(A) for a Type I unit, at the general academic teaching institution that had the highest tuition and required fee cost;

(B) for a Type II unit, at a general academic teaching institution that had tuition and required fee cost at the weighted average; and

(C) for a Type III unit, at a two-year institution of

higher education that had tuition and required fee cost at the weighted average; or

(2) an amount equal to the total purchase price of the tuition unit or units the beneficiary redeems for the semester or other academic term plus the portion of the total return on assets of the fund attributable to that amount.

(g) The comptroller annually shall provide to the board a sworn statement of the amount of the fund's assets in the comptroller's or plan manager's custody. The plan manager shall provide to the comptroller a quarterly report of all funds distributed during the previous quarter. The comptroller may require more frequent reports or may request that the plan manager provide any additional information at any time necessary to ensure that the fund's assets are adequately protected.

(h) The board may select one or more commercial banks, depository trust companies, or other entities to serve as custodian of all or part of the fund's assets.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.010, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 6, eff. June 19, 2009.

Sec. 54.766. INVESTMENT OF FUND ASSETS. (a) The board shall provide for investing the assets of the fund. In investing the fund, the board has the same investment authority as that provided by Section 11b, Article VII, Texas Constitution, or other law, to the board of regents of The University of Texas System with respect to the investment of the Permanent University Fund. The board and the board of regents of The University of Texas System may contract for the board of regents to manage and invest the assets of the fund, and for that purpose the board may delegate its duties under this section to the board of regents.

(b) If the board does not contract with the board of regents of The University of Texas System under Subsection (a) to manage and invest the assets of the fund, the board shall contract with one or

more private professional investment managers to serve as plan manager and to invest the assets of the fund on behalf of the board. In selecting a manager, the board must:

(1) select a person who has served as a professional investment manager for at least 10 years;

(2) evaluate each person considered for the position based on the historical net returns of the person's professional investments and the consistency of the person's professional investment returns over a period of at least five years; and

(3) comply with Section 54.704.

(c) In monitoring the manager's investments, the board shall ensure that investments are made according to the standard of investment provided by this section. The plan manager has the same duties imposed on a plan manager by Section 54.705.

(d) The board shall develop written objectives concerning the investment of the assets of the fund. The objectives may address desired rates of return, risks involved, investment time frames, and any other relevant considerations.

(e) The board may specify in a contract under this section that the plan manager is required to establish and maintain an Internet website through which a purchaser may monitor the account to which the purchaser's prepaid tuition contract money is assigned.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.767. USE OF FUND ASSETS. The assets of the fund may be used only to:

(1) pay the costs of program administration and operations;

(2) make payments to general academic teaching institutions, two-year institutions of higher education, private or independent institutions of higher education, career schools, and accredited out-of-state institutions of higher education on behalf of beneficiaries; and

(3) make refunds under prepaid tuition contracts.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 7, eff.

June 19, 2009.

Sec. 54.7671. TRANSFERS AMONG 529 PLANS. (a) The board by rule shall provide for a purchaser to transfer money between an account under this subchapter and an account under another plan established by this state or by another state or other authorized entity in accordance with Section 529, Internal Revenue Code of 1986, to the extent and in the manner authorized by that section.

(b) For purposes of a transfer of money from an account under this subchapter, the value of the account at the time of transfer is the lesser of:

(1) an amount equal to the cost, at the time of the transfer, of the tuition and required fees that would be covered by redemption of the number and type of tuition units to be transferred from the account if the beneficiary were redeeming the units at a general academic teaching institution or two-year institution of higher education as follows:

(A) for a Type I unit, at the general academic teaching institution that had the highest tuition and required fee cost;

(B) for a Type II unit, at a general academic teaching institution that had tuition and required fee cost at the weighted average; and

(C) for a Type III unit, at a two-year institution of higher education that had tuition and required fee cost at the weighted average; or

(2) an amount equal to the total purchase price of the tuition units to be transferred from the account, plus the portion of the total return on assets of the fund attributable to that amount.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 8, eff. June 19, 2009.

Sec. 54.768. EXEMPTION FROM SECURITIES LAWS. The registration requirements of The Securities Act (Article 581-1 et seq., Vernon's Texas Civil Statutes) do not apply to the sale of a prepaid tuition

contract by the board or by a registered securities dealer or registered investment adviser.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.769. EXEMPTION FROM CREDITORS' CLAIMS. (a) Money in the fund is exempt from claims of creditors, including claims of creditors of a purchaser, a beneficiary, or a successor in interest of a purchaser or beneficiary.

(b) The rights of a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary in and under a prepaid tuition contract and the payment of tuition and required fees for a beneficiary under a prepaid tuition contract to a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education under this chapter are exempt from attachment, levy, garnishment, execution, and seizure for the satisfaction of any debt, judgment, or claim against a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary.

(c) A claim or judgment against a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary does not impair or entitle the claim or judgment holder to assert or enforce a lien against:

(1) the rights of a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary in and under a prepaid tuition contract; or

(2) the right of a beneficiary to the payment of tuition and required fees to a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education under a prepaid tuition contract.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 9, eff. June 19, 2009.

Sec. 54.770. ACTUARIAL SOUNDNESS OF FUND. (a) The board shall administer the fund in a manner that is sufficiently actuarially sound to pay the costs of program administration and operations and to meet the obligations of the program.

(b) The board shall annually evaluate the actuarial soundness of the fund.

(c) The board may adjust the terms of subsequent prepaid tuition contracts as necessary to ensure the actuarial soundness of the fund.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.771. COMPLIANCE WITH LIMITS ON CONTRIBUTIONS AND WITHDRAWALS. The board shall monitor contributions to and withdrawals from the fund and any account within the fund to ensure that any applicable limits on contributions or withdrawals are not exceeded.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.772. TAX EXEMPT STATUS REQUIREMENTS. (a) This section is intended to meet the requirements of Section 529, Internal Revenue Code of 1986.

(b) A payment of an amount due to the fund for a prepaid tuition contract must be made in cash or cash equivalent. A person may not make a payment to the fund in excess of the amounts required to be paid under a prepaid tuition contract.

(c) The board shall maintain a separate accounting for each beneficiary.

(d) The purchaser under a prepaid tuition contract and the beneficiary under the contract may not:

(1) control or direct the investment of payments under the contract or any earnings of the fund; or

(2) use any interest in the contract as security for a loan or other obligation.

(e) The board shall make reports required by the secretary of the United States Treasury.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.773. SUSPENSION OF NEW ENROLLMENT; PROGRAM MODIFICATION OR TERMINATION. (a) On the request of the comptroller as the comptroller considers necessary to ensure the actuarial soundness of the fund, the board may temporarily suspend new enrollment in the program.

(b) If the comptroller determines that the program is financially infeasible, the comptroller shall notify the governor and the legislature and recommend that the program be modified or terminated.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.774. EFFECT OF PROGRAM TERMINATION ON CONTRACT. (a) A prepaid tuition contract remains in effect after the program is terminated if, when the program is terminated, the beneficiary:

(1) has been accepted by or is enrolled at a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education; or

(2) is projected to graduate from high school not later than the third anniversary of the date the program is terminated.

(b) A prepaid tuition contract terminates when the program is terminated if the contract does not remain in effect under Subsection (a).

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 10, eff. June 19, 2009.

Sec. 54.775. CONFIDENTIALITY. (a) Records in the custody of the board relating to the participation of specific purchasers and beneficiaries in the program are confidential.

(b) Notwithstanding Subsection (a), the board may release information described by that subsection to a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education at which a beneficiary may enroll or is enrolled. The institution shall keep the information confidential.

(c) Notwithstanding any other provision of this subchapter, the board may release information to the Internal Revenue Service and to any state tax agencies as required by applicable tax law.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 560 (S.B. 1941), Sec. 11, eff. June 19, 2009.

Sec. 54.776. STATEMENT REGARDING STATUS OF PREPAID TUITION CONTRACT. Not later than January 1 of each year, the board shall provide without charge to each purchaser a statement of:

(1) the amount paid by the purchaser under the prepaid tuition contract;

(2) the total number of each type of tuition unit covered by the contract at any one time;

(3) the number of each type of tuition unit remaining under the contract;

(4) the value of the purchasers' tuition units if redeemed at any general academic teaching institution or two-year institution of higher education designated for that year by the purchaser in the time and manner required by the board, not to exceed five institutions; and

(5) any other information the board determines by rule is necessary or appropriate.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Sec. 54.777. INFORMATION REQUIRED FOR ANNUAL REPORT. (a) The board shall maintain the following information for the purpose of inclusion in the annual report under Section 54.642:

(1) the fiscal transactions of the board and the plan manager under this subchapter during the preceding fiscal year;

(2) the market and book value of the fund as of the end of the preceding fiscal year;

(3) the asset allocations of the fund expressed in percentages of stocks, fixed income, cash, or other financial investments;

(4) the rate of return on the investment of the fund's assets during the preceding fiscal year; and

(5) an actuarial valuation of the assets and liabilities of the program, including the extent to which the program's liabilities are unfunded.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(4), eff. September 1, 2013.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(4), eff. September 1, 2013.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 15, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 16, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 99(4), eff. September 1, 2013.

Sec. 54.778. AUDIT. The fund and the operations of the board are subject to audit by the state auditor in accordance with Chapter 321, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1281 (H.B. 3900), Sec. 1, eff. June 15, 2007.

SUBCHAPTER I. TEXAS SAVE AND MATCH PROGRAM

Sec. 54.801. DEFINITIONS. In this subchapter:

(1) "Accredited out-of-state institution of higher education," "career school," "general academic teaching institution," "private or independent institution of higher education," and "two-year institution of higher education" have the meanings assigned by Section 54.751.

(2) "Beneficiary" means a beneficiary on whose behalf a purchaser enters into a prepaid tuition contract with the board under Subchapter H or for whom a savings trust account is opened under Subchapter G.

(3) "Board" means the Prepaid Higher Education Tuition Board.

(4) "Fund" means the Texas save and match trust fund established under Section 54.808.

(5) "Program" means the Texas Save and Match Program established under this subchapter.

(6) "Program entity" means the Texas Match the Promise Foundation, a Texas nonprofit corporation, or any other tax-exempt charitable organization established by law to implement the program.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.802. TEXAS SAVE AND MATCH PROGRAM. (a) The board, in cooperation with the program entity, shall administer the Texas Save and Match Program, under which money contributed to a savings trust account by an account owner under a higher education savings plan established under Subchapter G or paid by a purchaser under a prepaid tuition contract under Subchapter H on behalf of an eligible beneficiary may be matched with:

(1) contributions made by any person to the program entity for use in making additional savings trust account contributions under Subchapter G or in purchasing additional tuition units under prepaid tuition contracts under Subchapter H; or

(2) money appropriated by the legislature for the program to be used by the board to make additional savings trust account contributions under Subchapter G or to purchase additional tuition units under Subchapter H.

(b) In addition to the board's powers assigned under Subchapters F, G, and H, the board has the powers necessary or

proper to carry out its duties under this subchapter, including the power to:

(1) sue and be sued;

(2) enter into contracts and other necessary instruments;

(3) enter into agreements or other transactions with the United States, state agencies, general academic teaching institutions, two-year institutions of higher education, and local governments;

(4) appear on its own behalf before governmental agencies;

(5) contract for necessary goods and services, including specifying in the contract duties to be performed by the provider of a good or service that are a part of or are in addition to the person's primary duties under the contract;

(6) engage the services of private consultants, actuaries, trustees, records administrators, managers, legal counsel, and auditors for administrative or technical assistance;

(7) solicit and accept gifts, grants, donations, loans, and other aid from any source or participate in any other manner in any government program to carry out this subchapter;

(8) impose administrative fees;

(9) contract with a person to market the program;

(10) purchase liability insurance covering the board and employees and agents of the board; and

(11) establish other policies, procedures, and eligibility criteria to implement this subchapter.

(c) Notwithstanding other law, for purposes of Subchapter I, Chapter 659, Government Code:

(1) the program entity is considered an eligible charitable organization entitled to participate in a state employee charitable campaign under Subchapter I, Chapter 659, Government Code; and

(2) a state employee is entitled to authorize a payroll deduction for contributions to the program entity as a charitable contribution under Section 659.132, Government Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.803. INITIAL ELIGIBILITY FOR PARTICIPATION IN PROGRAM.

(a) To be initially eligible to participate in the program, a beneficiary, at the time a prepaid tuition contract is entered into on the beneficiary's behalf under Subchapter H or a savings trust account is opened on the beneficiary's behalf under Subchapter G, as applicable, must be:

(1) a resident of this state; or

(2) a dependent for purposes of Section 152, Internal Revenue Code of 1986, of a resident of this state.

(b) To be initially eligible to receive matching funds described by Section 54.802(a)(2) under the program, a beneficiary, at the time a prepaid tuition contract is entered into on the beneficiary's behalf under Subchapter H, or a savings trust account is opened on the beneficiary's behalf under Subchapter G, as applicable, must be eligible for free meals under the national free or reduced-price breakfast and lunch program.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.804. LIMITATIONS. A matching account established by the board or program entity on behalf of a beneficiary under this subchapter is forfeited and reverts to the board or program entity on the occurrence of any of the following:

(1) the 10th anniversary of the date the beneficiary is projected to graduate from high school, as indicated by the purchaser in the enrollment contract, except that time spent by the beneficiary as an active duty member of the United States armed services tolls the period described by this subdivision;

(2) a change of beneficiary by the account owner or purchaser of the matched account;

(3) a contract cancellation of the matched account and refund request;

(4) the successful completion by the beneficiary of an associate or bachelor's degree program;

(5) transfer of the matched account to another qualified tuition program of any state that meets the requirements of Section 529, Internal Revenue Code of 1986; or

(6) any other event the board or program entity determines would be inconsistent with the program's purposes.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.805. MATCHING ACCOUNT ADMINISTRATION. (a) A matching account established by the board or program entity on behalf of a beneficiary under this subchapter must be accounted for separately from the beneficiary's prepaid tuition contract balance or savings trust account balance.

(b) To the extent possible, money or tuition units in a beneficiary's matching account shall be used or redeemed after money is used from the beneficiary's savings trust account under Subchapter G or tuition units are redeemed from the prepaid tuition contract for the beneficiary under Subchapter H.

(c) To the extent possible, the board shall include information about a matching account in the periodic statement provided to applicable account owners and purchasers under Subchapters G and H.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.806. CONFIDENTIALITY. (a) Records in the custody of the board or program entity relating to the participation of specific purchasers, beneficiaries, applicants, scholarship recipients, or donors under the program are confidential.

(b) Notwithstanding Subsection (a), the board or program entity may release information described by Subsection (a) to the extent required by a general academic teaching institution, two-year institution of higher education, private or independent institution of higher education, career school, or accredited out-of-state institution of higher education at which a beneficiary may enroll or is enrolled. The institution or school receiving information described by Subsection (a) shall keep the information confidential.

(c) Notwithstanding any other provision of this subchapter, the board or program entity may release information to the Internal Revenue Service or to any state tax agency as required by applicable tax law.

(d) Notwithstanding any other provision of this subchapter, the

board or program entity may release information relating to donors who authorize release of that information.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.807. PILOT PROJECTS UNDER PROGRAM. To fulfill the intent of the program, the board may use funds described by Section 54.802(a)(2) to establish pilot projects under the program in an effort to incentivize participation in the higher education savings program under Subchapter G and the prepaid tuition unit undergraduate education program under Subchapter H, including projects that incentivize participation by:

(1) awarding additional matching grants based on a beneficiary's achievement of specified academic goals;

(2) providing initial matching grants and paying application fees;

(3) providing incentives for employers to contribute matching funds to the program; and

(4) creating a program information portal designed to increase program awareness and accessibility among school districts, parents, and students.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.808. TEXAS SAVE AND MATCH TRUST FUND; AGREEMENTS BETWEEN BOARD AND PROGRAM ENTITY REGARDING PROGRAM ENTITY FUNDS. (a) The Texas save and match trust fund is established as a trust fund to be held with the comptroller.

(b) Money in the fund may be spent without appropriation and only to establish matching accounts, make deposits, purchase tuition units, and award matching grants and scholarships under the program and to pay the costs of program administration and operations.

(c) The board may invest, reinvest, and direct the investment of any available money in the fund.

(d) Interest and income from the assets of the fund shall be credited to and deposited in the fund.

(e) The board and the program entity may enter into an

agreement under which the board may hold and manage funds of the program entity and provide services to the program entity.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

Sec. 54.809. RULES. The board shall adopt rules for the administration of this subchapter.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 3, eff. June 17, 2011.

SUBCHAPTER J. TEXAS ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) PROGRAM

Sec. 54.901. PURPOSES OF PROGRAM. The purposes of this subchapter are as follows:

(1) to encourage and assist individuals and families in saving funds for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life; and

(2) to provide secure funding for qualified disability expenses on behalf of designated beneficiaries with disabilities that will supplement, but not supplant, benefits provided through private insurance, the Medicaid program under Title XIX of the Social Security Act, the supplemental security income program under Title XVI of the Social Security Act, the beneficiary's employment, and other sources.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.902. DEFINITIONS. In this subchapter:

(1) "ABLE account" has the meaning assigned by Section 529A, Internal Revenue Code.

(2) "ABLE program" or "program" means the Texas Achieving a Better Life Experience Program created under this subchapter.

(3) "Board" means the Prepaid Higher Education Tuition Board established under Section 54.602.

(4) "Designated beneficiary" means a resident of this state with a disability who is an eligible individual and named as the designated beneficiary of an ABLE account.

(5) "Eligible individual" means a person who has certified to the board that the person is eligible to participate in the ABLE program.

(6) "Financial institution" means a bank, a trust company, a depository trust company, an insurance company, a broker-dealer, a registered investment company or investment manager, the Texas Safekeeping Trust Company, or another similar financial institution authorized to transact business in this state.

(7) "Internal Revenue Code" means the Internal Revenue Code of 1986.

(8) "Participant" means a designated beneficiary or the parent or custodian or other fiduciary of the beneficiary who has entered into a participation agreement under this subchapter.

(9) "Participation agreement" means an agreement between a participant and the board under this subchapter that conforms to the requirements prescribed by this subchapter.

(10) "Qualified disability expenses" means any expenses related to the eligible individual's blindness or disability that are made for the benefit of an eligible individual who is the designated beneficiary, and includes expenses for education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, oversight and monitoring, a funeral and burial, and other expenses approved under federal regulations adopted under Section 529A, Internal Revenue Code.

(11) "Texas ABLE savings plan account" means the Texas ABLE savings plan account created under Section 54.903.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.903. CREATION OF PROGRAM AND ACCOUNT; ADMINISTRATION. (a) The Texas Achieving a Better Life Experience (ABLE) Program is created under this subchapter. The Texas ABLE savings plan account is established as a trust fund outside of the state treasury.

(b) The board shall administer the ABLE program.

(c) The board, the office of the comptroller, and any manager or other contractor that contracts with the board to provide services under this subchapter are not covered entities for purposes of Chapter 181, Health and Safety Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.904. POWERS AND DUTIES OF BOARD. (a) To establish and administer the ABLE program, the board shall:

(1) develop and implement the program;

(2) adopt rules and establish policies and procedures to implement this subchapter to:

(A) permit the program to qualify as a qualified ABLE program under Section 529A, Internal Revenue Code;

(B) make changes to the program as necessary for the participants in the program to obtain or maintain federal income tax benefits or treatment provided by Section 529A, Internal Revenue Code, and exemptions under federal securities laws; and

(C) make changes to the program as necessary to ensure the program's compliance with all other applicable laws and regulations;

(3) either directly or through a contractual arrangement for investment or plan manager services with a financial institution or plan manager or another qualified entity, develop and provide information for participants and their families necessary to establish and maintain an ABLE account;

(4) enter into agreements with any financial institution or any state or federal agency or contractor or other entity as required to administer the program under this subchapter;

(5) enter into participation agreements with participants;

(6) solicit and accept any gifts, grants, legislative appropriations, and other funds from the state, any unit of federal, state, or local government, or any other person, firm, partnership, or corporation;

(7) invest participant funds in appropriate investment instruments; and

(8) make provision for the payment of costs of

administering the program.

(b) The board has all powers necessary or proper to carry out its duties under this subchapter and to effectuate the purposes of this subchapter, including the power to:

(1) sue and be sued;

(2) enter into contracts and other necessary instruments;

(3) enter into agreements or other transactions with the United States, state agencies, and other entities as necessary;

(4) appear on its own behalf before governmental agencies;

(5) contract for necessary goods and services, including specifying in the contract duties to be performed by the provider of a good or service that are a part of or are in addition to the person's primary duties under the contract;

(6) contract with another state that administers a qualified ABLE program as authorized by Section 529A, Internal Revenue Code, to provide residents of this state with access to a qualified ABLE program;

(7) engage the services of private consultants, trustees, records administrators, managers, legal counsel, auditors, and other appropriate parties or organizations for administrative or technical assistance;

(8) participate in any government program;

(9) impose fees and charges;

(10) develop marketing plans or promotional materials or contract with a consultant to market the program;

(11) make reports;

(12) purchase liability insurance covering the board and employees and agents of the board;

(13) make changes to the program as necessary for the participants in the program to obtain or maintain federal income tax benefits or treatment provided by Section 529A, Internal Revenue Code, and exemptions under federal securities laws; and

(14) establish other policies, procedures, and eligibility criteria to implement this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.9045. COLLECTION OF FEES. The board shall collect

administrative fees and service charges in connection with any agreement, contract, or transaction relating to the program in amounts not exceeding the amount necessary to recover the cost of establishing and maintaining the program.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.905. INVESTMENT OF FUNDS. (a) All money paid by a participant in connection with a participation agreement shall be:

(1) deposited into an individual ABLE account held on behalf of that participant in the Texas ABLE savings plan account; and

(2) promptly invested by the board.

(b) The board at least annually shall establish and review the asset allocation and selection of the underlying investments of the ABLE program.

(c) The board may delegate to duly appointed financial institutions authority to act on behalf of the board in the investment and reinvestment of all or part of the funds and may also delegate to those financial institutions the authority to act on behalf of the board in the holding, purchasing, selling, assigning, transferring, or disposing of any or all of the securities and investments in which the funds in the Texas ABLE savings plan account have been invested, as well as the proceeds from the investment of those funds.

(d) In delegating investment authority to financial institutions, the board may authorize the pooling of funds from the ABLE accounts with other funds administered by the board to maximize returns for participants. If funds from the ABLE accounts are pooled with other funds administered by the board, the board shall track, monitor, report, and record separately all investment activity related to the ABLE accounts, including any earnings and fees associated with each individual ABLE account.

(e) The board may select one or more financial institutions to serve as custodian of all or part of the program's assets.

(f) In the board's discretion, the board may contract with one or more financial institutions to serve as plan manager and to invest the money in ABLE accounts.

(g) A contract between the board and a financial institution to act as plan manager under this subchapter may be for a term of up to five years and may be renewable.

(h) In exercising or delegating investment powers and authority, members of the board shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. A member of the board is not liable for any action taken or omitted with respect to the exercise of, or delegation of, those powers and authority if the member discharged the duties of the member's position in good faith and with the degree of diligence, care, and skill that a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an enterprise of a like character and with like aims.

(i) In administering this subchapter, the board is subject to the board's ethics policy adopted under Section 54.6085.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.906. TREATMENT OF ASSETS. (a) The assets of the ABLE program shall at all times be preserved, invested, and spent only for the purposes provided by this subchapter and in accordance with the participation agreements entered into under this subchapter.

(b) Except as provided by Section 529A, Internal Revenue Code, the state does not have a property right in the assets of the ABLE program.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.9065. EXCLUSION OF ABLE ACCOUNT ASSETS FROM CERTAIN BENEFIT ELIGIBILITY DETERMINATIONS. Notwithstanding any other provision of state law that requires consideration of the financial circumstances of an applicant for assistance or a benefit provided under that law, the agency making the determination of eligibility for the assistance or benefit may not consider the amount in the applicant's ABLE account, including earnings on that amount, and any distribution for qualified disability expenses in determining the applicant's eligibility to receive and the amount of the assistance

or benefit with respect to the period during which the individual maintains the ABLE account.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.907. EXEMPTION FROM SECURITIES LAWS. An ABLE account is not a security within the meaning of the term as defined by Section 4, The Securities Act (Article 581-4, Vernon's Texas Civil Statutes), and is exempt from the provisions of The Securities Act (Article 581-1 et seq., Vernon's Texas Civil Statutes).

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.908. PARTICIPATION AGREEMENTS. (a) Under the ABLE program, the board may enter into participation agreements with participants on behalf of designated beneficiaries.

(b) A participation agreement may include the following terms:

(1) the requirements and applicable restrictions for:

(A) opening an ABLE account;

(B) making contributions to an ABLE account; and

(C) directly or indirectly, directing the investment of the contributions or balance of the ABLE account;

(2) the eligibility requirements for a participant to enter into a participation agreement and the rights of that participant;

(3) the administrative fee and other fees and charges applicable to an ABLE account;

(4) the terms and conditions under which an ABLE account or participation agreement may be modified, transferred, or terminated;

(5) the method of disposition of abandoned ABLE accounts; and

(6) any other terms and conditions the board considers necessary or appropriate, including those necessary to conform the ABLE account to the requirements of Section 529A, Internal Revenue Code, or other applicable federal law.

(c) The participation agreement may be amended throughout the term of the agreement, including to allow a participant to increase or decrease the level of participation and to change the designated

beneficiary or other matters authorized by this section and Section 529A, Internal Revenue Code.

(d) If the board finds a participant has made a material misrepresentation in the application for a participation agreement or in any communication regarding the ABLE program, the board may liquidate the participant's ABLE account. If the board liquidates an ABLE account under this subsection, the participant is entitled to a refund, subject to any charges or fees provided by the participation agreement and the Internal Revenue Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.9085. ENCUMBRANCE OR TRANSFER OF ACCOUNT PROHIBITED. (a) An ABLE account may not be assigned for the benefit of creditors, used as security or collateral for any loan, or otherwise subject to alienation, sale, transfer, assignment, pledge, encumbrance, or charge.

(b) Notwithstanding Subsection (a), the state is a permissible creditor upon the death of a designated beneficiary for the purposes set forth in Section 529A, Internal Revenue Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.909. USE OF FUND ASSETS. The assets of the program may only be used to:

(1) make distributions to designated beneficiaries;

(2) pay the costs of program administration and operations;

(3) make refunds for cancellations, excess contributions, liquidation under Section 54.908(d), and death, in accordance with a computation method determined by the board;

(4) roll over funds to another ABLE account to the extent authorized by Section 529A, Internal Revenue Code; and

(5) make distributions to the state as authorized by Section 529A, Internal Revenue Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.910. DESIGNATED BENEFICIARY. (a) The participant is the designated beneficiary and the owner of the ABLE account except as described by Subsection (b) and as otherwise permitted by Section 529A, Internal Revenue Code.

(b) If the designated beneficiary of the account is a minor or has a custodian or other fiduciary appointed for the purpose of managing the minor's financial affairs, the parent or custodian or other fiduciary of the beneficiary may serve as the participant if that form of ownership is permitted or not prohibited by Section 529A, Internal Revenue Code.

(c) A designated beneficiary may own only one ABLE account, and each ABLE account may have only one owner, except as otherwise permitted by Section 529A, Internal Revenue Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.911. VERIFICATION UNDER OATH. The board may require a participant to verify under oath:

(1) the participant's certification as an eligible individual;

(2) the participant's selection to change a designated beneficiary;

(3) the participant's selection to cancel a participation agreement; and

(4) any other information the board may require.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.912. CANCELLATION. (a) A participant may cancel a participation agreement at will.

(b) Each participation agreement must provide that the agreement may be canceled on the terms and conditions and on payment of applicable fees and costs as provided by rule.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2,

eff. June 19, 2015.

Sec. 54.913. REPORTS. (a) The board shall comply with the reporting requirements in Section 529A, Internal Revenue Code.

(b) The board shall report financial information related to the ABLE program in an annual financial report in accordance with the comptroller's requirements and guidelines for state agencies.

(c) The board shall include financial information for the ABLE program in the board's annual report posted on the board's website.

(d) The board shall prepare any other reports required by state or federal rules and regulations.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.914. CONFIDENTIALITY OF RECORDS. (a) Except as otherwise provided by this section, all information relating to the program is public and subject to disclosure under Chapter 552, Government Code.

(b) Information relating to a prospective or current participant or designated beneficiary or to a participation agreement, including any personally identifiable information, is confidential except that the board may disclose that information to:

(1) a participant regarding the participant's account; or

(2) a state or federal agency as necessary to administer the program or as required by Section 529A, Internal Revenue Code, or other federal or state requirements.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.915. PROGRAM LIMITATIONS. (a) Nothing in this subchapter or in any participation agreement entered into under this subchapter may be construed to guarantee that amounts saved under the program will be sufficient to cover the qualified disability expenses of a designated beneficiary.

(b) Nothing in this subchapter or in any participation agreement entered into under this subchapter may be construed to

create any obligation of the state, any agency or instrumentality of the state, or a plan manager to guarantee for the benefit of a participant:

(1) the return of any amount contributed to an account;

(2) the rate of interest or other return on an account; or

(3) the payment of interest or other return on an account.

(c) The board by rule shall require that informational materials used in connection with a contribution to an ABLE account clearly indicate that the account is not insured by this state and that neither the principal deposited nor the investment return is guaranteed by the state.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

Sec. 54.916. TERMINATION OR MODIFICATION OF PROGRAM. (a) If the comptroller determines that the ABLE program is not financially feasible, the comptroller shall notify the governor and the legislature and recommend that the board not administer an ABLE program or that the program be modified or terminated. The program may be terminated only by the legislature.

(b) If the comptroller determines that the ABLE program is not financially feasible, the board may adjust the terms of participation agreements as necessary to ensure the financial feasibility of the program.

(c) If the legislature terminates the ABLE program, the balance of each ABLE account shall be paid to the participant, to the extent possible.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

For expiration of this section, see Subsection (g).

Sec. 54.917. ABLE PROGRAM ADVISORY COMMITTEE. (a) The ABLE program advisory committee is established to review rules and procedures related to the ABLE program, to provide guidance, suggest changes, and make recommendations for the administration of the program, and to provide assistance as needed to the board and

comptroller during the creation of the program.

(b) The comptroller shall appoint at least five and not more than seven members to the advisory committee, including at least one member from each of the following groups:

(1) persons with a disability who qualify for the program;

(2) family members of a person with a disability who qualifies for the program;

(3) representatives of disability advocacy organizations; and

(4) representatives of the financial community.

(c) The comptroller shall appoint a presiding officer.

(d) The advisory committee shall meet quarterly or more frequently as the presiding officer determines is necessary to carry out the responsibilities of the committee.

(e) A member of the advisory committee is not entitled to compensation or reimbursement for travel expenses.

(f) Chapter 2110, Government Code, does not apply to this section.

(g) This section expires and the advisory committee is abolished December 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 1213 (S.B. 1664), Sec. 2, eff. June 19, 2015.

CHAPTER 55. FINANCING PERMANENT IMPROVEMENTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 55.01. DEFINITIONS. In this chapter:

(1) "Institution of higher education" or "institution" has the meaning assigned to it by Section 61.003(7) of this code, except that "public junior college" is excluded.

(2) "Governing board" or "board" means the board having management and control of an institution of higher education.

(3) "Revenue funds" means the revenues, incomes, receipts, rentals, rates, charges, fees, grants, and tuition levied or collected from any public or private source by an institution of higher education, including interest or other income from those funds.

(4) "Bonds" means bonds, notes, or credit agreements a board is authorized to enter into either by this title or by other

laws.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 803, Sec. 1, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 1073, Sec. 1.04, eff. Aug. 1, 1997.

Sec. 55.02. SYSTEMWIDE REVENUE FINANCING PROGRAM. (a) The governing board of a university system may establish a systemwide revenue financing program to provide funds to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure at an institution, branch, or entity of the university system.

(b) The governing board may issue bonds or notes in accordance with this chapter for any purpose authorized by law as part of the systemwide revenue financing program.

(c) The governing board may pledge to the payment of any bonds or notes issued as part of the systemwide revenue financing program all or any part of the revenue funds of an institution, branch, or entity of the university system.

(d) In this section, "university system" has the meaning assigned by Section 61.003 of this code.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 2, eff. Sept. 1, 1993.

Sec. 55.03. MINORITY-OWNED AND WOMEN-OWNED BUSINESSES. (a) The board of regents of each institution of higher education shall make a good-faith effort to award to minority-owned and women-owned businesses:

(1) contracts relating to the issuance of bonds by the board under this chapter in the amount of at least 25 percent of the total costs of issuing those bonds; and

(2) contracts for the items to be financed by bonds issued by the board in the amount of at least 25 percent of the proceeds of those bonds.

(b) Not later than October 31 of each academic year, the board of regents shall file with the governor and each house of the legislature a written report containing the following information for the previous academic year for all businesses, minority-owned

businesses and women-owned businesses, classified by gender and minority group status:

(1) the total number of contracts relating to the issuance of bonds by the board under this chapter and to the items to be financed by those bonds;

(2) the total dollar amount the board of regents must pay under each contract described by Subdivision (1) of this subsection; and

(3) the total number of businesses submitting bids or proposals relating to the issuance of bonds by the board under this chapter and to the items to be financed by those bonds.

(c) In this section:

(1) "Minority-owned business" means a business entity at least 51 percent of which is owned by members of a minority group or, in the case of a corporation, at least 51 percent of the shares of which are owned by members of a minority group, and that is managed and controlled by members of a minority group in its daily operations.

(2) "Minority group" includes:

(A) African Americans;

(B) American Indians;

(C) Asian Americans; and

(D) Mexican Americans and other Americans of Hispanic origin.

(3) "Women-owned business" means a business entity at least 51 percent of which is owned by women or, in the case of a corporation, at least 51 percent of the shares of which are owned by women, and that is managed and controlled by women in its daily operations.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 2, eff. Sept. 1, 1993.

Sec. 55.04. CUMULATIVE EFFECT. (a) The authority to issue bonds under this chapter is cumulative of all other authority to issue bonds. The governing board of an institution of higher education may issue bonds under that other authority or may issue bonds under the authority of this chapter.

(b) This chapter is sufficient authority for a governing board of an institution of higher education to issue bonds under this

chapter and to perform all other acts and procedures authorized by this chapter.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 2, eff. Sept. 1, 1993.

SUBCHAPTER B. REVENUE BONDS AND FACILITIES

Sec. 55.11. GENERAL AUTHORITY. Each board is authorized to acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, services, operations, or other facilities, for and on behalf of its institution or institutions, or any branch or branches thereof.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.115. HIGH-PERFORMANCE, SUSTAINABLE DESIGN, CONSTRUCTION, AND RENOVATION STANDARDS FOR CERTAIN FACILITIES. (a) This section applies to the construction of an institution of higher education building, structure, or other facility, or the renovation of a building, structure, or other facility the cost of which is more than $2 million, or, if less than $2 million, more than 50 percent of the value of the building, structure, or other facility, if any part of the construction or renovation is financed by revenue bonds issued under this subchapter.

(b) A building, structure, or other facility to which this section applies must be designed and constructed or renovated so that the building, structure, or other facility complies with high-performance building standards, approved by the board of regents of the institution, that provide minimum requirements for energy use, natural resources use, and indoor air quality. In approving high-performance building standards, a board of regents shall consider, but is not subject to, the high-performance building evaluation system approved by the state energy conservation office under Section 447.004, Government Code, and may solicit and consider recommendations from the advisory committee appointed under that section.

(c) Except as provided by this section, a building, structure, or other facility to which this section applies must be designed and constructed or renovated to comply with the applicable energy and

water conservation design standards established by the state energy conservation office under Section 447.004, Government Code, unless the institution constructing the building determines that compliance with those standards is impractical and notifies the state energy conservation office of the determination and provides to the office documentation supporting the determination.

Added by Acts 2011, 82nd Leg., R.S., Ch. 937 (H.B. 51), Sec. 1, eff. September 1, 2011.

Sec. 55.12. CONTRACTS FOR JOINT CONSTRUCTION. Each board may enter into contracts with municipalities or school districts for the joint construction of museums, libraries, or other buildings.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.13. AUTHORITY TO ISSUE REVENUE BONDS. (a) For the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip any property, buildings, structures, activities, services, operations, or other facilities, for and on behalf of its institution or institutions, or any branch or branches thereof, each board may issue its revenue bonds from time to time and in one or more issue or series, to be payable from and secured by liens on and pledges of all or any part of any of the revenue funds of the board and its institution or institutions, or any branch or branches of any of its institutions.

(b) With respect to all institutions the Texas Public Finance Authority shall exercise the authority of a board to issue revenue bonds on behalf of such institution or institutions, or any branch or branches thereof, in the manner provided by this subchapter, including the authority to issue refunding bonds under Section 55.19 of this code. In connection with the issuance of bonds under this chapter, the Texas Public Finance Authority has all of the rights and duties granted or assigned to and is subject to the same conditions as a board under this chapter. This subsection does not apply to The University of Texas System, The Texas A&M University System, or a component of those systems to an institution authorized to issue bonds under Article VII, Section 17, of the Texas Constitution, or to

bonds authorized to be issued by any of those systems, components, or institutions.

(c) Notwithstanding any other provision of this section, with respect to all bonds authorized to be issued by Midwestern State University or Texas Southern University, the Texas Public Finance Authority shall exercise the authority of a board to issue bonds on behalf of those institutions, in the manner provided by this subchapter, including the authority to issue refunding bonds under Section 55.19. In connection with the issuance of bonds under this chapter, the Texas Public Finance Authority has all the rights and duties granted or assigned to and is subject to the same conditions as a board under this chapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 14.01, eff. Jan. 1, 1992; Acts 1997, 75th Leg., ch. 294, Sec. 10, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1073, Sec. 2.01, eff. Aug. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 521 (H.B. 2251), Sec. 5, eff. June 17, 2011.

Sec. 55.14. TERMS AND CONDITIONS. (a) The bonds may be issued to mature serially or otherwise within not to exceed 50 years from their date, and each board may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, under any terms or conditions that may be set forth in the resolution authorizing the issuance of the bonds.

(b) The bonds, and any interest coupons appertaining thereto, are and shall constitute negotiable instruments within the meaning and for all purposes of the Texas Uniform Commercial Code (provided that the bonds may be issued registrable as to principal alone or as to both principal and interest), and shall be executed, and may be made redeemable prior to maturity, and may be issued in such form, denominations, and manner, and under such terms, conditions, and details, and may be sold in such manner, at such price, and under such terms, and said bonds shall bear interest at such rates, all as shall be determined and provided by the board in the resolution authorizing the issuance of the bonds.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.15. DISPOSITION OF BOND PROCEEDS. Proceeds from the sale of the bonds may be used for paying interest on the bonds during the period of the acquisition or construction of any facilities to be provided through the issuance of the bonds, and for providing a reserve for the payment of the principal of and interest on the bonds, and such proceeds may be placed on time deposit or invested, until needed, to the extent, and in the manner provided, in the bond resolution.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.16. BOARD RESPONSIBILITY. (a) Each board shall be authorized to fix and collect rentals, rates, and charges from students and others for the occupancy, services, use, and/or availability of all or any of its property, buildings, structures, activities, operations, or other facilities as provided by this section.

Text of subsec. (b) as amended by Acts 2001, 77th Leg., ch. 769, Sec. 13

(b) Unless it is expressly provided by law that specified funds under the control of a board are not considered revenue funds, a provision in this title or another law that limits the purpose for which funds under the control of the board may be spent does not impair a board's ability to pledge and use all revenue funds under the board's control to secure and pay obligations of the board under this chapter or other law.

Text of subsec. (b) as amended by Acts 2001, 77th Leg., ch. 1432, Sec. 2

(b) Unless expressly provided by law that specified money under the control of a board is not considered revenue funds, a provision of this title or another law that limits the purposes for which money under the control of the board may be spent does not impair the board's authority to pledge and use any revenue or money under the board's control to secure or pay obligations of the board under this

chapter or other law.

Text of subsec. (c) as amended by Acts 2001, 77th Leg., ch. 769, Sec. 13

(c) A board shall fix each rental, rate, charge, or fee that the board has authority under this title to fix in an amount determined to be necessary to pay or provide, for each activity or service, all associated capital costs, including debt service, operation and maintenance costs, including associated overhead costs of a system or institution, and prudent reserves. Except as otherwise provided by Subsection (e), this section does not authorize a board to impose a rental, rate, charge, or fee at an amount exceeding a limit imposed by another provision of this title.

Text of subsec. (c) as amended by Acts 2001, 77th Leg., ch. 1432, Sec. 2

(c) A board shall fix each rental, rate, charge, or fee that the board is authorized by this title to fix in an amount the board determines necessary to pay or provide, for each activity or service for which the rental, rate, charge, or fee is imposed, all associated capital costs, including debt service, operation and maintenance costs, including associated overhead costs of a system or institution, and prudent reserves. Except as otherwise provided by Subsection (e), this section does not authorize a board to impose a rental, rate, charge, or fee in an amount that exceeds any applicable limit imposed by another provision of this title.

Text of subsec. (d) as amended by Acts 2001, 77th Leg., ch. 769, Sec. 13

(d) For billing and reporting purposes, a board shall accumulate all mandatory fees or charges provided for by this section or Chapter 54 as a separate facilities and services charge.

Text of subsec. (d) as amended by Acts 2001, 77th Leg., ch. 1432, Sec. 2

(d) For billing and reporting purposes, a governing board may accumulate all mandatory fees or charges authorized by this section or by Chapter 54 as a separate facilities and services charge.

(e) If bonds have been or are issued pursuant to this title, or secured or to be secured by a pledge of part or all of the board's revenue funds, and if, at the time of authorizing the issuance of the bonds, (1) the estimated maximum amount per semester hour of such pledged revenue funds (based on then current enrollment and

conditions) during any future semester necessary to provide for the payment of the principal of and interest on the bonds when due, together with (2) the aggregate amount of all such pledged revenue funds which were levied on a semester hour basis for the then current semester to pay the principal of and interest on all previously issued bonds, do not exceed the amount permitted by this title, then any necessary fees, tuition, rentals, rates, or other charges constituting revenue funds shall be levied and collected when and to the extent required by the resolution authorizing the issuance of the bonds in any amount required to provide revenue funds sufficient for the payment of the principal of and interest on the bonds, regardless of any other provision or limitation provided by this title.

(f) A board is not required to charge students enrolled in different degree programs at the institution the same rentals, rates, charges, and fees under this section.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1759, ch. 641, Sec. 1, eff. Aug. 27, 1973; Acts 1975, 64th Leg., p. 1245, ch. 469, Sec. 1, eff. June 19, 1975; Acts 1989, 71st Leg., ch. 716, Sec. 1, eff. June 14, 1989; Acts 1991, 72nd Leg., ch. 839, Sec. 1, eff. Aug. 26, 1991; Acts 1993, 73rd Leg., ch. 327, Sec. 1, eff. May 29, 1993; Acts 1995, 74th Leg., ch. 757, Sec. 7, eff. June 16, 1995; Acts 1997, 75th Leg., ch. 1073, Sec. 1.05, eff. Aug. 1, 1997; Acts 2001, 77th Leg., ch. 769, Sec. 13, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1432, Sec. 2, eff. Sept. 1, 2001.

Sec. 55.17. PLEDGES; PARIETAL RULES; TYPES OF FEES; ADDITIONAL PLEDGE OF RESOURCES; ACQUISITION, ETC. OF PROPERTY; REVENUE BONDS. (a) Each board may pledge all or any part of its revenue funds to the payment of the bonds, including the payment of principal, interest, and any other amounts required or permitted in connection with the bonds. The pledged revenue funds shall be fixed and collected in amounts that will be at least sufficient to provide for all payments of principal, interest, and any other amounts required in connection with the bonds and, to the extent required by the resolution authorizing the issuance of the bonds, to provide for the payment of expenses in connection with the bonds and for the payment of operation, maintenance, and other expenses in connection

with the aforesaid property, buildings, structures, activities, services, operations, or other facilities.

(b) Each board may establish and enforce parietal rules for students and others, and enter into agreements regarding occupancy, use, and availability of facilities, and the amounts and collection of pledged revenue funds that will assure making all the required payments and deposits.

(c) Tuition, rentals, rates, and other charges of an institution of higher education authorized by this title may be pledged to the payment of the bonds and shall be fixed and collected from all or any designated part of the students enrolled in the institution or institutions, or any branch or branches thereof, in the amounts and in the manner as determined and provided by the board in the resolution authorizing the issuance of the bonds; and said tuition, rentals, rates, and other charges may be collected in the full amounts required or permitted herein, without regard to actual use, availability, or existence of any facility, commencing at any time designated by the board. Such tuition, rentals, rates, and other charges may be fixed and collected, and pledged to the payment of any issue or series of bonds issued by the board, in the full amounts required or permitted herein, in addition to, and regardless of the existence of, any other specific or general fees at the institution or institutions, or any branch or branches thereof; provided that each board may restrict its power to pledge such additional tuition, rentals, rates, or other charges in any manner that may be provided in any resolution authorizing the issuance of bonds, and provided that no such additional tuition, rentals, rates, or other charges shall be pledged if prohibited by any resolution which authorized the issuance of any then outstanding bonds.

(d) Repealed by Acts 1997, 75th Leg., ch. 1073, Sec. 1.06, eff. Aug. 1, 1997.

(e)(1) The board of regents of Texas Tech University, acting separately and independently for and on behalf of Texas Tech University and separately and independently for and on behalf of the Texas Tech University Health Sciences Center, is hereby granted full and final authority and responsibility to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Texas Tech University and the Texas Tech University Health Sciences Center.

(2) The board of regents of Texas Tech University, acting

separately and independently for and on behalf of Texas Tech University and separately and independently for and on behalf of the Texas Tech University Health Sciences Center, may pledge irrevocably to the payment of its revenue bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at Texas Tech University and/or at the Texas Tech University Health Sciences Center; and the amount of any pledge so made shall never be reduced or abrogated while such bonds are outstanding; provided, however, that such tuition charges shall not be pledged pursuant to the authority granted by this Subsection (e)(2) except to the payment of bonds issued in an aggregate principal amount of not to exceed $35 million for the purpose of providing funds to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the Texas Tech University Health Sciences Center.

(3) In addition to the authority granted by Sections 55.13, 55.14, 55.17, and 55.19 of this code, the board of regents of Texas Tech University and the Texas Tech University Health Sciences Center may issue bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in an additional aggregate principal amount not to exceed $25 million to finance the items listed under Subdivision (1) of this subsection. The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Tech University or Texas Tech University Health Sciences Center, including student tuition charges required or authorized by law to be imposed on students enrolled at Texas Tech University or at the Texas Tech University Health Sciences Center. The amount of a pledge made under this subdivision may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(4) In addition to the other authority granted by this subchapter, the board of regents of Texas Tech University and the Texas Tech University Health Sciences Center may issue bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board to finance the items listed under Subdivision (1) of this subsection in an additional aggregate principal amount for Texas Tech University not to exceed $30 million, and in an additional aggregate principal amount for the Texas Tech University Health Sciences Center not to exceed $32.5

million. The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Tech University or the Texas Tech University Health Sciences Center, including student tuition charges required or authorized by law to be imposed on students enrolled at Texas Tech University or at the Texas Tech University Health Sciences Center. The amount of a pledge made under this subdivision may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding. Of the proceeds of bonds authorized by this subdivision for the Texas Tech University Health Sciences Center, $2.5 million may be used only to build and equip a surgical and medical facility in the Midland County Hospital District for a cardiology residency program.

(f)(1) The board of regents of The University of Texas System is hereby granted full and final authority and responsibility to acquire, purchase, construct, improve, enlarge, and/or equip property, buildings, structures, and/or facilities for The University of Texas at Dallas, The University of Texas of the Permian Basin, The University of Texas at San Antonio, The University of Texas Medical School at Houston, The University of Texas Dental School at San Antonio, The University of Texas (Undergraduate) Nursing School at El Paso, and The University of Texas (Clinical) Nursing School at San Antonio.

(2) The board of regents of The University of Texas System may pledge irrevocably to the payment of its revenue bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at each and every institution, branch, and school operated by or under the jurisdiction of said board of regents of The University of Texas System; and the amount of any pledge so made shall never be reduced or abrogated while such bonds are outstanding; provided, however, that such tuition charges shall not be pledged pursuant to the authority granted by this Subsection (f)(2) except to the payment of bonds issued in an aggregate principal amount of not to exceed $150 million for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and/or equip property, buildings, structures, and facilities for The University of Texas at Dallas, The University of Texas of the Permian Basin, The University of Texas at San Antonio, The University of Texas Medical School at Houston, The University of Texas Dental School at San Antonio, The University of

Texas (Undergraduate) Nursing School at El Paso, and The University of Texas (Clinical) Nursing School at San Antonio.

(g) The board of regents of The University of Texas System, The Texas A&M University System, or Texas Tech University may not issue bonds under this section pursuant to its systemwide revenue financing program for the benefit of an institution under its governance unless the board determines before issuing the bonds that the institution is reasonably expected to have the financial resources necessary to meet its obligations with respect to the bonds without using the resources of any other institution under the governance of the board. This subsection does not decrease the authority of a board of regents to enter into pledges or covenants with respect to bonds, notes, or other obligations under law existing before the effective date of this subsection.

(h) Subsections (a) through (g) of this section are cumulative of all other laws on the subject, but they shall be wholly sufficient authority for the issuance of the bonds and the performance of the acts and procedures, and the exercise of the powers granted and authorized thereby, regardless of any restrictions or limitations contained in any other laws; and when any bonds are being issued or any acts or procedures are being undertaken, or any powers being exercised pursuant to those subsections, then to the extent of any conflict or inconsistency between any provisions of those subsections, and any provision of any other law, the provisions of those subsections shall prevail and control.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3335, ch. 1024, art. 2, Sec. 1, eff. Sept. 1, 1971; Acts 1993, 73rd Leg., ch. 803, Sec. 3, eff. Sept. 1, 1993; Acts 1995, 74th Leg., ch. 757, Sec. 8, eff. June 16, 1995; Acts 1997, 75th Leg., ch. 748, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1073, Sec. 1.06, 2.02, eff. Aug. 1, 1997.

Sec. 55.171. SPECIFIC INSTITUTIONS. (a) The board of regents of the University of Houston may acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, and facilities for the University of Houston at Clear Lake City, and for these purposes may request the Texas Public Finance Authority to issue revenue bonds on behalf of the University of Houston pursuant

to this subchapter. The board may pledge irrevocably to the payment of these revenue bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at the University of Houston or the University of Houston at Clear Lake City, or both; and the amount of any pledge so made shall never be reduced or abrogated while the bonds are outstanding. However, the tuition charges shall not be pledged pursuant to the authority granted by this subsection except to the payment of bonds issued in an aggregate principal amount not to exceed $40 million for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, and facilities for the University of Houston at Clear Lake City.

(b) The board of directors of the Texas A & M University System may acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, and facilities for Texas A & M University at Galveston, and for these purposes may issue revenue bonds pursuant to this subchapter. The board may pledge irrevocably to the payment of these revenue bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at Texas A & M University and Texas A & M University at Galveston; and the amount of any pledge so made shall never be reduced or abrogated while the bonds are outstanding. However, the tuition charges shall not be pledged pursuant to the authority granted by this subsection except to the payment of bonds issued in an aggregate principal amount not to exceed $7.5 million for the purpose of providing funds to acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, and facilities for Texas A & M University at Galveston.

(c) Tuition revenue of Prairie View A & M College and Tarleton State College is specifically exempted from being pledged under the provisions of this bill.

(d) It is provided, however, that no bonds shall be issued hereunder and no tuition shall be pledged thereto unless and until the specific terms and provisions of said bonds and pledge have been first approved by the Coordinating Board, Texas College and University System, in accordance with rules and regulations regarding that subject adopted, published and heard in accordance with Section 61.027 of this code.

Added by Acts 1973, 63rd Leg., p. 345, ch. 145, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 1981, 67th Leg., p. 3052, ch. 799, Sec. 3, eff. June 17, 1981; Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 14.02, eff. Jan. 1, 1992.

Sec. 55.1711. TEXAS A&M UNIVERSITY--CORPUS CHRISTI. (a) The board of regents of The Texas A&M University System may acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, and facilities for Texas A&M University--Corpus Christi, including a classroom, a laboratory, and an office facility; a central heating and air conditioning plant; roads, sidewalks, landscaping, and related infrastructure; and a physical education instructional facility. The board may finance said facilities through the issuance of bonds pursuant to this subchapter and in accordance with its existing system-wide revenue financing program and may pledge irrevocably to the payment of such bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at Texas A&M University--Corpus Christi; and the amount of any pledge so made shall never be reduced or abrogated while such bonds, or bonds issued to refund such bonds, are outstanding. Bonds issued pursuant to this subsection may not be issued in an aggregate principal amount exceeding $30 million.

(b) The bonds issued hereunder and the facilities financed thereby shall be subject to all approvals then required by law.

Added by Acts 1991, 72nd Leg., ch. 438, Sec. 1, eff. June 8, 1991. Amended by Acts 1997, 75th Leg., ch. 126, Sec. 1, eff. May 19, 1997.

Sec. 55.1712. TEXAS A&M INTERNATIONAL UNIVERSITY. (a) The board of regents of The Texas A&M University System may acquire, purchase, construct, improve, enlarge, and equip property, buildings, structures, facilities, roads, and related infrastructure for Texas A&M International University.

(b) The board may finance those items listed under Subsection (a) of this section through the issuance of bonds under this subchapter and in accordance with its existing system-wide revenue financing program. The board may pledge irrevocably to the payment

of those bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at Texas A&M International University. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Bonds issued under this section may not be issued in an aggregate principal amount exceeding $30 million.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 14.03, eff. Jan. 1, 1992. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 10, eff. Sept. 1, 1993.

Sec. 55.1713. THE TEXAS A&M UNIVERSITY SYSTEM. (a) In addition to the authority granted by Sections 55.13, 55.14, 55.17, 55.171, 55.1711, 55.1712, and 55.19 of this code, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in aggregate principal amounts not to exceed the following amounts:

(1) Texas A&M University--Corpus Christi, $22 million;

(2) Texas A&M International University, $36 million; and

(3) Texas A&M University--Kingsville, $17 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The Texas A&M University System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient

allocation of available resources for each institution, branch, or entity to carry out its constitutional and statutory duties and purposes.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.1714. THE UNIVERSITY OF TEXAS SYSTEM. (a) In addition to the authority granted by Sections 55.13, 55.14, 55.17, 55.172, and 55.19 of this code, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with its systemwide revenue financing program and secured as provided by that program, in aggregate principal amounts not to exceed the following amounts:

(1) The University of Texas at Brownsville, $23.5 million;

(2) The University of Texas at El Paso, $23 million;

(3) The University of Texas--Pan American, $26 million;

(4) The University of Texas at San Antonio, $63.5 million;

(5) The University of Texas Health Science Center at San Antonio, $25 million; and

(6) The University of Texas at Austin, $2 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The University of Texas System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Of the proceeds of bonds issued under this section for The University of Texas at San Antonio, $20 million may be used only to acquire, purchase, construct, improve, renovate, enlarge, or equip a downtown campus for that university. Proceeds of bonds issued under this section for The University of Texas at Austin may be used only to acquire, purchase, construct, renovate, enlarge, or equip the McDonald Observatory.

(d) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its constitutional and statutory duties and purposes.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.1715. THE UNIVERSITY OF HOUSTON SYSTEM. (a) In addition to the authority granted by Sections 55.13, 55.14, 55.17, 55.171, and 55.19 of this code, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the University of Houston--Downtown to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in an aggregate principal amount not to exceed $22.4 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of the University of Houston System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.1716. TEXAS STATE UNIVERSITY SYSTEM. (a) In addition to the authority granted by Sections 55.13, 55.14, 55.17, and 55.19

of this code, the board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for an institution, branch, or entity of the system to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in the aggregate principal amount of $27 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State University System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of the Texas State University System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.1717. UNIVERSITY OF NORTH TEXAS AND TEXAS COLLEGE OF OSTEOPATHIC MEDICINE. (a) The board of regents of the University of North Texas may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the University of North Texas or the Texas College of Osteopathic Medicine to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amounts not to exceed $25 million for the University of North Texas and $10 million for the Texas College of Osteopathic Medicine.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of the University of North Texas or the Texas College of Osteopathic Medicine, including student

tuition charges required or authorized by law to be imposed on students enrolled at the University of North Texas or the Texas College of Osteopathic Medicine. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds between the University of North Texas and the Texas College of Osteopathic Medicine to ensure the most equitable and efficient allocation of available resources for the University of North Texas and the Texas College of Osteopathic Medicine to carry out their duties and purposes.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.1718. TEXAS WOMAN'S UNIVERSITY. (a) The board of regents of Texas Woman's University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Texas Woman's University to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amount of $5 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Woman's University, including student tuition charges required or authorized by law to be imposed on students enrolled at Texas Woman's University. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1993, 73rd Leg., ch. 803, Sec. 4, eff. Sept. 1, 1993.

Sec. 55.172. THE UNIVERSITY OF TEXAS--PAN AMERICAN. (a) The board of regents of The University of Texas System may construct and equip academic buildings, structures, and facilities for The University of Texas--Pan American, following approval for such construction by the Texas Higher Education Coordinating Board and for these purposes may issue revenue bonds pursuant to this subchapter. The board may pledge irrevocably to the payment of these revenue

bonds all or any part of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at The University of Texas--Pan American; and the amount of any pledge so made shall never be reduced or abrogated while the bonds are outstanding. However, the tuition charges shall not be pledged pursuant to the authority granted by this subsection except to the payment of bonds issued in an aggregate principal amount not to exceed $10 million for the purpose of providing funds to construct and equip academic buildings, structures, and facilities for The University of Texas--Pan American.

(b) It is provided, however, that no bonds shall be issued hereunder and no tuition shall be pledged thereto unless and until the specific terms and provisions of said bonds and pledge have been first approved by the Texas Higher Education Coordinating Board in accordance with rules and regulations regarding that subject adopted, published, and heard in accordance with Section 61.027 of this code.

Added by Acts 1973, 63rd Leg., p. 488, ch. 212, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 1989, 71st Leg., ch. 181, Sec. 7, eff. Sept. 1, 1989.

Sec. 55.1721. THE TEXAS A&M UNIVERSITY SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in aggregate principal amounts not to exceed the following amounts:

(1) Prairie View A&M University, $15 million;
(2) Tarleton State University, $15 million;
(3) Texas A&M University, $12.5 million;
(4) Texas A&M University Health Science Center, $6 million;
(5) Texas A&M University--Commerce, $4.2 million;
(6) Texas A&M University--Corpus Christi, $25 million;
(7) Texas A&M International University, $39.5 million;
(8) Texas A&M University--Kingsville, $15 million;
(9) Texas A&M University--Texarkana, $4 million; and

(10) West Texas A&M University, $9 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The Texas A&M University System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its constitutional and statutory duties and purposes.

(d) Of the proceeds of bonds authorized by this section for Texas A&M International University, $4.5 million may be used only to purchase library books, journals, and other library materials, equipment, and furniture for the university's library.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.1722. THE UNIVERSITY OF TEXAS SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with its systemwide revenue financing program and secured as provided by that program in aggregate principal amounts not to exceed the following amounts:

(1) The University of Texas at Arlington, $16 million;

(2) The University of Texas at Austin, $12.5 million;

(3) The University of Texas at Brownsville, $22.5 million;

(4) The University of Texas at Dallas, $5 million;

(5) The University of Texas at El Paso, $14 million;

(6) The University of Texas--Pan American, $17 million;

(7) The University of Texas of the Permian Basin, $25.8 million;

(8) The University of Texas at San Antonio, $50 million;

(9) The University of Texas at Tyler, $9.5 million;

(10) The University of Texas Southwestern Medical Center, $20 million;

(11) The University of Texas Health Science Center at Houston, $17.5 million; and

(12) the Lower Rio Grande Valley Academic Health Center, $30 million, if that institution is established.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of The University of Texas System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its constitutional and statutory duties and purposes.

(d) Of the proceeds of bonds authorized by this section:

(1) for The University of Texas at San Antonio, $35 million may be used only to build or construct the university's downtown campus, phase III; and

(2) for The University of Texas at Tyler:

(A) $4 million may be used only for an upper-level educational center at Longview; and

(B) $500,000 may be used only for The University of Texas at Tyler, Nursing-Palestine Extension.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 2, eff. September 1, 2013.

Sec. 55.1723. THE UNIVERSITY OF HOUSTON SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in an aggregate principal amount not to exceed the following amounts:

(1) the University of Houston, $12 million;

(2) the University of Houston--Downtown, $7.5 million; and

(3) the University of Houston--Victoria, $10 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of the University of Houston System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.1724. TEXAS STATE UNIVERSITY SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the following institutions to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide

revenue financing program adopted by the board in aggregate principal amounts not to exceed the following:

(1) Lamar University--Beaumont, $8 million;

(2) Lamar Institute of Technology, $2 million;

(3) Lamar State College--Orange, $3.5 million;

(4) Lamar State College--Port Arthur, $2.75 million;

(5) Sam Houston State University, $7.5 million;

(6) Texas State University, $19.7 million; and

(7) Sul Ross State University, $17.5 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State University System, including student tuition charges required or authorized by law to be imposed on students enrolled at an institution, branch, or entity of the Texas State University System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.
Amended by Acts 1999, 76th Leg., ch. 767, Sec. 4, eff. June 18, 1999; Acts 2003, 78th Leg., ch. 386, Sec. 5, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 8, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 7, eff. September 1, 2013.

Sec. 55.1725. UNIVERSITY OF NORTH TEXAS AND UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH. (a) The board of regents of the University of North Texas may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the University of

North Texas or the University of North Texas Health Science Center at Fort Worth to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amounts not to exceed $20 million for the University of North Texas and $19 million for the University of North Texas Health Science Center at Fort Worth.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of the University of North Texas or the University of North Texas Health Science Center at Fort Worth, including student tuition charges required or authorized by law to be imposed on students enrolled at the University of North Texas or the University of North Texas Health Science Center at Fort Worth. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds between the University of North Texas and the University of North Texas Health Science Center at Fort Worth to ensure the most equitable and efficient allocation of available resources for the University of North Texas and the University of North Texas Health Science Center at Fort Worth to carry out their duties and purposes.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.1726. TEXAS WOMAN'S UNIVERSITY. (a) The board of regents of Texas Woman's University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Texas Woman's University to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amount not to exceed $8.5 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Woman's University, including student tuition charges required or authorized by law to be imposed on students enrolled at Texas Woman's University. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.1727. MIDWESTERN STATE UNIVERSITY. (a) The board of regents of Midwestern State University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Midwestern State University to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amount not to exceed $9 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Midwestern State University, including student tuition charges required or authorized by law to be imposed on students enrolled at Midwestern State University. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.1728. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) The board of regents of Stephen F. Austin State University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Stephen F. Austin State University to be financed by the issuance of bonds in accordance with this subchapter in the aggregate principal amount not to exceed $6 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges required or authorized by law to be imposed on students enrolled at Stephen F. Austin State University. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 2, eff. Sept. 1, 1997.

Sec. 55.173. THE UNIVERSITY OF HOUSTON SYSTEM. (a) In addition to the authority granted by Sections 55.13, 55.17, 55.171, 55.1715, and 55.19 of this code, the board of regents of the

University of Houston System may acquire, purchase, construct, renovate, enlarge, and equip buildings, facilities, roads, land, and infrastructure for the University of Houston-Victoria.

(b) Beginning September 1, 1995, the board may issue bonds under this subchapter, in accordance with a systemwide revenue financing program adopted by the board, in an aggregate principal amount not to exceed $9 million to finance those items.

(c) The board may pledge irrevocably to the payment of those bonds all or any of the aggregate amount of student tuition charges required or authorized by law to be imposed on students enrolled at the University of Houston-Victoria or at a component of the University of Houston System. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(d) The board may repay the interest and principal on bonds issued under this section and maintenance and operations of the facility with appropriations that otherwise would have been for the lease of facilities.

Added by Acts 1995, 74th Leg., ch. 462, Sec. 1, eff. Aug. 28, 1995.

Sec. 55.1731. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts to finance projects specified as follows:

(1) Prairie View A&M University:

(A) $53 million to construct or renovate engineering facilities, construct and renovate an architecture building, and carry out other campus renovations; and

(B) $15 million to construct a juvenile justice and psychology building;

(2) Tarleton State University, $18.7 million for a library addition and renovation of a mathematics building;

(3) Texas A&M University--Commerce, $14,960,000 to construct a science building;

(4) Texas A&M University--Corpus Christi, $34 million to construct a classroom and laboratory facility and for construction of the Harte Research Center;

(5) Texas A&M International University, $21,620,000 to construct a science building (Phase IV);

(6) Texas A&M University at Galveston, $10,030,000 to construct an engineering building;

(7) Texas A&M University--Kingsville, $20,060,000 to construct facilities for a pharmacy school and to construct a student services building;

(8) Texas A&M University--Texarkana, $17 million to construct a health science building and for library renovation;

(9) West Texas A&M University, $22,780,000 to construct a fine arts complex; and

(10) The Texas A&M University Health Science Center, $14.3 million for construction of classroom and faculty office facilities for the School of Rural Public Health.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

(e) The bonds authorized by Subsection (a)(1)(B) for Prairie View A&M University may not be issued before March 1, 2003.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 1310, Sec. 14, eff. June 20, 2003.

Sec. 55.1732. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts to finance projects specified as follows:

(1) The University of Texas at Arlington, $16,635,945 to construct a science building;

(2) The University of Texas at Brownsville, $26,010,000 to construct a life and health science and education facility (Phase II) and to procure and install permanent equipment and other fixtures in the facility;

(3) The University of Texas at Dallas, $21,993,750 to renovate and develop space at the Founders Hall, Founders Annex, and Berkner Hall;

(4) The University of Texas at El Paso, $12,750,000 to construct a biomedical and health sciences research center;

(5) The University of Texas--Pan American, $29,950,000 for education complex, library, and multipurpose center renovation and construction;

(6) The University of Texas of the Permian Basin, $5,610,000 for integrated Mesa Building renovations and gymnasium renovations;

(7) The University of Texas at San Antonio, $22,950,000 to construct a science building on the main campus;

(8) The University of Texas at Tyler, $20,910,000 to construct an engineering, sciences, and technology building and make other physical plant improvements;

(9) The University of Texas Southwestern Medical Center, $40 million for North Campus phase IV construction;

(10) The University of Texas Medical Branch at Galveston, $20 million to renovate and expand research facilities;

(11) The University of Texas Health Science Center at Houston, $19,550,000 to construct or purchase a classroom building that includes facilities for clinical teaching and clinical research;

(12) The University of Texas Health Science Center at San Antonio, $28.9 million to construct a facility for student services and academic administration and to construct and develop a facility at the Laredo Extension Campus for educational and administrative

purposes;

(13) the Regional Academic Health Center established under Section 74.611, $25.5 million to construct a teaching and learning laboratory in or near the city of Harlingen;

(14) The University of Texas Health Center at Tyler, $11,513,250 to construct a biomedical research center addition; and

(15) The University of Texas M. D. Anderson Cancer Center, $20 million to construct a basic sciences research building.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

(e) Bonds authorized or issued under this section for the regional academic health center established under Section 74.611 are considered to have been authorized or issued for The University of Texas Health Science Center--South Texas and its component institutions if the health science center is established.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 615, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 2, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 3, eff. September 1, 2013.

Sec. 55.1733. THE UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL

BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts to finance projects specified as follows:

(1) the University of Houston, $51 million to construct science and engineering research and classroom facilities;

(2) the University of Houston--Downtown, $18,232,500 to construct a classroom building;

(3) the University of Houston--Clear Lake, $30,918,750 to construct a student services and classroom building; and

(4) the University of Houston--Victoria, $2,805,000 to remodel the University West facility, acquire and renovate a facility services building, and renovate and expand a facility for the center for community initiatives.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.1734. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may issue in accordance with this subchapter and in accordance with a

systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts to finance projects specified as follows:

(1) Lamar University--Beaumont, $21,792,096 to renovate and repair campus buildings;

(2) Lamar Institute of Technology, $5,301,960 to renovate Gentry Hall and convert it to classroom and laboratory use;

(3) Lamar State College--Orange, $2,125,000 for campus landscaping, renovation of the old library for physical plant purposes, renovation of the Main Building and Electronics Commerce Resource Center, and demolition of the old physical plant building;

(4) Lamar State College--Port Arthur, $7,650,000 to construct a performing arts and classroom building and to expand the Gates Memorial Library and develop an adjacent plaza;

(5) Sam Houston State University, $18 million to renovate and expand the Farrington Building;

(6) Texas State University, $18,436,500 to construct a business building; and

(7) Sul Ross State University, $15,175,000 to renovate and expand the range animal science facility and science building annex and to carry out other building renovations.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 386, Sec. 6, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 9, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 8, eff. September 1, 2013.

Sec. 55.1735. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of North Texas System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts to finance projects specified as follows:

(1) the University of North Texas, $52,933,750 to construct a science building and to develop the campus and facilities of the University of North Texas System Center at Dallas at the location to become the University of North Texas at Dallas; and

(2) the University of North Texas Health Science Center at Fort Worth, $27.5 million to construct a biotechnology center and school of public health building.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of the University of North Texas or the University of North Texas Health Science Center at Fort Worth, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds between the University of North Texas and the University of North Texas Health Science Center at Fort Worth to ensure the most equitable and efficient allocation of available resources for the University of North Texas and the University of North Texas Health Science Center at Fort Worth to carry out their duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

(e) The board may not issue bonds under Subsection (a)(1) for

the University of North Texas at Dallas before September 1, 2003.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 940, Sec. 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1319, Sec. 1, eff. June 18, 2003.

Sec. 55.1736. TEXAS WOMAN'S UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Woman's University may issue bonds in accordance with this subchapter in the aggregate principal amount not to exceed $25,797,500 to finance the renovation of academic and administrative buildings at Texas Woman's University.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Woman's University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.1737. MIDWESTERN STATE UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Midwestern State University may issue in accordance with this subchapter bonds not to exceed $8,967,500 to finance campus improvements at Midwestern State University.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Midwestern State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects may be used to renovate existing structures

and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.1738. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Stephen F. Austin State University may issue in accordance with this subchapter bonds not to exceed $14,070,000 to finance campus infrastructure improvements, the construction of a telecommunications building, the renovation of power plant facilities, and the replacement or renovation of the Birdwell Building at Stephen F. Austin State University.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.1739. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas Tech University System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts for projects specified as follows:

(1) Texas Tech University, $23,647,000 to construct an experimental science research facility; and

(2) Texas Tech University Health Sciences Center, $66,882,525 to construct a clinical and research facility in the city of Lubbock and to construct facilities to support the center's educational programs in the city of El Paso.

(b) The board may pledge irrevocably to the payment of those

bonds all or any part of the revenue funds of Texas Tech University or the Texas Tech University Health Sciences Center, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds between Texas Tech University and the Texas Tech University Health Sciences Center to ensure the most equitable and efficient allocation of available resources for Texas Tech University and the Texas Tech University Health Sciences Center to carry out their duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.17391. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) In addition to other authority granted by this subchapter, the board of regents of Texas Southern University may issue in accordance with this subchapter bonds not to exceed $79 million to finance the construction of a science building, the construction of a building for the school of public affairs, the renovation of campus facilities, including electrical and piping systems, and campus landscaping.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Southern University, including student tuition charges required or authorized by law to be imposed on students enrolled at the university. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

(d) Of the bonds authorized by Subsection (a), $14.5 million may not be issued before March 1, 2003, and may be used only to finance campus renovations.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.17392. TEXAS STATE TECHNICAL COLLEGE SYSTEM. (a) The board of regents of the Texas State Technical College System may issue in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board bonds for the following institutions not to exceed the following aggregate principal amounts for projects specified as follows:

(1) Texas State Technical College--Harlingen, $3.4 million to construct a facility for a learning resource center and distance learning center;

(2) Texas State Technical College--Marshall, $1,785,000 to construct a facility for a library and administrative activities;

(3) Texas State Technical College--Waco, $3.4 million to renovate the industrial technology center; and

(4) Texas State Technical College--West Texas, $2,295,000 to construct a transportation technologies building.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State Technical College System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State Technical College System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects at an institution that is not required for the specified projects may be used to renovate existing structures and facilities at the institution.

Added by Acts 2001, 77th Leg., ch. 1432, Sec. 3, eff. Sept. 1, 2001.

Sec. 55.174. TEXAS SOUTHERN UNIVERSITY. (a) In addition to other authority granted by this subchapter, the board of regents of Texas Southern University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Texas Southern University to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a revenue financing program adopted by the board in an aggregate principal amount not to exceed $18 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Southern University, including student tuition charges required or authorized by law to be imposed on students enrolled at the university. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1997, 75th Leg., ch. 748, Sec. 3, eff. Sept. 1, 1997.

Sec. 55.1741. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL REVENUE BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities to support kinesiology and related programs, campus utility infrastructure facilities, and campus support services facilities (phase V), including roads and related infrastructure, for Texas A&M International University, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $12.5 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those

bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2003, 78th Leg., ch. 615, Sec. 2, eff. June 20, 2003.

Sec. 55.17411. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL REVENUE BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for The Texas A&M University System Health Science Center to develop a biosciences research center in the City of Temple, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $15 million.

(b) The board of regents may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board of regents to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) If the Temple Health and Bioscience Economic Development District is established, the district is responsible for the payment of debt service on the bonds authorized by this section for any facilities financed by the bonds that are located in the district and

used to support the purposes or programs of the district.

(e) The legislature may not appropriate general revenue to pay, or to reimburse the board of regents or Texas A&M University for the payment of, debt service on bonds authorized by this section.

Added by Acts 2003, 78th Leg., ch. 1188, Sec. 3, eff. June 20, 2003. Renumbered from Education Code, Section 55.1741 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(19), eff. September 1, 2005.

Sec. 55.1742. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL REVENUE BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for The University of Texas Health Science Center at Houston for recovery from the damage caused by Tropical Storm Allison, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $34.9 million.

(b) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for The University of Texas M. D. Anderson Cancer Center for biotechnology research and development facilities, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with its systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $20 million.

(c) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for The University of Texas Southwestern Medical Center, to be used primarily to conduct biomedical research and to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance

with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $56 million.

(d) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for The University of Texas Health Science Center at Houston for the replacement of research and academic facilities lost in Tropical Storm Allison, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $30 million.

(e) The board may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(f) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(g) The board may not issue bonds authorized by Subsection (c) at a time that would require the payment of any debt service on the bonds before September 1, 2004.

Added by Acts 2003, 78th Leg., ch. 615, Sec. 3, eff. June 20, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 4, eff. September 1, 2013.

Sec. 55.1743. THE UNIVERSITY OF HOUSTON SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase,

construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the University of Houston System, including the individual campuses of the system, to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board in an aggregate principal amount not to exceed $25 million.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2003, 78th Leg., ch. 615, Sec. 4, eff. June 20, 2003.

Sec. 55.1744. SOUTHWEST TEXAS STATE UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may issue bonds in accordance with this subchapter in the aggregate principal amount not to exceed $27 million to finance the acquisition, purchase, construction, improvement, renovation, enlargement, or equipping of property, buildings, structures, facilities, or related infrastructure for a multi-institutional education center in Williamson County for Southwest Texas State University to offer educational programs and supporting activities and provide facilities for other educational entities to further institutional efficiency and coordinate educational programs.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Southwest Texas State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to

refund those bonds, are outstanding.

Added by Acts 2003, 78th Leg., ch. 940, Sec. 2, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1319, Sec. 2, eff. June 18, 2003.

Sec. 55.1749. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL REVENUE BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas Tech University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for the Texas Tech University Health Sciences Center for an academic building to support the center's educational programs in the city of El Paso, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $45 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by Subsection (a) all or any part of the revenue funds of Texas Tech University or the Texas Tech University Health Sciences Center, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds between Texas Tech University and the Texas Tech University Health Sciences Center to ensure the most equitable and efficient allocation of available resources for Texas Tech University and the Texas Tech University Health Sciences Center to carry out their duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section that is not required for the academic building described by Subsection (a) may be used by the Texas Tech University System to renovate existing structures and facilities of the Texas Tech University Health Sciences Center.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 10.01, eff. Oct. 20, 2003.

Sec. 55.17491. TEXAS SOUTHERN UNIVERSITY; TROPICAL STORM ALLISON. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Southern University may restore facilities and related infrastructure at Texas Southern University damaged by Tropical Storm Allison, to be financed by the issuance of bonds in accordance with this subchapter in an aggregate principal amount not to exceed $3,510,000.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of Texas Southern University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 10, Sec. 11.01, eff. Oct. 20, 2003.

Sec. 55.1751. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions and facilities not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) Tarleton State University:

(A) $11,124,000 for the Tarleton State University Dairy Center; and

(B) $24,300,000 for a nursing building;

(2) Texas A&M University--Central Texas, $25 million for educational and related facilities;

(3) Texas A&M University--Commerce, $21,770,000 for a music building;

(4) Texas A&M University--Corpus Christi, $45 million for a nursing, health sciences, and kinesiology facility;

(5) Texas A&M University--Kingsville, $9,540,000 for the citrus center building;

(6) Texas A&M University--San Antonio, $40 million for educational and related facilities;

(7) Texas A&M University--Texarkana, $75 million for a multipurpose library building and central plant;

(8) West Texas A&M University, $16,200,000 for classroom center renovation;

(9) The Texas A&M University System Health Science Center, $45 million for a medical education and research building in College Station, Texas;

(10) Texas A&M University, $75 million for the Emerging Technologies Interdisciplinary Building;

(11) Texas A&M University at Galveston, $40,050,000 for a science building; and

(12) Texas A&M International University:

(A) $25 million for the student success center;

(B) $4,950,000 for the completion of the fine arts theater; and

(C) $7,626,600 for the Loop Road and Chill Water Loop project.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Text of subsection as repealed effective May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129 (S.B. 629), Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding Subsection (a), The Texas A&M University System may not issue bonds under this section for facilities at Texas

A&M University--Central Texas until the Texas Higher Education Coordinating Board certifies that enrollment at Texas A&M University--Central Texas has reached an enrollment equivalent of 1,500 full-time students for one semester. If that enrollment is not reached by January 1, 2010, the system's authority to issue bonds for Texas A&M University--Central Texas under this section expires on that date.

Text of subsection as repealed effective May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129 (S.B. 629), Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(e) Notwithstanding Subsection (a), The Texas A&M University System may not issue bonds under this section for facilities at Texas A&M University--San Antonio until the Texas Higher Education Coordinating Board certifies that enrollment at Texas A&M University--San Antonio has reached an enrollment equivalent of 1,500 full-time students for one semester. If that enrollment is not reached by January 1, 2010, the system's authority to issue bonds for Texas A&M University--San Antonio under this section expires on that date.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.
Subsection (d) contingently repealed by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 3(1), eff. May 23, 2009.
Subsection (e) contingently repealed by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 3(1), eff. May 23, 2009.

Sec. 55.1752. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) The University of Texas at Arlington, $70,430,000 for

an Engineering Research Building;

(2) The University of Texas at Austin, $105 million for the renovation of the Experimental Science Building;

(3) The University of Texas at Brownsville, $33,800,000 for a Science and Technology Learning Center;

(4) The University of Texas at Dallas, $12 million for a vivarium and experimental space;

(5) The University of Texas at El Paso, $76,500,000 for a physical sciences/engineering core facility;

(6) The University of Texas--Pan American:

(A) $6 million for the Starr County Upper Level Center; and

(B) $39,796,000 for the fine arts academic and performance complex;

(7) The University of Texas of the Permian Basin:

(A) $54 million for a science and technology complex; and

(B) $45 million for an arts convocation and classroom facility at the CEED;

(8) The University of Texas at San Antonio, $74,250,000 for an engineering building (phase II);

(9) The University of Texas Southwestern Medical Center, $42 million for the north campus (phase 5);

(10) The University of Texas Medical Branch at Galveston, $57 million for the Galveston National Laboratory;

(11) The University of Texas Health Science Center at Houston, $60 million for a replacement building for The University of Texas Dental Branch at Houston;

(12) The University of Texas Health Science Center at San Antonio, $60 million for the South Texas Research Facility;

(13) The University of Texas Health Science Center at Tyler, $21,120,000 for an academic health center;

(14) The University of Texas M. D. Anderson Cancer Center, $40 million for a Center for Targeted Therapy research building; and

(15) The University of Texas at Tyler:

(A) $6,300,000 for the expansion of the Palestine campus; and

(B) $43,200,000 for the completion, renovation, and expansion of engineering and sciences facilities.

(b) The board may pledge irrevocably to the payment of bonds

authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 5, eff. September 1, 2013.

Sec. 55.17521. THE UNIVERSITY OF TEXAS AT DALLAS: LIMITATIONS ON CERTAIN DEBT SERVICE REIMBURSEMENT. The state may not appropriate money to reimburse The University of Texas System for debt service on long-term obligations related to the construction of a natural science and engineering research building at The University of Texas at Dallas in accordance with the economic development agreement entered into between this state and the board of regents of the system in excess of the following amounts:

(1) for a state fiscal year before the state fiscal year ending August 31, 2018, $6,540,600;

(2) for the state fiscal year ending August 31, 2018, $6,213,570;

(3) for the state fiscal year ending August 31, 2019, $5,559,510;

(4) for the state fiscal year ending August 31, 2020, $4,905,450;

(5) for the state fiscal year ending August 31, 2021, $4,251,390;

(6) for the state fiscal year ending August 31, 2022, $3,597,330;

(7) for the state fiscal year ending August 31, 2023, $2,616,240;

(8) for the state fiscal year ending August 31, 2024, or August 31, 2025, $1,308,120; and

(9) for the state fiscal year ending August 31, 2026, or August 31, 2027, $654,060.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 2, eff. May 31, 2006.

Sec. 55.1753. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for the following institutions, to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board, in aggregate principal amounts not to exceed the following:

(1) the University of Houston, $57,600,000 for renovation of science laboratories;

(2) the University of Houston--Clear Lake, $10,604,808 for Arbor Building renovations and additions;

(3) the University of Houston--Downtown, $31,626,000 for a classroom building at Shea Street; and

(4) the University of Houston--Victoria:

(A) $22,900,000 for an academic building at the University of Houston System Center at Sugar Land;

(B) $6,719,400 for regional economic development; and

(C) $1,800,000 for allied health facilities.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds

among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.1754. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) Lamar University, $4,500,000 for renovations and additions to the Lucas Engineering Building;

(2) Lamar State College--Orange, $1,837,280 for Hibernia Bank Building acquisition and renovation;

(3) Lamar State College--Port Arthur, $1,849,500 for a computer/learning center;

(4) Texas State University:

(A) $42,700,000 for an undergraduate academic center; and

(B) $36 million for facilities for the Round Rock Higher Education Center in Williamson County (phase II); and

(5) Sam Houston State University, $10 million for the construction of a center for the performing arts (phase I).

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas State University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet

its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 9, eff. September 1, 2013.

Sec. 55.1755. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of North Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions and facilities not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) the University of North Texas, $50 million for the construction of a College of Business Administration building;

(2) the University of North Texas Health Science Center at Fort Worth, $41,972,400 for campus expansion and construction of a public health education building; and

(3) the University of North Texas Dallas Campus, $25 million for a general academic building.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the University of North Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of North

Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Text of subsection as repealed effective May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129 (S.B. 629), Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding Subsection (a), the University of North Texas System may not issue bonds under this section for facilities at the University of North Texas Dallas Campus until the Texas Higher Education Coordinating Board certifies that enrollment at the University of North Texas Dallas Campus has reached an enrollment equivalent of 1,500 full-time students for one semester. If that enrollment is not reached by January 1, 2010, the system's authority to issue bonds for the University of North Texas Dallas Campus under this section expires on that date.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.
Subsection (d) contingently repealed by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 3(2), eff. May 23, 2009.

Sec. 55.1756. TEXAS WOMAN'S UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Woman's University may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for renovations and additions to the science building on the Denton campus of Texas Woman's University, to be financed through the issuance of bonds in accordance with this subchapter in an aggregate principal amount not to exceed $21,739,712.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Texas Woman's University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.1757. MIDWESTERN STATE UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Midwestern State University may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects at Midwestern State University, to be financed through the issuance of bonds in accordance with this subchapter not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) $7,700,000 for the renovation of the D. L. Ligon Building; and

(2) $2,700,000 for the Fowler Engineering Building.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Midwestern State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.1758. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Stephen F. Austin State University may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects at Stephen F. Austin State University, to be financed through the issuance of bonds in accordance with this subchapter not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) $20,178,000 for an education research facility; and

(2) $10 million for a campus deferred maintenance reduction plan.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Stephen F. Austin State University, including student tuition

charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.1759. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas Tech University System may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) Texas Tech University Health Sciences Center:

(A) $8,010,000 for the School of Pharmacy expansion in Amarillo;

(B) $18 million for the Amarillo research facility; and

(C) $6,300,000 for the El Paso Medical Science Building renovation; and

(2) Texas Tech University:

(A) $25 million for the renovation of a classroom building;

(B) $25 million for the Rawls College of Business Administration building; and

(C) $7,500,000 for a law school trial advocacy/education center.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas Tech University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas Tech

University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.17591. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Southern University may acquire, purchase, construct, improve, renovate, enlarge, or equip facilities, including roads and related infrastructure, for projects at Texas Southern University, to be financed through the issuance of bonds in accordance with this subchapter not to exceed the following aggregate principal amounts for the projects specified as follows:

(1) $31,500,000 for the School of Science and Technology; and

(2) $15 million for a branch campus multipurpose Academic Center (MAC).

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Texas Southern University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) Notwithstanding Subsection (a), the board of regents of Texas Southern University may not issue bonds under this section for a branch campus multipurpose Academic Center (MAC) until the Texas Higher Education Coordinating Board grants Texas Southern University the approval to operate the branch campus. If approval to operate the branch campus is not granted by January 1, 2010, the board of regents' authority to issue bonds for a multipurpose Academic Center (MAC) under this section expires on that date.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.17592. TEXAS STATE TECHNICAL COLLEGE SYSTEM. (a) In addition to the other authority granted by this subchapter, the board

of regents of the Texas State Technical College System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure, for HVAC replacement at Texas State Technical College--Waco, to be financed by the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board, in an aggregate principal amount not to exceed $3,125,520.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State Technical College System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State Technical College System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 1, eff. May 31, 2006.

Sec. 55.1768. STEPHEN F. AUSTIN STATE UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted under this subchapter, the board of regents of Stephen F. Austin State University may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the expansion of the school of nursing facilities at Stephen F. Austin State University, to be financed by the issuance of bonds in accordance with this subchapter in an aggregate principal amount not to exceed $13 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made,

or bonds issued to refund those bonds, are outstanding.

(c) Any portion of the proceeds of bonds authorized by this section that is not required for the specified project for which the bonds are authorized may be used to renovate existing structures and facilities at the institution.

Added by Acts 2007, 80th Leg., R.S., Ch. 1207 (H.B. 1775), Sec. 1, eff. June 15, 2007.

Sec. 55.1769. ANGELO STATE UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas Tech University System may issue bonds, in accordance with this subchapter and with a systemwide revenue financing program adopted by the board, in the aggregate principal amounts not to exceed the amounts previously authorized for Angelo State University by Sections 55.1724 and 55.1734, as those sections existed immediately before this section took effect, less any portion of those amounts for which bonds were issued under those sections for the university before the date this section took effect. Subject to Subsection (d), bonds issued under this section for an amount previously authorized by Section 55.1724 or 55.1734 may be used only at Angelo State University for the purposes for which the bonds for Angelo State University were authorized to be issued under Section 55.1724 or 55.1734, as applicable.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas Tech University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas Tech University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Any portion of the proceeds of bonds authorized by this section for one or more specified projects that is not required for the specified projects may be used to renovate existing structures

and facilities at the university.

Added by Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 10, eff. September 1, 2007.

Sec. 55.1771. TEXAS A&M UNIVERSITY AT GALVESTON. (a) In addition to the other authority granted by this subchapter and subject to the other provisions of this section, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for Texas A&M University at Galveston for an erosion control breakwater, a dock, or any other related purpose reasonably necessary to assist the institution to recover from any damage or other impact caused by Hurricane Ike, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $5 million.

(b) The board of regents may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board of regents to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 2, eff. September 1, 2009.

Sec. 55.17721. THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON. (a) In addition to the other authority granted by this subchapter and subject to the other provisions of this section, the board of regents of The University of Texas System may acquire,

purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for The University of Texas Medical Branch at Galveston for any purpose reasonably necessary to assist the institution to recover from any damage or other impact caused by Hurricane Ike, to be financed by the issuance of bonds in accordance with this subchapter, including bonds issued in accordance with a systemwide revenue financing program and secured as provided by that program, in an aggregate principal amount not to exceed $150 million.

(b) The board may pledge irrevocably to the payment of the bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

(d) Repealed by Acts 2015, 84th Leg., R.S., Ch. 917 , Sec. 2, eff. September 1, 2015.

(e) Repealed by Acts 2015, 84th Leg., R.S., Ch. 917 , Sec. 2, eff. September 1, 2015.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 2, eff. September 1, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 2, eff. September 1, 2015.

Sec. 55.1781. THE TEXAS A&M UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The Texas A&M University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of

bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Texas A&M University--Commerce, $48 million for construction of a nursing and health sciences building;

(2) Texas A&M University--Corpus Christi, $60 million for construction of a life sciences research and engineering building;

(3) Texas A&M University--Kingsville, $60 million for an educational complex;

(4) Texas A&M University--Texarkana, $32 million for construction of an academic and student services building;

(5) West Texas A&M University:

(A) $38,160,000 for construction of an agricultural sciences complex; and

(B) $7,200,000 for renovation of the Amarillo Center;

(6) The Texas A&M University System Health Science Center:

(A) $72 million for construction of a dental clinic facility at the Baylor College of Dentistry; and

(B) $72 million for construction of a multidisciplinary research and education facility in Bryan, Texas;

(7) Texas A&M International University, $55,200,000 for library renovation through the addition of instructional and support spaces;

(8) Prairie View A&M University, $28,632,000 for construction of a fabrication center and capital improvements;

(9) Tarleton State University:

(A) $54 million for construction of an applied sciences building; and

(B) $39,600,000 for construction of a southwest metroplex building in Tarrant County;

(10) Texas A&M University, $75 million for construction of a biocontainment research facility;

(11) Texas A&M University at Galveston, $60 million for construction of a classroom and laboratory facility and campus infrastructure;

(12) Texas A&M University--Central Texas, $36 million for construction of a multipurpose building; and

(13) Texas A&M University--San Antonio, $63 million for construction of a science and technology building and campus

infrastructure.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The Texas A&M University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The Texas A&M University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1782. THE UNIVERSITY OF TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of The University of Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) The University of Texas at Austin, $75 million for renovation of Robert A. Welch Hall;

(2) The University of Texas--Rio Grande Valley:

(A) $36,432,000 for construction of a multipurpose academic building at the campus in Brownsville; and

(B) $30,600,000 for construction of an interdisciplinary engineering academic studies building at the campus in Edinburg;

(3) The University of Texas Southwestern Medical Center at Dallas, $80 million for the construction and renovation of a vivarium and academic and laboratory facilities;

(4) The University of Texas Health Science Center at San Antonio, $80 million for facility renewal and renovation;

(5) The University of Texas M. D. Anderson Cancer Center, $70 million for construction of the Sheikh Zayed Bin Sultan Al Nahyan building;

(6) The University of Texas Medical Branch at Galveston, $67,800,000 for construction of a health education center;

(7) The University of Texas at Arlington, $70 million for construction of a science and education innovation and research building;

(8) The University of Texas at Dallas, $70 million for construction of an engineering building;

(9) The University of Texas at El Paso, $70 million for construction of an interdisciplinary research facility;

(10) The University of Texas at San Antonio, $70 million for construction of an instructional science and engineering building;

(11) The University of Texas at Tyler, $60 million for construction of a STEM building;

(12) The University of Texas Health Science Center at Houston, $80 million for the renovation and modernization of educational and research facilities;

(13) The University of Texas Health Science Center at Tyler, $14,800,000 for the renovation and modernization of educational and research facilities; and

(14) The University of Texas of the Permian Basin, $48 million for construction of engineering and kinesiology buildings.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of The University of Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of The University of Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1783. UNIVERSITY OF HOUSTON SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of Houston System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions or entities, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) the University of Houston:

(A) $63 million for construction of a health and biomedical sciences center; and

(B) $54 million for construction of a new academic building located in Sugar Land, Texas;

(2) the University of Houston--Clear Lake:

(A) $24,624,000 for construction of a health sciences and classroom building located in Pearland, Texas; and

(B) $54 million for construction of a STEM and classroom building;

(3) the University of Houston--Downtown, $60 million for construction of a science and technology building;

(4) the University of Houston--Victoria, $60 million for academic expansion and land acquisition; and

(5) the University of Houston System, $46,832,000 for land acquisition for construction of a building in the area near Katy, Texas.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the University of Houston System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds

among institutions, branches, and entities of the University of Houston System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1784. TEXAS STATE UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Lamar University, $60 million for construction of a science building;

(2) Lamar State College--Orange, $10 million for construction of a multipurpose education building;

(3) Lamar State College--Port Arthur, $8,080,000 for expansion of technology program facilities;

(4) Lamar Institute of Technology, $12,500,000 for construction and renovation of technical arts buildings;

(5) Texas State University:

(A) $63 million for construction of an engineering and sciences building; and

(B) $48,600,000 for construction of a health professions building in Round Rock, Texas;

(6) Sam Houston State University, $48 million for construction of a biology laboratory building; and

(7) Sul Ross State University, $6,240,000 for renovation and modernization of educational and related facilities and infrastructure.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas State University System,

including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1785. UNIVERSITY OF NORTH TEXAS SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the University of North Texas System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions or entities, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) the University of North Texas System, $56 million for renovation of college of law buildings;

(2) the University of North Texas, $70 million for construction and renovation of college of visual arts and design facilities;

(3) the University of North Texas at Dallas, $63 million for construction of a student learning and success center; and

(4) the University of North Texas Health Science Center at Fort Worth, $80 million for construction of an interdisciplinary research building.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the University of North Texas System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the

bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the University of North Texas System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1786. TEXAS WOMAN'S UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Woman's University may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for a laboratory building, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of $37,997,000.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Texas Woman's University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1787. MIDWESTERN STATE UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Midwestern State University may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for an academic expansion and revitalization project, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of $58,400,000.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of

Midwestern State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1788. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) In addition to the other authority granted by this subchapter, the board of regents of Stephen F. Austin State University may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for a science, technology, engineering, and mathematics research building at Stephen F. Austin State University, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of $46,400,000.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of Stephen F. Austin State University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.1789. TEXAS TECH UNIVERSITY SYSTEM; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas Tech University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter and in accordance with a systemwide revenue financing program adopted by the board for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Texas Tech University Health Sciences Center:

(A) $60,264,000 for construction of Lubbock education,

research, and technology facilities;

(B) $14,256,000 for construction of the Permian Basin academic facility; and

(C) $5,715,000 for construction of the Amarillo Panhandle Clinical/Hospital Simulation;

(2) Texas Tech University Health Sciences Center at El Paso, $75,520,000 for construction of the El Paso Medical Science Building II;

(3) Texas Tech University, $70 million for construction of an experimental sciences high tech interdisciplinary research building; and

(4) Angelo State University, $21,360,000 for construction of a College of Health and Human Services building.

(b) The board may pledge irrevocably to the payment of bonds authorized by this section all or any part of the revenue funds of an institution, branch, or entity of the Texas Tech University System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas Tech University System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.17891. TEXAS SOUTHERN UNIVERSITY; ADDITIONAL BONDS. (a) In addition to the other authority granted by this subchapter, the board of regents of Texas Southern University may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for the Robert J. Terry Library at Texas Southern University, to be financed through the issuance of bonds in accordance with this subchapter, not to exceed the aggregate principal amount of $60 million.

(b) The board may pledge irrevocably to the payment of bonds

authorized by this section all or any part of the revenue funds of Texas Southern University, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.17892. TEXAS STATE TECHNICAL COLLEGE SYSTEM. (a) In addition to the other authority granted by this subchapter, the board of regents of the Texas State Technical College System may acquire, purchase, construct, improve, renovate, enlarge, or equip property and facilities, including roads and related infrastructure, for projects to be financed through the issuance of bonds in accordance with this subchapter for the following institutions, not to exceed the following aggregate principal amounts for the projects specified, as follows:

(1) Texas State Technical College--West Texas, $12 million for construction of an industrial technology center;

(2) Texas State Technical College--Harlingen, $3,750,000 for Phase II of the Engineering Technology Center renovation;

(3) Texas State Technical College--Waco, $14,950,000 for construction of the Fort Bend Campus Building #2; and

(4) Texas State Technical College--Marshall, $11,040,000 for purchase and renovation of the North Texas Technology Center.

(b) The board may pledge irrevocably to the payment of those bonds all or any part of the revenue funds of an institution, branch, or entity of the Texas State Technical College System, including student tuition charges. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

(c) If sufficient funds are not available to the board to meet its obligations under this section, the board may transfer funds among institutions, branches, and entities of the Texas State Technical College System to ensure the most equitable and efficient allocation of available resources for each institution, branch, or entity to carry out its duties and purposes.

Added by Acts 2015, 84th Leg., R.S., Ch. 917 (H.B. 100), Sec. 1, eff. September 1, 2015.

Sec. 55.18. BONDS NOT OBLIGATIONS OF THE STATE. Bonds issued by a board are payable solely from the revenues, income, receipts, or other resources of the board, as provided in this subchapter, and such bonds shall never be an obligation of the State of Texas.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.19. REFUNDING BONDS. Any bonds or notes at any time issued by a board may be refunded or otherwise refinanced by the issuance by the board of refunding bonds for such purpose, under such terms, conditions, and details as may be determined by resolution of the board. All pertinent and appropriate provisions of this subchapter shall be applicable to such refunding bonds, and they shall be issued in the manner provided herein for other bonds authorized under this subchapter; provided that such refunding bonds may be sold and delivered in amounts necessary to pay the principal, interest, and redemption premium, if any, of bonds or notes to be funded or refunded, at maturity or on any redemption date. Also, such refunding bonds may be issued to be exchanged for the bonds or notes being refunded thereby. In the latter case, the Comptroller of Public Accounts of the State of Texas shall register the refunding bonds and deliver the same to the holder or holders of the bonds or notes being refunded thereby, in accordance with the provisions of the resolution authorizing the refunding bonds; and any such exchange may be made in one delivery, or in several installment deliveries. Bonds issued at any time by a board also may be refunded in the manner provided by any other applicable law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.20. APPROVAL AND REGISTRATION OF BONDS. All bonds issued by any board, and the appropriate proceedings authorizing their issuance, shall be submitted to the Attorney General of the

State of Texas for examination. If he finds that such bonds have been authorized in accordance with law he shall approve them, and thereupon they shall be registered by the comptroller; and after such approval and registration such bonds shall be incontestable in any court, or other forum, for any reason, and shall be valid and binding obligations in accordance with their terms for all purposes.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.21. BONDS ARE AUTHORIZED INVESTMENTS AND SECURITY FOR DEPOSITS. All bonds issued by any board are legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas, and for all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and for all other kinds and types of districts, public agencies, and bodies politic. Said bonds also shall be eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of said bonds, when accompanied by any unmatured interest coupons appurtenant thereto.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.22. VALIDATION OF BONDS AND PROCEEDINGS. All revenue bonds heretofore approved by the attorney general and registered by the comptroller, which were issued, sold, and delivered by any board, and which are payable from or secured by a pledge of any revenues, income, receipts, or other resources of such board, are hereby validated in all respects, together with all proceedings authorizing the issuance thereof, and said bonds and proceedings are and shall be valid and binding obligations in accordance with their terms and conditions for all purposes, as though they had been duly and legally

issued and authorized originally.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.23. CUMULATIVE EFFECT OF SUBCHAPTER. This subchapter shall be cumulative of all other law on the subject, but this subchapter shall be wholly sufficient authority within itself for the issuance of the bonds and the performance of the other acts and procedures authorized hereby, without reference to any other law or any restrictions or limitations contained therein, except as herein specifically provided; and when any bonds are being issued under this subchapter, then to the extent of any conflict or inconsistency between any provisions of this subchapter and any provision of any other law, the provisions of this subchapter shall prevail and control; provided, however, that any board shall have the right to use the provisions of any other laws, not in conflict with the provisions hereof, to the extent convenient or necessary to carry out any power or authority, express or implied, granted by this subchapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 55.24. PLEDGES UNDER PREVIOUS LAWS TO REMAIN IN EFFECT. (a) Where any revenues, income, receipts, or other resources of any board have been pledged to the payment of principal of and interest on any bonds or notes issued and delivered pursuant to any other law, the repeal of such law by virtue of the enactment of Title 3 of this code shall not affect any such pledge or any covenants with respect to such bonds or notes, or any bonds issued to refund same, and all such pledges and covenants shall remain in full force and effect in accordance with the terms and provisions thereof.

(b) Where all or any part of the revenue funds of any board have been pledged to the payment of the principal of and interest on any bonds or notes or any other obligation issued or entered into and delivered pursuant to any provision of this title or any other law, the repeal or amendment of any provision of this title shall not affect any such pledge or any covenants with respect to such bonds,

notes, or obligations or any bonds or notes issued to refund same, and all such pledges and covenants shall remain in full force and effect in accordance with the terms and provisions thereof.

(c) In furtherance of the provisions of Subsection (b) and in recognition that certain boards have outstanding bonds, notes, and other obligations secured by various liens on the tuition or a portion of the tuition charged and collected at certain institutions and that the provisions of Chapter 54 would make it difficult or impossible to identify and secure that portion of the revised tuition charges pledged to the payment of such bonds, notes, and obligations, net tuition, as defined in Section 51.009(c) and classified as educational and general funds by such provision, shall be set aside and utilized first to satisfy the obligations of each board secured by tuition in the order of priority of the liens on such funds. It is further provided for the benefit of the owners of such bonds and notes and the counterparties to such obligations of the boards that the charges per semester credit hour or for each semester or summer session, as the case may be, for tuition constituting the educational and general funds portion of tuition shall never be less than the amount charged for the 1996-1997 academic year.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1073, Sec. 2.03, eff. Aug. 1, 1997.

Sec. 55.25. APPLICABILITY OF OTHER LAW; CONFLICTS. Chapters 1201, 1202, 1204, and 1371, Government Code, apply to all bonds issued pursuant to this chapter; provided, however, that in the event of any conflict between such laws and this chapter, the provisions of this chapter prevail.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 2.04, eff. Aug. 1, 1997. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.220, eff. Sept. 1, 2001.

SUBCHAPTER C. REFUNDING CONSTITUTIONAL BONDS AND NOTES

Sec. 55.41. REFUNDING BONDS. The governing board of any institution which has heretofore issued or which hereafter issues bonds or notes pursuant to the authority of Article VII, Section 17,

of the Texas Constitution, as amended, may issue refunding bonds to refinance or refund any or all of the bonds or notes by the issuance of its refunding bonds; and the governing board may pledge all or any part of the funds allotted pursuant to that section of the constitution to any institution governed by the board to secure the refunding bonds issued pursuant to this section. The refunding bonds shall be issued in the amounts, and bear interest at the rates, determined by the governing board, provided that such interest rates shall not exceed any constitutional limit; and shall mature serially or otherwise in not more than 10 years. The refunding bonds shall be examined and approved by the attorney general, and when so approved shall be incontestable, and all bonds shall be registered by the comptroller of public accounts. The refunding bonds may be exchanged for bonds or notes issued pursuant to the section of the constitution or may be sold and the proceeds used to call and redeem the outstanding bonds and notes.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 56. STUDENT FINANCIAL ASSISTANCE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 56.001. SHORT TITLE. This Chapter may be cited as the Student Financial Assistance Act of 1975.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.002. DECLARATION OF POLICY. The legislature, giving due consideration to the historical and continuing interest of the people of the State of Texas in encouraging deserving and qualified persons to realize their aspirations for education beyond high school finds and declares that postsecondary education for those who desire such an education and are properly qualified therefor is important to the welfare and security of this state and the nation and, consequently, is an important public purpose. The legislature finds and declares that the state can achieve its full economic and social potential only if every individual has the opportunity to contribute to the full extent of his capabilities and only when financial

barriers to his economic, social, and educational goals are removed. It is, therefore, the policy of the legislature and the purpose of this Chapter to establish financial assistance programs to enable qualified students to receive a postsecondary education.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.003. DEFINITIONS. In this Chapter:

(1) "Institution of higher education" has the same meaning as is assigned to it by Section 61.003 of this code.

(2) "Governing board" has the same meaning as is assigned to it by Section 61.003 of this code.

(3) "Postsecondary educational institution" means any institution, public or private, which provides courses of instruction beyond that offered in secondary schools.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.004. FILING FEES IN SUITS TO COLLECT DELINQUENT STUDENT LOANS. Notwithstanding any other law, if an institution of higher education brings suit to collect or enforce the repayment of a delinquent student loan, the institution is required to pay in advance one-half of the applicable filing fee and other costs payable in advance to the clerk of the court. If the defaulting borrower prevails in the suit, the institution shall pay the remaining one-half of the filing fee and costs on the date of the final disposition of the suit. If the institution prevails in the suit:

(1) the judgment shall include a finding that the defaulting borrower is liable to the institution for the full amount of the filing fee and costs; and

(2) the institution shall pay the remaining one-half of the filing fee and costs not later than the seventh day after the date on which the defaulting borrower pays to the institution the full amount, including the amount of the filing fee and costs, for which the borrower is liable to the institution.

Added by Acts 2003, 78th Leg., ch. 1266, Sec. 1.17, eff. June 20,

2003.

Sec. 56.006. EMPLOYEE TRAINED IN STUDENT FINANCIAL ASSISTANCE PROGRAMS FOR VETERANS AND FAMILIES. (a) Each institution of higher education shall ensure that one or more persons employed by the institution is trained:

(1) in understanding state and federal student financial assistance programs available to military veterans or their family members, especially programs specifically applicable to military veterans or their family members; and

(2) in assisting military veterans and eligible family members in understanding and obtaining the benefits available under those programs.

(b) A person described by Subsection (a) must be available to assist persons as described by Subsection (a)(2) during regular business hours at the financial aid or other office to which the person is assigned.

Added by Acts 2009, 81st Leg., R.S., Ch. 998 (H.B. 3951), Sec. 1, eff. June 19, 2009.

Sec. 56.007. EXCLUSION OF ASSETS IN PREPAID TUITION PROGRAMS AND HIGHER EDUCATION SAVINGS PLANS. (a) Notwithstanding any other law, the right of a person to assets held in or the right to receive payments or benefits under any fund or plan established under Subchapter G, H, or I, Chapter 54, including an interest in a savings trust account, prepaid tuition account, or related matching account, or any school-based account or bond described by Section 28.0024(b)(2), may not be considered an asset of the person, or otherwise included in the person's household income or other financial resources, for purposes of determining the person's eligibility for a TEXAS grant or any other state-funded student financial assistance.

(b) The amount of exclusion under Subsection (a) of assets held in or the right to receive payments or benefits under a school-based account or bond described by Section 28.0024(b)(2), except a fund or plan established under Subchapter G, H, or I, Chapter 54, as a school-based account, is limited to the amount of the cost of

undergraduate resident tuition and required fees for one academic year consisting of 30 semester credit hours charged by the general academic teaching institution with the highest such tuition and fee costs for the most recent academic year, as determined by the Texas Higher Education Coordinating Board under Section 54.753.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 4, eff. June 17, 2011.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1265 (H.B. 3987), Sec. 2, eff. June 20, 2015.

Sec. 56.008. PRIORITY DEADLINE FOR STUDENT FINANCIAL ASSISTANCE. (a) The Texas Higher Education Coordinating Board by rule shall provide for a uniform priority application deadline for applications for financial assistance for an academic year.

(b) The priority deadline may not serve as a determination of eligibility for state financial assistance, but otherwise eligible applicants who apply on or before the deadline shall be given priority consideration for available state financial assistance before other applicants.

(c) The coordinating board shall consult with financial aid personnel at institutions of higher education in adopting rules providing for the deadline required under this section.

(d) This section only applies to a general academic teaching institution as defined by Section 61.003.

Added by Acts 2011, 82nd Leg., R.S., Ch. 415 (S.B. 851), Sec. 1, eff. January 1, 2013.
Redesignated from Education Code, Section 56.007 by Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.001(11), eff. September 1, 2013.

Sec. 56.009. ELIGIBILITY BASED ON GRADUATION UNDER CERTAIN HIGH SCHOOL PROGRAMS. To the extent that a person's eligibility to participate in any program under this chapter, including Subchapters K, Q, and R, is contingent on the person graduating under the recommended or advanced high school program, as those programs existed before the adoption of H.B. No. 5, 83rd Legislature, Regular

Session, 2013, the Texas Higher Education Coordinating Board and the commissioner of education shall jointly adopt rules to modify, clarify, or otherwise establish for affected programs appropriate eligibility requirements regarding high school curriculum completion.

Added by Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 67(a), eff. June 10, 2013.

Sec. 56.0092. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT; FORMER LOAN PROGRAM CONTINUED IN EFFECT FOR CERTAIN ACADEMIC YEARS ONLY. (a) The Texas B-On-time student loan account previously established by former Section 56.463 continues as an account in the general revenue fund. The account consists of:

(1) gifts and grants;

(2) any legislative appropriations received for the purpose of awarding Texas B-On-time student loans to students who qualify and establish eligibility for the loans as described by Subsection (c) and for discharging any other remaining obligations under the former Texas B-On-time student loan program;

(3) tuition set aside under Section 56.465, as that section existed immediately before September 1, 2015, for a semester or term occurring before the 2015 fall semester;

(4) bond proceeds deposited under Section 52.91(a); and

(5) any other money in the account on September 1, 2015.

(b) Money in the Texas B-On-time student loan account may be used only to pay any costs of the coordinating board related to loans awarded under the Texas B-On-time student loan program as provided by Subsection (c) for a semester or term occurring before the 2020 fall semester.

(c) Beginning with the 2015 fall semester, the coordinating board may not award an initial Texas B-On-time student loan under the Texas B-On-time student loan program. The coordinating board may award, for a semester or term occurring before the 2020 fall semester, a subsequent Texas B-On-time student loan to an eligible student who received an initial Texas B-On-time student loan before the 2015-2016 academic year. For Texas B-On-time student loans to be awarded as described by this subsection:

(1) students may qualify and establish continued eligibility, as applicable, under Subchapter Q as that subchapter

existed immediately before September 1, 2015; and

(2) the coordinating board may make loans using any money available for the purposes of the former Texas B-On-time student loan program.

(d) On September 1, 2020, the Texas B-On-time student loan account is abolished, and any remaining money in the account may be appropriated only to eligible institutions in the manner provided by Subsection (e).

(e) An appropriation under Subsection (d) must be made in accordance with a formula, adopted by coordinating board rule, that the coordinating board determines fairly allocates the appropriated amount to those eligible institutions at which the Texas B-On-time student loan program was underutilized. For purposes of this subsection, the Texas B-On-time student loan program is considered to have been underutilized by students of an institution in any period if the institution's percentage of the total amount of tuition set aside by all institutions under the program during the period was greater than the institution's percentage of all students who received a Texas B-On-time student loan under the program for the same period. The coordinating board shall base the coordinating board's determination on a period of academic years occurring before the 2015-2016 academic year that the coordinating board considers representative of eligible institutions' student participation in the Texas B-On-time student loan program.

(f) In this section, "eligible institution" means a general academic teaching institution described by Section 56.451(2)(A) or a medical and dental unit described by Section 56.451(2)(B), as those paragraphs existed immediately before September 1, 2015.

Added by Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 6, eff. September 1, 2015.

SUBCHAPTER B. FINANCIAL ASSISTANCE FUNDED FROM DESIGNATED TUITION

Sec. 56.011. RESIDENT UNDERGRADUATE STUDENT ASSISTANCE. (a) The governing board of each institution of higher education shall cause to be set aside not less than 15 percent of any amount of tuition charged to a resident undergraduate student under Section 54.0513 in excess of $46 per semester credit hour. The funds set aside under this section by an institution shall be used to provide

financial assistance for resident undergraduate students enrolled in the institution.

(b) To be eligible for assistance under this section, a student must establish financial need in accordance with rules and procedures established by the Texas Higher Education Coordinating Board. Priority shall be given to students who meet the coordinating board definition of financial need and whose cost for tuition and required fees is not met through other non-loan financial assistance programs.

(c) The financial assistance provided under this section may include grants, scholarships, work-study programs, student loans, and student loan repayment assistance.

Added by Acts 2003, 78th Leg., ch. 1321, Sec. 5, eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 7, eff. September 1, 2015.

Sec. 56.012. RESIDENT GRADUATE STUDENT ASSISTANCE. (a) The governing board of each institution of higher education shall cause to be set aside not less than 15 percent of any amount of tuition charged to a resident student enrolled in a graduate or professional degree program under Section 54.0513 in excess of $46 per semester credit hour. The funds set aside under this section by an institution shall be used to provide financial assistance for resident students enrolled in graduate and professional degree programs at the institution.

(b) To be eligible for assistance under this section, a student must establish financial need in accordance with rules and procedures established by the Texas Higher Education Coordinating Board. Priority shall be given to students who meet the coordinating board definition of financial need and whose cost for tuition and required fees is not met through other non-loan financial assistance programs.

(c) The financial assistance provided under this section may include grants, scholarships, work-study programs, student loans, and student loan repayment assistance.

Added by Acts 2003, 78th Leg., ch. 1321, Sec. 5, eff. Sept. 1, 2003.

Sec. 56.013. INFORMATION REGARDING FINANCIAL ASSISTANCE FUNDED

FROM DESIGNATED TUITION. The Texas Higher Education Coordinating Board shall disseminate to each public or accredited private high school in this state information regarding the financial assistance available under this subchapter and shall include information designed to educate high school students and the parents of those students on available opportunities and required preparation with respect to institutions of higher education. The coordinating board shall recommend a method of delivery of the information to parents and students under this section.

Added by Acts 2003, 78th Leg., ch. 1321, Sec. 5, eff. Sept. 1, 2003.

Sec. 56.014. NOTICE TO STUDENTS REGARDING TUITION SET ASIDE FOR FINANCIAL ASSISTANCE. (a) An institution of higher education that is required by this subchapter to set aside a portion of a student's tuition payments to provide financial assistance for students enrolled in the institution shall provide to each student of the institution who pays tuition from which a portion is required to be set aside for that purpose a notice regarding the specific amount that is required to be set aside by the institution.

(b) The institution shall provide the notice required by Subsection (a) to the student in a prominently printed statement that appears on or is included with:

(1) the student's tuition bill or billing statement, if the institution provides the student with a printed bill or billing statement for the payment of the student's tuition; or

(2) the student's tuition receipt, if the institution provides the student with a printed receipt evidencing the payment of the student's tuition.

(c) If for any semester or other academic term the institution does not provide the student with a printed tuition bill, tuition billing statement, or tuition receipt, the institution shall include the notice required by Subsection (a) for that semester or other term in a statement prominently displayed in an e-mail sent to the student. The notice may be included in any other e-mail sent to the student in connection with the student's tuition charges for that semester or other term.

(d) The Texas Higher Education Coordinating Board by rule shall prescribe minimum standards for the manner, form, and content of the

notice required by this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1223 (S.B. 1304), Sec. 1, eff. June 19, 2009.

SUBCHAPTER C. TEXAS PUBLIC EDUCATIONAL GRANTS

Sec. 56.031. SHORT TITLE. The grant program authorized by this subsection shall be cited as the Texas Public Educational Grants Program and individual grants awarded pursuant to this program shall be cited as Texas Public Educational Grants.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.032. PURPOSE. The purpose of this subchapter is to provide a program to supply grants of money to students attending institutions of higher education in Texas whose educational costs are not met in whole or in part from other sources and to provide institutions of higher education with funds to supplement and add flexibility to existing financial aid programs.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.033. SOURCE OF PROGRAM FUNDING. (a) The governing board of each institution of higher education, including the Texas State Technical College System, shall cause to be set aside:

(1) not less than 15 percent nor more than 20 percent out of each resident student's tuition charge under Section 54.051 as provided by the General Appropriations Act for the applicable academic year;

(2) three percent out of each nonresident student's tuition charge under Section 54.051;

(3) not less than six percent nor more than 20 percent out of each resident student's hourly tuition charge exclusive of out-of-district charges, and $1.50 out of each nonresident student's hourly tuition charge, for academic courses at a public community or junior college; and

(4) not less than six percent nor more than 20 percent of hourly tuition charges exclusive of out-of-district charges for vocational-technical courses at a public community or junior college.

(b) Of the funds set aside under this section by an institution, not less than 90 percent shall be used for Texas Public Educational Grants and not more than 10 percent shall be used for emergency loans under Subchapter D of this chapter.

(c) Except as otherwise provided by this subsection, funds set aside for Texas Public Educational Grants under this section from tuition paid by resident students may be used only for grants awarded to resident students, and funds set aside for those grants under this section from tuition paid by nonresident students may be used only for grants awarded to nonresident students and students who are citizens of countries other than the United States. After the end of the sixth class week of each semester, an institution may transfer any excess funds set aside from tuition paid by resident or nonresident students to the funds set aside for grants awarded to the other class of students. Priority for awarding grants from any excess funds set aside from tuition paid by resident students shall be given to resident students.

(d) Interest earned from the funds set aside for Texas Public Educational Grants may be spent only for grants to students as provided by this subchapter.

(e) To supplement money set aside under Subsection (a), the governing board of an institution of higher education may use money received by the institution from the fee for issuance of collegiate license plates under Section 504.615, Transportation Code, for awarding Texas Public Educational Grants. The board may use the money to award grants to both resident and nonresident students, except that the board shall give priority to grants for resident students. Notwithstanding Subsection (b), the board may not use the money for emergency loans under Subchapter D.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975. Amended by Acts 1985, 69th Leg., ch. 708, Sec. 12, eff. Aug. 26, 1985; Acts 1989, 71st Leg., ch. 805, Sec. 3, eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 1084, Sec. 2.09, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 287, Sec. 27, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., 1st C.S., ch. 5, Sec. 6.04, eff. Sept. 1, 1991; Acts 2001, 77th Leg., ch. 336, Sec. 1, eff. May 26, 2001; Acts 2003,

78th Leg., ch. 1070, Sec. 3, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 16, eff. September 1, 2005.

Sec. 56.034. GUIDELINES FOR DETERMINING ELIGIBILITY AND AWARDING GRANTS. (a) The governing boards of institutions of higher education shall establish guidelines to determine eligibility for awarding Texas Public Educational Grants subject to the limitations of this section.

(b) Financial need shall be the only consideration in establishing guidelines to determine a student's eligibility for a grant except that returning students who are on scholastic probation or all students on disciplinary probation may be deemed ineligible at the governing board's discretion.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 9.01(b)(5), eff. September 1, 2013.

Sec. 56.035. TYPE OF GRANTS TO BE AWARDED. Texas Public Educational Grants shall not be awarded for any specific purpose other than meeting all or part of a student's demonstrated financial need.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975. Amended by Acts 1985, 69th Leg., ch. 708, Sec. 14, eff. Aug. 26, 1986.

Sec. 56.036. TRANSFER OF GRANT FUNDS FOR USE AS MATCHING FUNDS. Each institution of higher education is authorized to transfer any or all of the funds set aside for the Texas Public Educational Grant Program to the coordinating board to be used for matching federal or other grant funds for awarding to students attending that institution. Said scholarship fund transferred to the coordinating board and all matching funds may be expended by the coordinating

board for awarding scholarships as provided herein and in the general appropriation acts of the legislature.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.037. PRIORITIES IN AWARDING MATCHING FUNDS. In awarding matching funds to be used in conjunction with Texas Public Educational Grants, the coordinating board shall give first priority to those institutions and students showing the highest amount of financial need.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.038. RESTRICTIONS AND RETURN OF TRANSFERRED FUNDS. The coordinating board may not use funds transferred to it pursuant to this subchapter from one institution to award grants to students of a different institution. Should matching funds be unavailable for an institution, all funds transferred from that institution to the coordinating board shall be returned to that institution.

Added by Acts 1975, 64th Leg., p. 2323, ch. 720, Sec. 1, eff. Sept. 1, 1975.

Sec. 56.039. FULL USE OF FUNDS. At the end of a fiscal year, if the total amount of unencumbered funds that have been set aside under this subchapter by an institution of higher education, together with the total amount of unencumbered funds transferred by that institution to the Coordinating Board, Texas College and University System, exceeds 150 percent of the amount of funds set aside by that institution in that fiscal year, the institution shall transfer the excess amount to the coordinating board. The coordinating board shall use funds transferred under this section to award grants under Subchapter M.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 13, eff. Aug. 26, 1985. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 3, eff. June 19,

1999.

SUBCHAPTER D. EMERGENCY TUITION, FEE, AND TEXTBOOK LOANS

Sec. 56.051. EMERGENCY LOANS. Each institution of higher education may establish an emergency loan program under which students are loaned money to pay tuition, fees, and the costs of textbooks.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 15(a), eff. Aug. 26, 1985. Amended by Acts 1989, 71st Leg., ch. 805, Sec. 4, eff. Aug. 28, 1989.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 17, eff. September 1, 2005.

Sec. 56.052. ELIGIBILITY. (a) The governing board of each institution shall adopt rules establishing eligibility criteria. The rules must allow eligible students to obtain loans on the basis of the order of receipt of applications, except as provided by Subsection (b).

(b) The governing board may adopt rules that allow the institution to select loan recipients from the eligible applicants according to financial need, regardless of when their applications are received, if money available for the program is insufficient to provide loans to each eligible applicant.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 15(a), eff. Aug. 26, 1985.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 18, eff. September 1, 2005.

Sec. 56.053. TERMS. (a) The governing board of each institution shall adopt rules providing for the terms of the loan, subject to the following:

(1) the loan must be repaid over a period not to exceed 90 days for a loan made for a regular semester or long summer session or over a proportionately shorter period for loans made for a six-week

summer session;

(2) the loan must be evidenced by a written or electronic agreement providing for one of the following:

(A) interest on the loan at a rate of not more than five percent per year; or

(B) an origination fee of not more than 1.25 percent of the amount of the loan; and

(3) the loan amount per student may not exceed an amount equal to the tuition, mandatory fees, and cost of textbooks for the courses in which the student is actually enrolling.

(b) The loan program must provide for making loans to students whose tuition is paid on a basis other than semester credit hours, and must provide loan terms analogous to the terms for students paying tuition on the basis of semester credit hours.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 15(a), eff. Aug. 26, 1985. Amended by Acts 2001, 77th Leg., ch. 80, Sec. 3, eff. May 14, 2001; Acts 2001, 77th Leg., ch. 655, Sec. 6, eff. Sept. 1, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 987 (S.B. 1232), Sec. 2, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 844 (H.B. 3578), Sec. 2, eff. June 17, 2011.

Sec. 56.054. SOURCE OF PROGRAM FUNDING. The loans shall be made from the funds set aside for that purpose under Section 56.033 of this code.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 15(a), eff. Aug. 26, 1985.

Sec. 56.055. DEFERRED REPAYMENT. (a) It is the goal of this state that no resident be denied the opportunity to receive an education in a public institution of higher education due to a lack of financial ability. Accordingly, on a finding that a resident would be deprived of an education due to a lack of financial ability, an institution shall defer repayment of emergency loans under this section. The deferral provided for by this section is not a property right of the borrower.

(b) The deferred repayment must begin on the earlier of the following dates:

(1) the first day of the ninth month after the last month in which the borrower was enrolled in a public institution of higher education; or

(2) the fifth anniversary of the date on which the loan was executed.

(c) Under rules adopted by the coordinating board, an institution may extend the time for repayment of undergraduate loans made to students who later enroll in a graduate or professional program at an institution of higher education. The coordinating board shall adopt guidelines for determinations of extreme financial hardship and other instances in which the public interest is served if a loan is forgiven. Each institution shall forgive loans in accordance with those guidelines.

Added by Acts 1985, 69th Leg., ch. 708, Sec. 15(a), eff. Aug. 26, 1985.

SUBCHAPTER E. TEXAS COLLEGE WORK-STUDY PROGRAM

Sec. 56.071. PROGRAM NAME. The student financial assistance program authorized by this subchapter shall be known as the Texas college work-study program.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.072. PURPOSE. The purpose of this subchapter is to provide eligible, financially needy students with jobs, funded in part by the State of Texas, to enable those students to attend eligible institutions of higher education, public or private, in Texas.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.073. ADMINISTRATIVE AUTHORITY. (a) The Texas Higher Education Coordinating Board shall administer the Texas college work-study program. The coordinating board shall work with eligible institutions and employers to provide eligible students with part-

time jobs funded in part by the state.

(b) State support for this program may not exceed the amount specified by appropriation.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.074. ELIGIBLE INSTITUTION. An eligible institution is:

(1) an institution of higher education; or

(2) a private or independent college, university, association, agency, institution, or facility that is located in this state which meets program standards and accreditation comparable to public institutions as determined by the board.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.075. ELIGIBLE STUDENT. (a) To be eligible for employment in the work-study program a person must:

(1) be a Texas resident as defined by coordinating board rules;

(2) be enrolled for at least one-half of a full course load and conform to an individual course of study in an eligible institution;

(3) establish financial need in accordance with coordinating board procedures and rules; and

(4) comply with other requirements adopted by the coordinating board under this subchapter.

(b) A person is not eligible to participate in the work-study program if the person:

(1) receives an athletic scholarship; or

(2) is enrolled in a seminary or other program leading to ordination or licensure to preach for a religious sect or to be a member of a religious order.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.076. ELIGIBLE EMPLOYER. (a) An eligible institution may enter into agreements with employers that participate in the work-study program. To be eligible to participate in the work-study

program, an employer must:

(1) provide part-time employment to an eligible student in nonpartisan and nonsectarian activities;

(2) provide, insofar as is practicable, employment to an eligible student that is related to the student's academic interests;

(3) use Texas college work-study program positions only to supplement and not to supplant positions normally filled by persons not eligible to participate in the work-study program;

(4) provide from sources other than federal college work-study program funds a percentage of an employed student's wages that is equal to the percentage of a student's wages that the employer would be required to provide to the student in that academic year under the federal college work-study program; and

(5) provide from sources other than federal college work-study funds 100 percent of other employee benefits for the employed student.

(b) Each eligible institution shall ensure that at least 20 percent but not more than 50 percent of the employment positions provided through the work-study program in an academic year are provided by employers eligible under this section who are providing employment located off campus.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 19, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 4, eff. June 18, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1216 (S.B. 1750), Sec. 1, eff. June 19, 2015.

Sec. 56.077. ADOPTION AND DISTRIBUTION OF RULES. (a) The coordinating board may adopt reasonable rules, consistent with the purposes and policies of this subchapter, to enforce the requirements, conditions, and limitations expressed by this subchapter.

(b) The coordinating board shall adopt rules necessary to ensure compliance with the Civil Rights Act of 1964, Title VI (Pub. L. No. 88-352), concerning nondiscrimination in admissions or

employment.

(c) The coordinating board shall distribute to each eligible institution copies of all rules adopted under this subchapter.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.078. FUNDING. Funding to cover the state's contribution toward the funding of the work-study program under this subchapter is payable from funds appropriated for that purpose.

Added by Acts 1989, 71st Leg., ch. 1151, Sec. 1, eff. Aug. 28, 1989.

Sec. 56.079. WORK-STUDY STUDENT MENTORSHIP PROGRAM. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means:

(A) an institution of higher education; or

(B) a private or independent institution of higher education, as defined by Section 61.003(15), other than a private or independent institution of higher education offering only professional or graduate degrees.

(3) "Participating entity" means an eligible institution, a school district, or a nonprofit organization that has filed a memorandum of understanding with the coordinating board under this section to participate in the work-study student mentorship program established under this section.

(b) In accordance with this section and coordinating board rules, the coordinating board shall administer a work-study student mentorship program under which students who are enrolled at participating eligible institutions and who meet the eligibility requirements for employment in the Texas college work-study program under Section 56.075 may be employed by participating entities under the Texas college work-study program to:

(1) mentor students at participating eligible institutions or high school students in participating school districts; or

(2) counsel high school students at GO Centers or similar high school-based recruiting centers designed to improve student access to higher education.

(c) To participate in the work-study student mentorship program, an eligible institution and one or more school districts or nonprofit organizations interested in jointly participating in the program shall file with the coordinating board a joint memorandum of understanding detailing the roles and responsibilities of the participating entities.

(d) The coordinating board, in consultation with eligible institutions, school districts, and nonprofit organizations that express interest in participating in the work-study student mentorship program, shall develop a standard contract establishing the roles and responsibilities of participating entities to be used as a model for a memorandum of understanding entered into by participating entities under Subsection (c).

(e) The coordinating board:

(1) shall establish criteria to ensure that the participating eligible institution's contribution toward the wages and benefits of a student employed as a mentor under the work-study student mentorship program is matched by funds provided by the participating entity benefiting from the services of the employed student in an amount that is at least equal to the amount of the participating eligible institution's contribution;

(2) may accept appropriate in-kind contributions from participating nonprofit organizations to satisfy the matching funds requirement of this subsection; and

(3) may waive the matching funds requirement of this subsection for a participating entity that meets criteria established by the coordinating board for a waiver.

(f) The coordinating board shall partner with participating nonprofit organizations to establish additional GO Centers or similar high school-based recruiting centers designed to improve student access to higher education in this state.

(g) The coordinating board shall ensure that each student employed under the work-study student mentorship program:

(1) receives appropriate training and supervision; and

(2) is paid at least at the minimum wage required by law.

(h) The coordinating board may accept gifts, grants, and donations from any public or private source for the purposes of this section.

(i) An eligible institution participating in the work-study student mentorship program under this section may require students

who are on academic probation at the institution to be matched with a student mentor employed under the program.

(k) Each eligible institution participating in the work-study student mentorship program under this section shall set aside a portion of the institution's Texas college work-study program funds to pay for the state's contribution toward the costs of the program.

(l) Notwithstanding Section 56.076(a), a participating entity that employs a student mentor under the work-study student mentorship program shall provide from sources other than federal college work-study funds:

(1) not less than 10 percent of the employed student's wages; and

(2) 100 percent of other employee benefits for the employed student.

Added by Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 5, eff. June 18, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 804 (S.B. 1050), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 9.01(b)(6), eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1216 (S.B. 1750), Sec. 2, eff. June 19, 2015.

Sec. 56.080. ONLINE LIST OF WORK-STUDY EMPLOYMENT OPPORTUNITIES. Each institution of higher education shall:

(1) establish and maintain an online list of work-study employment opportunities, sorted by department as appropriate, available to students on the institution's campus; and

(2) ensure that the list is easily accessible to the public through a clearly identifiable link that appears in a prominent place on the financial aid page of the institution's Internet website.

Added by Acts 2009, 81st Leg., R.S., Ch. 467 (S.B. 305), Sec. 1, eff. June 19, 2009.
Added by Acts 2009, 81st Leg., R.S., Ch. 681 (H.B. 2504), Sec. 2, eff. June 19, 2009.

For expiration of this section, see Subsection (e).

Sec. 56.081. STUDY ON FEASIBILITY OF PROVIDING OFF-CAMPUS WORK-STUDY EMPLOYMENT. (a) In this section, "public junior college" has the meaning assigned by Section 61.003.

(b) The Texas Higher Education Coordinating Board shall conduct a study to examine the feasibility of providing employment positions located off-campus through the Texas college work-study program.

(c) The study must identify:

(1) best practices for developing partnerships with employers to provide off-campus employment positions through the work-study program, including best practices learned from other apprenticeship, internship, or mentorship programs in this state or from similar programs in other states;

(2) any careers or industries that are well-suited for providing off-campus employment positions through the work-study program;

(3) current barriers that public junior colleges face in developing partnerships with employers to provide off-campus employment positions through the work-study program, including any staffing needs or limitations on the outreach capabilities of those colleges; and

(4) any public junior colleges that demonstrate strong potential for successful participation in a pilot program to develop partnerships with employers to provide off-campus employment positions through the work-study program.

(d) Not later than December 1, 2016, the coordinating board shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over higher education a report on the results of the study and any recommendations for legislative or other action.

(e) This section expires September 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 76 (S.B. 947), Sec. 1, eff. May 22, 2015.

Sec. 56.082. BIENNIAL REPORT. (a) Not later than January 1 of each odd-numbered year, the Texas Higher Education Coordinating Board shall submit to the standing legislative committees with primary

jurisdiction over higher education and post on the coordinating board's Internet website a report on the Texas college work-study program. The report must include the total number of students employed through the program, disaggregated by:

(1) the employment position's location on or off campus; and

(2) the employer's status as a for-profit or nonprofit entity.

(b) Notwithstanding Subsection (a), the Texas Higher Education Coordinating Board shall submit its initial report under that subsection not later than May 1, 2019. This subsection expires September 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 1216 (S.B. 1750), Sec. 3, eff. June 19, 2015.

SUBCHAPTER F. DOCTORAL INCENTIVE LOAN REPAYMENT PROGRAM

Sec. 56.091. ESTABLISHMENT; ADMINISTRATION. (a) The Texas Higher Education Coordinating Board shall establish and administer the doctoral incentive loan repayment program as provided by this subchapter and shall adopt rules as necessary to administer the program.

(b) The purpose of the doctoral incentive loan repayment program is to provide education loan repayment assistance to individuals from groups that are underrepresented among the faculty and administration of public and independent institutions of higher education in this state to increase the number of individuals from those underrepresented groups among the faculty and administration of public and independent institutions of higher education in this state.

(c) For purposes of this subchapter, an individual is from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state if:

(1) the individual was from a low socioeconomic background while pursuing the individual's undergraduate education; or

(2) when the individual graduated from high school the individual resided in an area from which a disproportionately low number of high school graduates enrolled in postsecondary educational

institutions.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 47, eff. Sept. 1, 2003.

Sec. 56.092. ELIGIBILITY. To be eligible for loan repayment assistance under the doctoral incentive loan repayment program, an individual must:

(1) be employed as a full-time faculty or administration member in a public or independent institution of higher education in this state for at least one year;

(2) be a Texas resident;

(3) be from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state;

(4) have qualified for student financial aid based on financial need while enrolled in a graduate-level degree program; and

(5) comply with any other requirements adopted by the coordinating board for the effective administration of the program.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 47, eff. Sept. 1, 2003.

Sec. 56.093. ELIGIBLE LOANS. The coordinating board may provide repayment assistance under the doctoral incentive loan repayment program for the repayment of any education loan received by an eligible individual through any lender.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 47, eff. Sept. 1, 2003.

Sec. 56.094. LOAN REPAYMENT ASSISTANCE. (a) The coordinating board may provide assistance in the repayment of an eligible loan to an eligible individual in the amounts and under the terms the coordinating board considers appropriate to further the purposes of the doctoral incentive loan repayment program and the best interests of this state.

(b) An individual may receive loan repayment assistance under the doctoral incentive loan repayment program in a total amount not to exceed $100,000.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 47, eff. Sept. 1, 2003.

Sec. 56.095. FUNDING; LIMITATION ON FUNDING. (a) The doctoral incentive loan repayment program may be funded only from a source provided by this section. The total amount of loan repayment assistance paid under the program may not exceed the amount of money available for the program under this section.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 835, Sec. 19, eff. September 1, 2015.

(c) The coordinating board may solicit and accept gifts and grants from any public or private source for the purposes of the doctoral incentive loan repayment program.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 47, eff. Sept. 1, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 835 (H.B. 7), Sec. 19, eff. September 1, 2015.

SUBCHAPTER H. STUDENT LOAN REVENUE BOND PROGRAM

Sec. 56.121. PURPOSE. The purpose of this subchapter is to provide loans to qualified students to enable those students to attend institutions of higher education.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.122. DEFINITIONS. In this subchapter:

(1) "Board" means the Texas Higher Education Coordinating Board.

(2) "Fund" means the student loan revenue bond fund.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.123. CREATION. (a) A special fund to be known as the student loan revenue bond fund is created in the state treasury.

(b) The fund consists of proceeds from the sale of revenue bonds and gifts or grants made to the board for purposes of the fund.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.124. ADMINISTRATION. (a) The board shall administer this subchapter.

(b) The board shall adopt and distribute to each institution of higher education rules to administer this subchapter.

(c) The board may accept a gift or grant from a public or private source for the purpose of this subchapter.

(d) The board shall create accounts in the fund that will facilitate the administration of the fund and the program of making loans from the fund under this subchapter.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.125. LOANS FROM FUND. (a) The board shall make a loan from the fund to a student who qualifies for a loan under Subchapter C, Chapter 52, of this code.

(b) Loans from the fund are governed by Subchapter C, Chapter 52, of this code as if made under that subchapter, except to the extent of conflict with this subchapter.

(c) The board may charge and collect a loan origination fee from a student who receives a loan from the fund. The board may use the fee to pay operating expenses for making loans under this section.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.126. REVENUE BONDS. (a) The board may by resolution authorize the issuance of revenue bonds to operate the program of making loans from the fund under this subchapter. The board may issue the bonds in the form, with the characteristics, and bearing the designations provided in the resolution.

(b) The board may pledge all or part of the revenue derived from the operation of the program of making loans from the fund to secure the bonds.

(c) The board must issue the bonds in the manner provided by Chapter 1201, Government Code.

(d) The bonds are special obligations of the board payable only

from designated income and receipts of the board, including principal and interest payments on loans from the fund, income from the accounts created in the fund, and receipts and other revenues pledged to the retirement of the bonds.

(e) The bonds do not constitute indebtedness of the state.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.221, eff. Sept. 1, 2001.

Sec. 56.127. REFUNDING BONDS. The board may by resolution authorize the issuance of refunding bonds. The board may issue refunding bonds in the manner and for the purposes provided by law.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.128. AMOUNT OF BONDS. The total amount of revenue and refunding bonds issued by the board in a state fiscal year may not exceed $75 million.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.129. INTEREST RATE. The revenue bonds or refunding bonds must bear interest at a rate not to exceed the rate provided by Chapter 1204, Government Code.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.222, eff. Sept. 1, 2001.

Sec. 56.130. MATURITY. Bonds issued under this subchapter may mature serially or otherwise not later than the 40th year after the date of their issuance.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.131. EXECUTION OF BONDS. The commissioner of higher education shall execute bonds issued under this subchapter in the name of the board.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.132. APPROVAL AND REGISTRATION OF BONDS. (a) The attorney general shall examine bonds issued under this subchapter and the records relating to the bonds' issuance.

(b) If the attorney general finds that the bonds have been issued in accordance with law, the attorney general shall approve the bonds, and the comptroller of public accounts shall register the bonds.

(c) Following approval and registration, the bonds are incontestable and are binding obligations according to their terms.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.133. REPLACEMENT OF BOND. The board may provide for the replacement of a bond issued under this subchapter that is mutilated, lost, or destroyed.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.134. PROCEEDS. (a) The board shall deposit the proceeds from the sale of the bonds issued under this subchapter in the fund.

(b) The board may use the proceeds from the sale of the bonds to pay the costs of issuing, marketing, or distributing the bonds.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

Sec. 56.135. LIMITATION OF AUTHORITY. The board may not further issue bonds under this subchapter after the date on which a constitutional amendment relating to the issuance of general obligation bonds by the board for the purposes of student loans is approved by the voters.

Added by Acts 1991, 72nd Leg., ch. 330, Sec. 1, eff. June 5, 1991.

SUBCHAPTER I. TEXAS DEPARTMENT OF TRANSPORTATION CONDITIONAL GRANT PROGRAM

Sec. 56.141. DEFINITIONS. In this subchapter:

(1) "Department" means the Texas Department of Transportation.

(2) "Institution" means an institution of higher education, as defined by Section 61.003 of this code, but does not include a medical or dental unit or other agency of higher education.

(3) "Eligible degree" means a baccalaureate degree from an institution in a field of study that satisfies the department's minimum education requirement for an eligible profession.

(4) "Eligible profession" means the profession of engineering or another profession as defined by department rule for which the department determines there is a need in the department's workforce.

(5) "Profession" means a state classified position for which the minimum requirements include a baccalaureate degree.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991. Renumbered from Education Code Sec. 56.121 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 1, eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 165, Sec. 22(26), eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 985, Sec. 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1325, Sec. 14.01, eff. Sept. 1, 2003.

Sec. 56.142. ESTABLISHMENT; ADMINISTRATION. (a) The department shall establish and administer a conditional grant program under this subchapter to provide financial assistance to eligible students who agree to work for the department in an eligible profession for the two academic years immediately following the date of the student's receipt of an eligible degree.

(b) The department shall adopt and distribute to the governing board of each institution copies of all rules adopted under this subchapter.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991.

Renumbered from Education Code Sec. 56.122 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 2, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 985, Sec. 2, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1325, Sec. 14.02, eff. Sept. 1, 2003.

Sec. 56.143. ELIGIBLE STUDENT. (a) To be eligible for a conditional grant under this subchapter, a student must:

(1) complete and file with the department, on forms prescribed by the department, a conditional grant application and a declaration of intent to become a member of an eligible profession and work for the department for the two academic years immediately following the date of the student's receipt of an eligible degree;

(2) enroll in an institution;

(3) be a Texas resident, as defined by Texas Higher Education Coordinating Board rule;

(4) be economically disadvantaged, as defined by department rule; and

(5) have complied with any other requirements adopted by the department under this subchapter.

(b) In determining who should receive a grant under this program, the department:

(1) shall give highest priority to students who demonstrate the greatest financial need; and

(2) may consider whether the applicant would be the first generation of the applicant's family to attend or graduate from an undergraduate program or from a graduate or professional program.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991. Renumbered from Education Code Sec. 56.123 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 3, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 985, Sec. 3, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1325, Sec. 14.03, eff. Sept. 1, 2003.

Sec. 56.144. AMOUNT AND PAYMENT OF CONDITIONAL GRANTS. (a) The department by rule shall prescribe criteria for the selection of applicants for grants under this subchapter. The criteria must

include consideration of a student's secondary school scholastic record.

(b) Each semester the department shall distribute a conditional grant to each student selected under the criteria adopted under Subsection (a) on receipt of an enrollment report from the institution enrolling the student and certification from the institution of the amount of tuition and fees for the student.

(c) The amount of a conditional grant is the sum of:

(1) the certified amount of tuition and fees for the student; and

(2) a stipend for each whole calendar month in the semester in an amount determined by the department based on financial need.

(d) The total amount of all conditional grants distributed by the department may not exceed the amount appropriated for the grant program under this subchapter.

(e) The department shall proportionately reduce the amount of each unpaid conditional grant if the amount appropriated for the conditional grants is less than the estimated amount of all unpaid conditional grants.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991. Renumbered from Education Code Sec. 56.124 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 4, eff. Sept. 1, 1995.

Sec. 56.145. REPAYMENT OF CONDITIONAL GRANT. (a) The department by rule may establish conditions under which a student who has received a conditional grant may be required to repay all or part of the grant because the student has withdrawn from or dropped out of the student's institution or has otherwise failed to maintain eligibility for the grant.

(b) A student who does not become a member of an eligible profession and work for the department for the two academic years immediately following the date of the student's receipt of an eligible degree must repay all conditional grants received by the student.

(c) The department shall establish a schedule for installment repayment under this section.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991.

Renumbered from Education Code Sec. 56.125 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 5, eff. Sept. 1, 1995.

Sec. 56.147. FUNDING. (a) The department may accept gifts and grants from any public or private source for the conditional grant program under this subchapter and may also use for that purpose available money credited to the state highway fund.

(b) The department shall issue not less than $400,000 annually in conditional grants under this subchapter from money available to fund the conditional grant program.

(c) The department may provide outreach programs to recruit students into the conditional grant program.

Added by Acts 1991, 72nd Leg., ch. 551, Sec. 29, eff. Sept. 1, 1991. Renumbered from Education Code Sec. 56.127 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(9), eff. Nov. 12, 1991. Amended by Acts 1995, 74th Leg., ch. 151, Sec. 6, eff. Sept. 1, 1995; Acts 1995, 74th Leg., ch. 165, Sec. 22(28), eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 985, Sec. 4, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1325, Sec. 14.04, eff. Sept. 1, 2003.

SUBCHAPTER J. MINORITY DOCTORAL INCENTIVE PROGRAM

Sec. 56.161. DEFINITIONS. In this subchapter:

(1) "Academic administrator" means a person employed by an institution as a supervisor in an educational department of the institution in a position that is not classified under the state position classification plan.

(2) "Board" means the Texas Higher Education Coordinating Board.

(3) "Faculty member" has the meaning assigned by Section 51.101 of this code.

(4) "Institution" means an institution of higher education, as defined by Section 61.003 of this code, or a private college or university that is located in this state and is accredited by a recognized accrediting agency, as defined by Section 61.003 of this code.

(5) "Minority" means a group that is significantly

underrepresented in an academic discipline, as determined by board rule.

(6) "Program" means the minority doctoral incentive program established under this subchapter.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.162. ESTABLISHMENT; ADMINISTRATION. (a) The board shall establish and administer the minority doctoral incentive program to:

(1) provide loans to minority students who pursue doctorates or pursue master's degrees and commit to pursue a doctorate; and

(2) increase minority representation among the faculty and administration of institutions.

(b) The board shall adopt and distribute to the governing board of each institution copies of all rules adopted under this subchapter.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.163. ELIGIBILITY. (a) To be eligible for a loan under this subchapter, a person must:

(1) be accepted for admission to an institution as a full-time graduate student in a doctoral program approved by the board or be accepted for admission to an institution as a full-time graduate student in a master's program approved by the board and demonstrate a commitment to pursue a doctoral program approved by the board;

(2) be sponsored by a faculty member of the program in which the person is enrolled;

(3) be nominated by the institution in which the person is enrolled based on academic achievement, career interest, and other factors the institution considers relevant;

(4) not have defaulted on another student loan; and

(5) have complied with any other requirements adopted by the board under this subchapter.

(b) The board shall adopt eligibility requirements under Subsection (a)(5) of this section to ensure that Texas residents, as defined by board rule, are first given the opportunity to receive

loans under this subchapter.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.164. TUITION CHARGED CERTAIN NONRESIDENT LOAN RECIPIENTS. If a loan recipient is a resident of another state that has a program that is similar to the program under this subchapter and the loan recipient enrolls at an institution of higher education, as defined by Section 61.003 of this code, the institution may charge the loan recipient only the tuition required for resident students under Subchapter B, Chapter 54, of this code.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.165. LOAN DISBURSEMENT. (a) If an eligible student applies for a loan from a lending institution, the board shall provide the institution a conditional guaranty of the loan, in accordance with Section 56.170 of this code, on the board's receipt of:

(1) the student's application to the board for a conditional guaranty;

(2) a verification of the student's enrollment from the institution enrolling the student;

(3) a certification from the institution enrolling the student of the amount of tuition and fees for the student; and

(4) a certification from the lending institution that the terms of the loan conform with the requirements of Section 56.166 of this code, including requirements adopted by the board under that section, and that the lending institution agrees to suspend interest on the student's loan as provided by Sections 56.168 and 56.169 of this code.

(b) If an eligible student applies for a loan from the board, the board shall provide a loan in an amount determined by the board to the student on the board's receipt of:

(1) the student's application to the board for a loan;

(2) a verification of the student's enrollment from the institution enrolling the student; and

(3) a certification from the institution enrolling the student of the amount of tuition and fees for the student.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.166. TERMS OF LOAN. (a) A loan must be evidenced by a promissory note that provides for the repayment of the loan with interest and for the charging of necessary collection costs.

(b) Except as provided by Sections 56.168 and 56.169 of this code, a loan must be repayable, at the option of the board, in equal monthly installments over a period beginning with the first day of the seventh month after the date on which the recipient ceases to be enrolled in a graduate program at an institution.

(c) A loan must bear simple interest at a rate determined by the board.

(d) A loan provided under this subchapter may not exceed $14,000 each year for a maximum of four years.

(e) The board shall determine the other terms of a loan.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.167. MENTORS. The institution at which a student who receives a loan is enrolled shall provide the student with a mentor who is a faculty member at the institution to assist the student in pursuing a master's or doctoral degree.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.168. POSTDOCTORAL FELLOWSHIP. (a) A loan recipient is eligible for suspension of the recipient's loan if the recipient enters a postdoctoral fellowship not later than the first day of the seventh month after the date on which the recipient ceases to be enrolled in a doctoral program at an institution.

(b) The board shall suspend the accrual of interest and the repayment of principal and interest on an eligible recipient's loan until a date determined by board rule.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.169. LOAN SUSPENSION AND FORGIVENESS. (a) A loan

recipient is eligible for suspension and forgiveness of the recipient's loan if, after the recipient obtains a doctorate, the recipient is employed as a full-time faculty member or academic administrator at an institution.

(b) In accordance with Subsections (c), (d), and (e) of this section, the board shall suspend the accrual of interest and forgive the repayment of a loan made to an eligible recipient.

(c) The board shall suspend the accrual of interest and the repayment of principal and interest on an eligible recipient's loan until the recipient is not employed as a full-time faculty member or academic administrator at an institution.

(d) The board shall forgive the repayment of 20 percent of the unpaid principal balance and all accrued interest of an eligible recipient's loan for each academic year of service by the recipient as a full-time faculty member or academic administrator at an institution.

(e) A loan to an eligible recipient is repayable under the terms of Section 56.166 of this code beginning with the first day of the seventh month after the date on which the recipient discontinues full-time study and is not employed as a full-time faculty member or academic administrator at an institution and must be repaid in full not later than the 10th anniversary of the date on which the loan becomes repayable.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.170. CONDITIONAL GUARANTY. A conditional guaranty of a loan under Section 56.165(a) of this code must provide that the board shall repay the lending institution to which the guaranty is executed the amount of the loan that the board would be required to forgive under Section 56.169 of this code if the loan had been made by the board.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

Sec. 56.171. FUNDING. (a) The board may accept gifts and grants from a public or private source for the program.

(b) Gifts, grants, and other funds appropriated by the legislature may be used for the program.

Added by Acts 1993, 73rd Leg., ch. 75, Sec. 1, eff. May 4, 1993.

SUBCHAPTER K. EARLY HIGH SCHOOL GRADUATION SCHOLARSHIP PROGRAM

Sec. 56.201. PROGRAM NAME. The student financial assistance program authorized by this subchapter is known as the Early High School Graduation Scholarship program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995.

Sec. 56.2011. DEFINITION. In this subchapter, "coordinating board" means the Texas Higher Education Coordinating Board.

Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 20, eff. September 1, 2005.
Added by Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 1, eff. June 18, 2005.

Sec. 56.202. PURPOSE. (a) The Early High School Graduation Scholarship program is created to increase efficiency in the Foundation School Program and to provide assistance for tuition or tuition and mandatory fees, as provided by Section 56.204, to an eligible person to enable that person to attend a public or private institution of higher education in this state.

(b) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1186, Sec. 11, eff. June 17, 2011.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 1317, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 21, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 2, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 11, eff. June 17, 2011.

Sec. 56.203. ELIGIBLE PERSON. (a) To be eligible for an award through the Early High School Graduation Scholarship program, a person must:

(1) have graduated from a public high school in this state:

(A) in not more than 41 consecutive months and successfully completed the recommended or advanced high school program established under Section 28.025, if the person graduated on or after September 1, 2005;

(B) in not more than 46 consecutive months, with at least 30 hours of college credit, and successfully completed the recommended or advanced high school program established under Section 28.025, if the person graduated on or after September 1, 2005; or

(C) in not more than 36 consecutive months after successfully completing the requirements for a high school diploma, if the person graduated before September 1, 2005, regardless of whether the person successfully completed the recommended or advanced high school program established under Section 28.025;

(2) have attended one or more public high schools in this state for the majority of time the person attended high school; and

(3) be a citizen of the United States or otherwise lawfully authorized to be present in the United States.

(b) The eligibility for the Early High School Graduation Scholarship program of a person described by Subsection (a)(1)(A) or (B) ends on the sixth anniversary of the date that the person first becomes eligible to participate in the program, unless the person is provided additional time to participate in the program under Subsection (c).

(c) The coordinating board shall adopt rules to provide a person described by Subsection (a)(1)(A) or (B) who is otherwise eligible to participate in the Early High School Graduation Scholarship program additional time to use a state credit for tuition and mandatory fees under the program. The rules must require a person seeking an extension under this subsection to show hardship or other good cause that prevents the person from enrolling in or continuing enrollment in an eligible institution during the period provided by Subsection (b). For purposes of this subsection, hardship or other good cause includes a severe illness or other debilitating condition, responsibility for the care of a sick, injured, or needy person, or active duty or other service in the United States armed forces.

(d) A person who does not satisfy the curriculum requirements for the recommended or advanced high school program as required to establish eligibility under Subsection (a)(1)(A) or (B) is considered to have satisfied those requirements if the high school from which the person graduated indicates on the person's transcript that the person was unable to complete the appropriate curriculum within the time prescribed by that subsection solely because of a reason beyond the person's control, such as lack of enrollment capacity or a shortage of qualified teachers.

(e) The coordinating board shall adopt rules for determining whether a person attended public high school in this state as required by Subsection (a)(2).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995; Amended by Acts 2003, 78th Leg., ch. 365, Sec. 1, eff. Sept. 1, 2003.
Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 1317, Sec. 2, eff. Sept. 1, 2003.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 22, eff. September 1, 2005.
Reenacted and amended by Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 3, eff. June 18, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1225 (H.B. 2383), Sec. 2, eff. June 15, 2007.

Sec. 56.204. ENTITLEMENT. (a) In a total amount not to exceed the amount of funds appropriated for the current state fiscal year to pay for a state credit to apply toward tuition or tuition and mandatory fees, as applicable, at a public or private institution of higher education in this state, the commissioner of education shall award to eligible persons credits in the following amounts:

(1) $2,000 to apply toward tuition and mandatory fees if the person successfully completed the recommended or advanced high school program established under Section 28.025 and graduated from high school on or after September 1, 2005, in 36 consecutive months or less and an additional $1,000 to apply toward tuition and mandatory fees if the person graduated with at least 15 hours of

college credit;

(2) $500 to apply toward tuition and mandatory fees if the person successfully completed the recommended or advanced high school program established under Section 28.025 and graduated from high school on or after September 1, 2005, in more than 36 consecutive months but not more than 41 consecutive months and an additional $1,000 to apply toward tuition and mandatory fees if the person graduated with at least 30 hours of college credit;

(3) $1,000 to apply toward tuition and mandatory fees if the person successfully completed the recommended or advanced high school program established under Section 28.025 and graduated from high school on or after September 1, 2005, in more than 41 consecutive months but not more than 45 consecutive months with at least 30 hours of college credit; or

(4) $1,000 to apply only toward tuition if the person graduated before September 1, 2005, after successfully completing the requirements for a high school diploma in not more than 36 consecutive months.

(b) The use of a credit at a private institution is contingent on a private institution's agreement to match the state credit.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 1317, Sec. 3, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 23, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 24, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 4, eff. June 18, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 5, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 5, eff. June 17, 2011.

Sec. 56.205. ISSUANCE OF CERTIFICATE. As soon as practicable after the coordinating board confirms with the high school from which a person graduated that the person is eligible for an award through

the Early High School Graduation Scholarship program, the coordinating board shall provide a certificate for state credits for tuition or tuition and mandatory fees, as applicable, to the eligible person.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 1317, Sec. 4, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 25, eff. September 1, 2005.
Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 6, eff. June 18, 2005.

Sec. 56.206. USE OF STATE CREDIT. (a) On enrollment of an eligible person in an eligible institution of higher education, the institution shall apply to the person's charges for tuition or tuition and mandatory fees, as applicable, for the enrollment period an amount equal to the lesser of:

(1) the amount of the state credit available to the person; or

(2) the person's actual tuition or tuition and mandatory fees, as applicable.

(b) A private institution of higher education shall apply the state credit and the matching credit required by Section 56.204(b) in equal amounts.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(16), eff. June 17, 2011.

(d) Subject to Section 56.203(b), an eligible person may use the state credit for enrollment in an eligible institution of higher education during any semester or summer session, except the initial use of the credit by a person who qualifies for an award under Section 56.203(a)(1)(A) or (B) may not be for enrollment during any term of a summer session immediately following the person's graduation from high school.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 1317, Sec. 5, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 26, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 7, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(16), eff. June 17, 2011.

Sec. 56.207. PAYMENT OF STATE CREDIT. (a) At least once each year the coordinating board shall submit a report to the commissioner of education that includes:

(1) the name of each student who used the state credit under this subchapter during the period covered by the report;

(2) the school district from which each student graduated from high school; and

(3) the amount of the state credit used by each student during the period covered by the report.

(b) On receipt of a report from the coordinating board under Subsection (a), the commissioner of education shall transfer to the coordinating board, from funds appropriated for the purpose of the Early High School Graduation Scholarship program, an amount commensurate with the amount of funds appropriated to pay each eligible institution of higher education the amount of state credit for tuition or tuition and mandatory fees, as applicable, that is applied by the institution during the period covered by the report.

(c) The coordinating board shall distribute the appropriate amount of funds to each eligible institution when the board receives the funds under Subsection (b).

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28th, 1995. Amended by Acts 1997, 75th Leg., ch. 205, Sec. 1, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 1317, Sec. 6, 7, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 27, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 8, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1186 (H.B. 3708), Sec. 6, eff. June 17, 2011.

Sec. 56.2075. PAYMENT OF SCHOOL DISTRICT CREDIT. (a) A school district is entitled to a one-time credit of:

(1) $1,000 for each eligible person graduating from high school in the district who uses any part of a state credit of $2,000 or more under Section 56.204(a)(1); and

(2) $250 for each eligible person graduating from high school in the district who uses any part of a state credit of $500 or more under Section 56.204(a)(2).

(b) The commissioner of education shall distribute money from the foundation school fund in an amount sufficient to pay each school district under Subsection (a).

Added by Acts 2003, 78th Leg., ch. 1317, Sec. 8, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 28, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1266 (H.B. 2109), Sec. 9, eff. June 18, 2005.

Sec. 56.209. ADOPTION AND DISTRIBUTION OF RULES. (a) The coordinating board shall adopt rules to administer this subchapter.

(b) The coordinating board shall distribute copies of all rules adopted under this subchapter to each eligible institution of higher education and to each school district.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 19, eff. May 30, 1995; Acts 1995, 74th Leg., ch. 620, Sec. 2, eff. Aug. 28, 1995.

Sec. 56.210. NOTIFICATION BY HIGH SCHOOLS REGARDING PROGRAM REQUIREMENTS. (a) When the student initially enrolls in the school, each public high school in this state shall provide information regarding the requirements of the Early High School Graduation Scholarship program:

(1) to each freshman student enrolled when the school year begins and to a parent, conservator, or guardian of the student; and

(2) to each student who:

(A) enrolls in the school before the student's senior

year; and

(B) did not receive the information under Subdivision (1).

(b) The information provided under Subsection (a) must include:

(1) the number and type of high school course credits necessary to satisfy the eligibility requirements for the Early High School Graduation Scholarship program; and

(2) the appropriate order in which those high school course credits must be earned to satisfy the eligibility requirements, including course credits related to the curriculum for the recommended or advanced high school program.

(c) The Texas Education Agency shall prepare a publication that includes the information required to be provided under this section and shall post that publication on the agency's website in a form that enables a public high school to reproduce the information for distribution to students, parents, and other persons as required by this section.

Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 29, eff. September 1, 2005.

SUBCHAPTER L. STUDENT ENDOWMENT SCHOLARSHIP AND INTERNSHIP PROGRAM

Sec. 56.241. DEFINITION. In this subchapter, "general academic teaching institution" has the meaning assigned by Section 61.003.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.

Sec. 56.242. STUDENT ENDOWMENT SCHOLARSHIP AND INTERNSHIP PROGRAM. The Student Endowment Scholarship and Internship Program is an optional state grant program for all general academic teaching institutions.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.

Sec. 56.243. ELECTION TO PARTICIPATE. A general academic teaching institution may elect to participate in the Student Endowment Scholarship and Internship Program. For the institution to make the election, the student government of the institution must

determine by official action that the program would benefit the institution. If the student government determines that the program would benefit the institution, in a general election called for that purpose a majority of the students of the institution voting in the election must approve an additional fee and the potential matching grant from the state. If the majority approves the additional fee and potential matching grant from the state, the governing board of the institution shall impose and decide the structure of the additional fee.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 555 (S.B. 1417), Sec. 2, eff. September 1, 2007.

Sec. 56.244. TYPES OF SCHOLARSHIPS; INTERNSHIP. A general academic teaching institution shall provide financial assistance under this subchapter through scholarships based on leadership, financial need, and academic achievement and through an internship program.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.

Sec. 56.245. ELIGIBILITY. (a) With the assistance of an advisory committee established by the governing board, the governing board of the general academic teaching institution shall:

(1) determine the eligibility requirements for scholarships or internship funding; and

(2) select students to receive the scholarships or internship funding.

(b) A student is not eligible for a student endowment scholarship or student endowment internship funding if the student is on disciplinary or academic probation or if the student is not enrolled at the institution.

(c) The institution may provide financial assistance under this subchapter to students in any field or major designated by the institution.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.

Sec. 56.246. AMOUNT OF SCHOLARSHIP OR INTERNSHIP FUNDING. (a) The amount of a student endowment scholarship may not exceed the amount of tuition and required fees that a student would be charged by the institution.

(b) The amount of student endowment internship funding may not exceed the amount of tuition and required fees that a student would be charged by the institution during the student's period of internship.

(c) On receipt of a scholarship or internship funding under this subchapter, a student must comply with any applicable conditions of the scholarship or internship funding.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 555 (S.B. 1417), Sec. 3, eff. September 1, 2007.

Sec. 56.247. STUDENT ENDOWMENT FUND. (a) Each institution shall establish a student endowment fund consisting of the revenue from the additional student fee and the interest and other income from investment of the fund. The fund shall be invested by the governing board in accordance with the policies governing investment of other funds held and invested by the board on behalf of the institution.

(b) Scholarships and internships shall be paid from the fund, subject to the requirements of this section and Section 56.246.

(c) Scholarships and internships may be paid from both the income and the principal of the fund, except that after the first five-year period after the date the fund is established, not more than five percent of the principal of the fund may be expended for scholarships and internships for any year.

(d) For purposes of this section, five percent of the capital gains for any year from investment of the fund is considered income.

Added by Acts 1999, 76th Leg., ch. 1473, Sec. 1, eff. Sept. 1, 1999.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 555 (S.B. 1417), Sec. 4, eff. September 1, 2007.

SUBCHAPTER M. TOWARD EXCELLENCE, ACCESS, & SUCCESS (TEXAS) GRANT PROGRAM

Sec. 56.301. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means a general academic teaching institution or a medical and dental unit that offers one or more undergraduate degree or certification programs. The term does not include a public state college.

(3) "General academic teaching institution," "institution of higher education," "medical and dental unit," "public junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 30, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 5, eff. September 1, 2013.

Sec. 56.302. PROGRAM NAME; PURPOSE. (a) Except as provided under Section 56.310(c), the student financial assistance program authorized by this subchapter is known as the Toward EXcellence, Access, & Success (TEXAS) grant program, and an individual grant awarded under this subchapter is known as a TEXAS grant.

(b) The purpose of this subchapter is to provide a grant of money to enable eligible students to attend eligible institutions in this state.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 31, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.015, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 6, eff. September 1, 2013.

Sec. 56.303. ADMINISTRATION OF PROGRAM. (a) The coordinating board shall administer the TEXAS grant program and shall adopt any rules necessary to implement the TEXAS grant program or this subchapter. The coordinating board shall consult with the student financial aid officers of eligible institutions in developing the rules.

(b) The coordinating board shall adopt rules to provide a TEXAS grant to an eligible student enrolled in an eligible institution in the most efficient manner possible.

(c) The total amount of TEXAS grants awarded may not exceed the amount available for the program from appropriations, gifts, grants, or other funds.

(d) From money appropriated by the legislature for the purposes of this subchapter, the coordinating board annually shall determine the allocation of money available for TEXAS grants among general academic teaching institutions and other eligible institutions and shall distribute the money accordingly.

(d-1) In allocating among eligible institutions money available for initial TEXAS grants for an academic year, the coordinating board shall ensure that each of those institutions' proportional share of the total amount of money for initial grants that is allocated to eligible institutions under this section for that year does not, as a result of the number of students who establish eligibility at the institution for an initial grant under Section 56.3041(2)(A), change from the institution's proportional share of the total amount of money for initial grants that is allocated to those institutions under this section for the preceding academic year.

(e) In determining who should receive a TEXAS grant, the coordinating board and the eligible institutions shall give priority to awarding TEXAS grants to students who demonstrate the greatest financial need and whose expected family contribution, as determined according to the methodology used for federal student financial aid, does not exceed 60 percent of the average statewide amount of tuition and required fees described by Section 56.307(a). In giving priority based on financial need as required by this subsection to students who meet the requirements for the highest priority as provided by Subsection (f), an eligible institution shall determine financial need according to the relative expected family contribution of those

students, beginning with students who have the lowest expected family contribution.

(f) Beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, each eligible institution, in addition to giving priority as provided by Subsection (e), shall give highest priority to students who meet the eligibility criteria described by Section 56.3041(2)(A). If there is money available in excess of the amount required to award an initial TEXAS grant to all students meeting those criteria, an eligible institution shall make awards to other students who meet the eligibility criteria described by Section 56.304(a)(2)(A), provided that the institution continues to give priority to students as provided by Subsection (e).

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 2, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 7, eff. September 1, 2013.

Sec. 56.304. INITIAL ELIGIBILITY FOR GRANT. (a) To be eligible initially for a TEXAS grant, a person who graduated from high school before May 1, 2013, must:

(1) be a resident of this state as determined by coordinating board rules;

(2) meet either of the following academic requirements:

(A) be a graduate of a public or accredited private high school in this state who graduated not earlier than the 1998-1999 school year and who completed the recommended or advanced high school curriculum established under Section 28.002 or 28.025 or its equivalent; or

(B) have received an associate degree from a public or private institution of higher education not earlier than May 1, 2001;

(3) meet financial need requirements as defined by the coordinating board;

(4) be enrolled in a baccalaureate degree program at an eligible institution;

(5) be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load for an entering undergraduate student, as determined by the coordinating board, not later than the 16th month after the date of the person's graduation from high school; or

(B) an entering student for at least three-fourths of a full course load for an undergraduate student as determined by the coordinating board, not later than the 12th month after the month the person receives an associate degree from a public or private institution of higher education;

(6) have applied for any available financial aid or assistance; and

(7) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(b) A person is not eligible to receive a TEXAS grant if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise has been released from the resulting ineligibility to receive a grant under this subchapter.

(c) A person is not eligible to receive a TEXAS grant if the person has been granted a baccalaureate degree.

(d) A person may not receive a TEXAS grant for more than 150 semester credit hours or the equivalent.

(e) If a person is initially awarded a TEXAS grant before the 2005 fall semester, the person's eligibility for a TEXAS grant ends on the sixth anniversary of the initial award of a TEXAS grant to the person and the person's enrollment in an eligible institution, unless the person is provided additional time during which the person may receive a TEXAS grant under Subsection (e-2).

(e-1) If a person is initially awarded a TEXAS grant during or after the 2005 fall semester, unless the person is provided

additional time during which the person may receive a TEXAS grant under Subsection (e-2), the person's eligibility for a TEXAS grant ends on:

(1) the fifth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of four years; or

(2) the sixth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of more than four years.

(e-2) The coordinating board shall adopt rules to provide a person who is otherwise eligible to receive a TEXAS grant additional time during which the person may receive a TEXAS grant in the event of a hardship or other good cause shown that prevents the person from continuing the person's enrollment during the period the person would otherwise have been eligible to receive a TEXAS grant, including a showing of a severe illness or other debilitating condition or that the person is or was responsible for the care of a sick, injured, or needy person.

(f) The requirement in Subsection (a)(2) that a person must have completed the recommended or advanced high school curriculum does not apply to a person who:

(1) attended a public high school in a school district if that district certifies to the commissioner of education that the high school did not offer all the necessary courses for a person to complete all parts of the recommended or advanced high school curriculum; and

(2) completed all courses at the high school offered toward the completion of the recommended or advanced high school curriculum.

(g) Not later than March 1 of each year, the commissioner of education shall provide to the coordinating board a list of all the public high schools that do not offer all the courses necessary to complete all parts of the recommended or advanced high school curriculum as described by Subsection (f)(1).

(h) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a TEXAS grant, in the event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to

receive a TEXAS grant while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(5) or Section 56.3041(5), as applicable. The coordinating board may not allow a person to receive a TEXAS grant while enrolled in fewer than six semester credit hours.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1261, Sec. 1, eff. June 15, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 33, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 6, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 3, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 8, eff. September 1, 2013.

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY 1, 2013. (a) To be eligible initially for a TEXAS grant, a person graduating from high school on or after May 1, 2013, and enrolling in an eligible institution must:

(1) be a resident of this state as determined by coordinating board rules;

(2) meet the academic requirements prescribed by Paragraph (A), (B), (C), or (D) as follows:

(A) be a graduate of a public or accredited private high school in this state who completed the foundation high school program established under Section 28.025 or its equivalent and have accomplished any two or more of the following:

(i) successful completion of the course requirements of the international baccalaureate diploma program or earning of the equivalent of at least 12 semester credit hours of college credit in high school through courses described in Sections 28.009(a)(1), (2), and (3);

(ii) satisfaction of the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the coordinating board under Section 51.3062(f) on any assessment instrument

designated by the coordinating board under Section 51.3062(c) or qualification for an exemption as described by Section 51.3062(p), (q), or (q-1);

(iii) graduation in the top one-third of the person's high school graduating class or graduation from high school with a grade point average of at least 3.0 on a four-point scale or the equivalent; or

(iv) completion for high school credit of at least one advanced mathematics course following the successful completion of an Algebra II course or at least one advanced career and technical or technology applications course;

(B) have received an associate degree from a public or private institution of higher education;

(C) be an undergraduate student who has:

(i) previously attended another institution of higher education;

(ii) received an initial Texas Educational Opportunity Grant under Subchapter P for the 2014 fall semester or a subsequent academic term;

(iii) completed at least 24 semester credit hours at any institution or institutions of higher education; and

(iv) earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on all course work previously attempted; or

(D) if sufficient money is available, meet the eligibility criteria described by Section 56.304(a)(2)(A);

(3) meet financial need requirements established by the coordinating board;

(4) be enrolled in an undergraduate degree or certificate program at an eligible institution;

(5) except as provided under rules adopted under Section 56.304(h), be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 16th month after the calendar month in which the person graduated from high school;

(B) an entering undergraduate student who entered military service not later than the first anniversary of the date the person graduated from high school and who enrolled for at least three-fourths of a full course load, as determined by the

coordinating board, at the eligible institution not later than 12 months after being honorably discharged from military service;

(C) a continuing undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 12th month after the calendar month in which the person received an associate degree from a public or private institution of higher education; or

(D) an undergraduate student described by Subdivision (2)(C) who has never previously received a TEXAS grant;

(6) have applied for any available financial aid or assistance; and

(7) comply with any additional nonacademic requirements adopted by the coordinating board under this subchapter.

(b) For purposes of Subsection (a)(2)(A), a student who graduated under the recommended or advanced high school program is considered to have successfully completed the curriculum requirements of Section 51.803(a)(2)(A)(i). This subsection expires September 1, 2020.

Added by Acts 2003, 78th Leg., ch. 919, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 4, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 68(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 9, eff. September 1, 2013.

Sec. 56.3042. INITIAL QUALIFICATION OF PERSON ON TRACK TO MEET ELIGIBILITY REQUIREMENTS. (a) If at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant has not completed high school or the applicant's final high school transcript is not yet available to the institution, the student is considered to have satisfied the eligibility requirements of Section 56.304(a)(2)(A) or 56.3041(2)(A) if the student's available high school transcript indicates that at the time the transcript was prepared the student was on schedule to graduate from high school and to meet the eligibility requirements, as applicable to the student, in time to be eligible for a TEXAS grant

for the academic year.

(a-1) If at the time an eligible institution awards TEXAS grants to initial recipients for an academic year an applicant who is an associate degree candidate has not completed that degree or the applicant's final college transcript is not yet available to the institution, the student is considered to have satisfied the associate degree requirement of Section 56.304(a)(2)(B) or 56.3041(2)(B) if the student's available college transcript indicates that at the time the transcript was prepared the student was on schedule to complete the associate degree in time to be eligible for a TEXAS grant for the academic year.

(b) The coordinating board or the eligible institution may require the student to forgo or repay the amount of an initial TEXAS grant awarded to the student as described by Subsection (a) or (a-1) if the student fails to meet the eligibility requirements described by Subsection (a) or (a-1), as applicable to the student, after the issuance of the available high school or college transcript.

(c) A person who is required to forgo or repay the amount of an initial TEXAS grant under Subsection (b) may subsequently become eligible to receive an initial TEXAS grant under Section 56.304 or 56.3041 by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) or 56.3041(2)(B) and the other requirements of those sections applicable to the person at the time the person reapplies for the grant.

(d) A person who receives an initial TEXAS grant under Subsection (a) or (a-1) but does not satisfy the applicable eligibility requirement that the person was considered to have satisfied under the applicable subsection and who is not required to forgo or repay the amount of the grant under Subsection (b) may become eligible to receive a subsequent TEXAS grant under Section 56.305 only by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) or 56.3041(2)(B), as applicable to the person, in addition to the requirements of Section 56.305 at the time the person applies for the subsequent grant.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 4, eff. September 1, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 10, eff. September 1, 2013.

Sec. 56.3045. TOLLING OF ELIGIBILITY FOR INITIAL AWARD. (a) This section applies only to a person who:

(1) was eligible to receive an initial TEXAS grant in an academic year for which sufficient money was not available through legislative appropriations to allow the coordinating board to award initial TEXAS grants to at least 10 percent of the persons eligible for initial TEXAS grants in that year, as determined by the coordinating board;

(2) has not previously been awarded a TEXAS grant; and

(3) has not received a baccalaureate degree.

(b) Provided that the person meets the requirements described by Section 56.305(a), a person to whom this section applies is eligible to receive an initial TEXAS grant in any academic year in which funding is sufficient to award initial TEXAS grants to eligible applicants for that year. The person's eligibility for an initial TEXAS grant under this section is not affected by:

(1) the period for which the person has been enrolled at an eligible institution; or

(2) any statutory changes to the eligibility requirements for initial TEXAS grants that are enacted after the person first established eligibility for an initial TEXAS grant as described by Subsection (a)(1).

(c) A person who is eligible for an initial TEXAS grant under this section is entitled to the highest priority as described by Section 56.303(f) if the person was entitled to that priority when the person first established eligibility for an initial TEXAS grant as described by Subsection (a)(1).

(d) A person who receives an initial TEXAS grant under this section:

(1) may receive subsequent TEXAS grants as provided by Section 56.305; and

(2) is not entitled to TEXAS grants for any previously completed academic year.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 5, eff. September 1, 2011.

Sec. 56.305. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a TEXAS grant, a person may continue to receive a TEXAS grant during each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) meets financial need requirements as defined by the coordinating board;

(2) is enrolled in a baccalaureate degree program at an eligible institution;

(3) is enrolled for at least three-fourths of a full course load for an undergraduate student, as determined by the coordinating board;

(4) makes satisfactory academic progress toward a baccalaureate degree; and

(5) complies with any additional nonacademic requirement adopted by the coordinating board.

(b) A person is not eligible to continue to receive a TEXAS grant under this section if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise has been released from the resulting ineligibility to receive a grant under this subchapter.

(c) If a person fails to meet any of the requirements of Subsection (a) after the completion of any semester or term, the person may not receive a TEXAS grant during the next semester or term in which the person enrolls. A person may become eligible to receive a TEXAS grant in a subsequent semester or term if the person:

(1) completes a semester or term during which the student is not eligible for a scholarship; and

(2) meets all the requirements of Subsection (a).

(d) A person who qualifies for and subsequently receives a TEXAS grant, who receives an undergraduate certificate or associate

degree, and who, not later than the 12th month after the month the person receives the certificate or degree, enrolls in a program leading to a higher-level undergraduate degree continues to be eligible for a TEXAS grant to the extent other eligibility requirements are met.

Text of subsection as amended by Acts 2005, 79th Leg., R.S., Ch. 1230 (H.B. 1172), Sec. 7

(e) For the purpose of this section, a person who is initially awarded a TEXAS grant before the 2005 fall semester makes satisfactory academic progress toward an undergraduate degree or certificate only if:

(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and

(2) in a subsequent academic year, the person:

(A) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and

(B) earns an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at institutions of higher education.

Text of subsection as amended by Acts 2005, 79th Leg., R.S., Ch. 1181 (S.B. 1227), Sec. 34

(e) For the purpose of this section, a person makes satisfactory academic progress toward an undergraduate degree or certificate only if:

(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and

(2) in a subsequent academic year, the person:

(A) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and

(B) earns an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at public or private institutions of higher education.

(e-1) For purposes of this section, a person who is initially awarded a TEXAS grant during or after the 2005 fall semester makes satisfactory academic progress toward an undergraduate degree or

certificate only if:

(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and

(2) in a subsequent academic year, the person:

(A) completed at least 24 semester credit hours in the student's most recent academic year; and

(B) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously attempted at institutions of higher education.

(f) A person who is eligible to receive a TEXAS grant continues to remain eligible to receive the TEXAS grant if the person enrolls in or transfers to another eligible institution.

(g) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a TEXAS grant, in the event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a TEXAS grant:

(1) while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(3); or

(2) if the student's grade point average or the student's completion rate or number of semester credit hours completed, as applicable, falls below the satisfactory academic progress requirements of Subsection (e) or (e-1).

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by Acts 2003, 78th Leg., ch. 919, Sec. 2, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 34, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 7, eff. June 18, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 11, eff. September 1, 2013.

Sec. 56.306. GRANT USE. A person receiving a TEXAS grant may use the money to pay any usual and customary cost of attendance at an eligible institution incurred by the student. The institution may disburse all or part of the proceeds of a TEXAS grant directly to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 12, eff. September 1, 2013.

Sec. 56.307. GRANT AMOUNT. (a) The amount of a TEXAS grant for a semester or term for a person enrolled full-time at an eligible institution is an amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate degree program would be charged for that semester or term at general academic teaching institutions.

(b) Repealed by Acts 2005, 79th Leg., Ch. 1181, Sec. 55, eff. September 1, 2005.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(d-1) The coordinating board shall determine the average statewide tuition and fee amounts for a semester or term of the next academic year for purposes of this section by using the amounts of tuition and required fees that will be charged by the eligible institutions for that semester or term in that academic year. The board may estimate the amount of the charges for a semester or term in the next academic year by an institution if the relevant information is not yet available to the board.

(e) The coordinating board may adopt rules that allow the coordinating board to increase or decrease, in proportion to the number of semester credit hours in which a student is enrolled, the amount of a TEXAS grant award under this section to a student who is enrolled in a number of semester credit hours in excess of or below the number of semester credit hours described in Section 56.304(a)(5)

or 56.305(a)(3).

(f) The amount of a TEXAS grant may not be reduced by any gift aid for which the person receiving the grant is eligible, unless the total amount of a person's grant plus any gift aid received exceeds the student's financial need.

(g) Not later than January 31 of each year, the coordinating board shall publish the amounts of each grant established by the board for each type of institution for the academic year beginning the next fall semester.

(h) Repealed by Acts 2005, 79th Leg., Ch. 1230, Sec. 17, eff. June 18, 2005.

(i) A public institution of higher education may not:

(1) unless the institution complies with Subsection (j), charge a person attending the institution who also receives a TEXAS grant an amount of tuition and required fees in excess of the amount of the TEXAS grant received by the person; or

(2) deny admission to or enrollment in the institution based on a person's eligibility to receive a TEXAS grant or a person's receipt of a TEXAS grant.

(i-1) A public institution of higher education may elect to award a TEXAS grant to any student in an amount that is less than the applicable amount established under Subsection (a) or (e).

(j) A public institution of higher education shall use other available sources of financial aid, other than a loan, to cover any difference in the amount of a TEXAS grant awarded to the student and the actual amount of tuition and required fees at the institution if the difference results from:

(1) a reduction in the amount of a TEXAS grant under Subsection (i-1); or

(2) a deficiency in the amount of the grant as established under Subsection (a) or (e), as applicable, to cover the full amount of tuition and required fees charged to the student by the institution.

(k) The legislature in an appropriations act shall account for tuition and required fees received under this section in a way that does not increase the general revenue appropriations to that institution.

(l) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1243 , Sec. 8(2), eff. September 1, 2015.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by Acts 2003, 78th Leg., ch. 919, Sec. 3, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 35, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 55, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 17, eff. June 18, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 13, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(5), eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1243 (H.B. 700), Sec. 8(2), eff. September 1, 2015.

Sec. 56.3071. EFFECT OF ELIGIBILITY FOR TUITION EQUALIZATION GRANT. (a) Notwithstanding Section 56.307, the total amount of financial aid that a student enrolled in a private or independent institution of higher education is eligible to receive in a state fiscal year from TEXAS grants awarded under this subchapter may not exceed the maximum amount the student may receive in tuition equalization grants in that fiscal year as determined under Subchapter F, Chapter 61.

(b) Notwithstanding any other law, a student enrolled in a private or independent institution of higher education may not receive a TEXAS grant under this subchapter and a tuition equalization grant under Subchapter F, Chapter 61, for the same semester or other term, regardless of whether the student is otherwise eligible for both grants during that semester or term. A student who but for this subsection would be awarded both a TEXAS grant and a tuition equalization grant for the same semester or other term is entitled to receive only the grant of the greater amount.

Added by Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 8, eff. June 18, 2005.

Sec. 56.3075. HEALTH CARE PROFESSION STUDENT GRANT. (a) If

the money available for TEXAS grants in a period for which grants are awarded is sufficient to provide grants to all eligible applicants in amounts specified by Section 56.307, the coordinating board may use any excess money available for TEXAS grants to award a grant in an amount not more than three times the amount that may be awarded under Section 56.307 to a student who:

(1) is enrolled in a program that fulfills the educational requirements for licensure or certification by the state in a health care profession that the coordinating board, in consultation with the Texas Workforce Commission and the statewide health coordinating council, has identified as having a critical shortage in the number of license holders needed in this state;

(2) has completed at least one-half of the work toward a degree or certificate that fulfills the educational requirement for licensure or certification; and

(3) meets all the requirements to receive a grant award under Section 56.307.

(b) In awarding a grant under Subsection (a), the coordinating board may:

(1) give priority to students from a group underrepresented in the programs preparing students for licensure or certification by the state; and

(2) award different amounts based on the amount of course work a student has completed toward earning the degree required for licensure or certification.

Added by Acts 2003, 78th Leg., ch. 728, Sec. 3, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 36, eff. September 1, 2005.

Sec. 56.308. NOTIFICATION OF PROGRAM; RESPONSIBILITIES OF SCHOOL DISTRICTS. (a) The coordinating board shall distribute to each eligible institution and to each school district a copy of the rules adopted under this subchapter.

(b) Each school district shall:

(1) notify its middle school students, junior high school students, and high school students, those students' teachers and school counselors, and those students' parents of the TEXAS grant and

Teach for Texas grant programs, the eligibility requirements of each program, the need for students to make informed curriculum choices to be prepared for success beyond high school, and sources of information on higher education admissions and financial aid in a manner that assists the district in implementing a strategy adopted by the district under Section 11.252(a)(4); and

(2) ensure that each student's official transcript or diploma indicates whether the student has completed or is on schedule to complete:

(A) the recommended or advanced high school curriculum required for grant eligibility under Section 28.002 or 28.025; or

(B) for a school district covered by Section 56.304(f)(1), the required portion of the recommended or advanced high school curriculum in the manner described by Section 56.304(f)(2).

(c) The information required by Subsection (b)(2) must be included on a student's transcript not later than the end of the student's junior year.

(d) In addition to the eligibility requirements of Section 56.304, a person who graduated from an accredited private high school is eligible to receive a grant under this subchapter only if the student's official transcript or diploma includes the information required as provided by Subsections (b)(2)(A) and (c).

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1261, Sec. 5, eff. June 15, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 36, eff. June 14, 2013.

Sec. 56.310. FUNDING. (a) The coordinating board may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this subchapter.

(b) The legislature may appropriate money for the purposes of this subchapter.

(c) In performing its duties under Subsection (a), the coordinating board may develop and implement an appropriate process for the naming and sponsoring of the program created under this

subchapter, an individual grant awarded under this subchapter, or any item received by the coordinating board under Subsection (a).

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 37, eff. September 1, 2005.

Sec. 56.311. LEGISLATIVE OVERSIGHT COMMITTEE. (a) The Legislative Oversight Committee on the TEXAS grant program and Teach for Texas grant program is composed of six members as follows:

(1) three members of the senate appointed by the lieutenant governor; and

(2) three members of the house of representatives appointed by the speaker of the house of representatives.

(b) The committee shall:

(1) meet at least twice a year with the coordinating board; and

(2) receive information regarding rules relating to the TEXAS grant program and Teach for Texas grant program that have been adopted by the coordinating board or proposed for adoption by the coordinating board.

(c) The committee may request reports and other information from the coordinating board relating to the operation of the TEXAS grant program and Teach for Texas grant program by the coordinating board.

(c-1) Not later than September 1 of each year, the coordinating board shall provide a report to the committee regarding the operation of the TEXAS grant program, including information from the three preceding state fiscal years as follows:

(1) allocations of TEXAS grants by eligible institution, disaggregated by initial and subsequent awards;

(2) the number of TEXAS grants awarded to students disaggregated by race, ethnicity, and expected family contribution;

(3) disaggregated as required by Subdivision (2) and reported both on a statewide basis and for each eligible institution, the number of TEXAS grants awarded to students who meet:

(A) only the eligibility criteria described by Section 56.304; or

(B) the eligibility criteria described by Section 56.3041(2)(A); and

(4) the persistence, retention, and graduation rates of students receiving TEXAS grants.

(d) The committee shall review the specific recommendations for legislation related to this subchapter that are proposed by the coordinating board.

(e) The committee shall monitor the operation of the TEXAS grant program and Teach for Texas grant program, with emphasis on the manner of the award of grants, the number of grants awarded, and the educational progress made by persons who have received grants under those programs.

(f) The committee shall file a report with the governor, lieutenant governor, and speaker of the house of representatives not later than December 31 of each even-numbered year.

(g) The report shall include identification of any problems in the TEXAS grant program and Teach for Texas grant program with recommended solutions for the coordinating board and for legislative action.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 1, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1261, Sec. 6, eff. June 15, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1197 (S.B. 28), Sec. 6, eff. September 1, 2011.

SUBCHAPTER O. TEACH FOR TEXAS LOAN REPAYMENT ASSISTANCE PROGRAM

Sec. 56.351. DEFINITION. In this subchapter, "coordinating board" means the Texas Higher Education Coordinating Board.

Added by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001.
Amended by Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.352. PURPOSE OF PROGRAM; LOAN REPAYMENT AUTHORIZED. (a) The purpose of this subchapter is to attract to the teaching profession persons who have expressed interest in teaching and to support the employment of those persons as classroom teachers by

providing student loan repayment assistance for service as a classroom teacher in the public schools of this state.

(b) The coordinating board shall provide, in accordance with this subchapter and board rules, assistance in the repayment of eligible student loans for persons who apply and qualify for the assistance.

Redesignated from Sec. 56.309(a) and amended by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.353. ELIGIBILITY. (a) Teach for Texas repayment assistance is available only to a person who applies for the assistance and who:

(1) is certified in a teaching field identified by the commissioner of education as experiencing a critical shortage of teachers in this state in the year in which the person receives the assistance and has for at least one year taught full-time at, and is currently teaching full-time at, the preschool, primary, or secondary level in a public school in this state in that teaching field; or

(2) is a certified educator who has for at least one year taught full-time at, and is currently teaching full-time at, the preschool, primary, or secondary level in a public school in this state in a community identified by the commissioner of education as experiencing a critical shortage of teachers in the year in which the person receives the assistance.

(b) The coordinating board in awarding repayment assistance shall give priority to applicants who demonstrate financial need.

(c) If the money available for loan repayment assistance in a period for which assistance is awarded is insufficient to provide assistance to all eligible applicants described by Subsection (b), the coordinating board shall establish priorities for awarding repayment assistance to address the most critical teacher shortages described by Subsection (a).

(d) A person may not receive loan repayment assistance for more than five years.

Redesignated from Sec. 56.309(b) and amended by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.354. ELIGIBLE LOANS. (a) A person may receive Teach for Texas loan repayment assistance under this subchapter for the repayment of any student loan for education at any public or private institution of higher education through any lender. If the loan is not a state or federal guaranteed student loan, the note or other writing governing the terms of the loan must require the loan proceeds to be used for expenses incurred by a person to attend a public or private institution of higher education.

(b) The coordinating board may not provide loan repayment assistance for a student loan that is in default at the time of the person's application.

Redesignated from Sec. 56.309(d) and amended by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.355. PAYMENT OF ASSISTANCE. (a) The coordinating board may determine the manner in which Teach for Texas loan repayment assistance is to be paid. The coordinating board may provide for the payment of a portion of the repayment assistance in one or more installments before the person completes a full year of service as a teacher and for the payment of the remainder of the repayment assistance for that year after the completion of the full year of service.

(b) Loan repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

Amended by Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.357. TEACH FOR TEXAS ALTERNATIVE CERTIFICATION ASSISTANCE PROGRAM. (a) The coordinating board shall establish a program under which the coordinating board awards grants to assist persons seeking educator certification through alternative educator certification programs as provided by this section.

(b) To be eligible for a grant under the program, a person must

apply for a grant and:

(1) have received a baccalaureate degree from an eligible institution of higher education or an accredited out-of-state institution of higher education; and

(2) enroll in an alternative educator certification program described by Section 21.049 and satisfy either of the following conditions:

(A) be seeking educator certification in a teaching field certified by the commissioner of education as experiencing a critical shortage of teachers in this state in the year in which the person receives the grant and agree to teach for five years in a public school in this state in that teaching field; or

(B) agree to teach for five years in a public school in this state in a community, which is not required to be specifically designated at the time the person receives the grant, certified by the commissioner of education as experiencing a critical shortage of teachers in any year in which the person receives a grant under this section or in any subsequent year in which the person fulfills the teaching obligation.

(c) A person is not eligible to receive a grant under the program if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance, as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this section and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise has been released from the resulting ineligibility to receive a grant under the program.

(d) In selecting applicants to receive grants under the program, the coordinating board shall consider:

(1) the financial resources of an applicant;

(2) the efficient use of the money available for grants;

(3) the opportunity of applicants from all regions of this state to receive grants; and

(4) any other factor the coordinating board considers

appropriate to further the purposes of this subchapter.

(e) The amount of a grant under the program is equal to two times the current amount of a TEXAS grant under Subchapter M for a student enrolled in a general academic teaching institution. The coordinating board may pay the amount of the grant in installments during the period in which the person is enrolled in the person's alternative educator certification program.

(f) The person must begin fulfilling the person's teaching obligation not later than the 18th month after the person completes the alternative educator certification program, unless the coordinating board for good cause grants the person additional time to begin fulfilling the teaching obligation. The person must complete the teaching obligation not later than the sixth year after the date the person begins to fulfill the teaching obligation. The coordinating board shall grant a person additional time to complete the teaching obligation for good cause.

(g) The coordinating board shall cancel a person's teaching obligation if the coordinating board determines that the person:

(1) has become permanently disabled so that the person is not able to teach; or

(2) has died.

(h) The coordinating board shall require a person who receives a grant to sign a promissory note acknowledging the conditional nature of the grant and promising to repay the amount of the grant plus applicable interest and reasonable collection costs if the person does not satisfy the applicable conditions of the grant. The coordinating board shall determine the terms of the promissory note.

(i) The amount required to be repaid by a person who fails to complete the teaching obligation of the person's grant shall be determined in proportion to the portion of the teaching obligation that the person has not satisfied.

(j) A person receiving a grant is considered to have failed to satisfy the conditions of the grant, and the grant automatically becomes a loan, if the person, without good cause as determined by the coordinating board, fails to:

(1) remain enrolled in or to make steady progress in the alternative educator certification program for which the grant was made or, with the approval of the coordinating board, in another alternative educator certification program; or

(2) become certified as a classroom teacher not later than

the 18th month after the date the person completes the alternative educator certification program.

Added by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001.

Sec. 56.3575. ADMINISTRATION; RULES. (a) The coordinating board shall adopt rules necessary for the administration of this subchapter.

(b) The coordinating board shall distribute a copy of the rules adopted under this section and pertinent information relating to this subchapter to each public or private institution of higher education in this state that offers an educator certification program, including an alternative educator certification program or another equivalent program.

Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

Sec. 56.358. FUNDING; ALLOCATION OF FUNDING. (a) The coordinating board may solicit and accept gifts and grants from any public or private source for the purposes of this subchapter.

(b) The legislature may appropriate money for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1261, Sec. 3, eff. June 15, 2001.

Sec. 56.359. GRANTS AND SERVICE AGREEMENTS ENTERED INTO UNDER FORMER LAW; SAVING PROVISION. (a) This section applies only to a person who was awarded a Teach for Texas grant and entered into a written agreement to perform service as a public school teacher in this state in order to receive the grant under this subchapter before September 1, 2003.

(b) A person to whom this section applies may receive any unpaid installments of the grant as provided by the agreement and in accordance with this subchapter as it existed when the grant was awarded. The agreement continues in effect and this subchapter, as it existed when the person entered into the agreement, is continued in effect for purposes of that agreement until the person satisfies all the conditions of the agreement or repays all amounts due under

the agreement if the person does not satisfy the conditions of the agreement.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 49, eff. Sept. 1, 2003.

SUBCHAPTER P. TEXAS EDUCATIONAL OPPORTUNITY GRANT PROGRAM

Sec. 56.401. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means:

(A) a public junior college;

(B) a public technical institute; or

(C) a public state college.

(3) "Public junior college," "public technical institute," and "public state college" have the meanings assigned by Section 61.003.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 56.351 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.

Sec. 56.402. PROGRAM NAME; PURPOSE. (a) The student financial assistance program authorized by this subchapter is known as the Texas Educational Opportunity Grant Program.

(b) The purpose of this subchapter is to provide a grant of money to enable eligible students to attend two-year public institutions of higher education in this state.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 56.352 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 39, eff. September 1, 2005.

Sec. 56.403. ADMINISTRATION OF PROGRAM. (a) The coordinating board shall administer the grant program and shall adopt any rules necessary to implement the grant program or this subchapter. The

coordinating board shall consult with the student financial aid officers of eligible institutions in developing the rules.

(b) The coordinating board shall adopt rules to provide a grant under this subchapter to an eligible student enrolled in an eligible institution in a manner consistent with the administration of federal student financial aid programs.

(c) The total amount of grants awarded under the grant program may not exceed the amount available for the program from appropriations, gifts, grants, or other funds.

(d) In determining who should receive a grant under this subchapter, the coordinating board and the eligible institutions shall give highest priority to awarding grants to students who demonstrate the greatest financial need.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001.
Renumbered from Education Code Sec. 56.353 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 40, eff. September 1, 2005.

Sec. 56.404. INITIAL ELIGIBILITY FOR GRANT. (a) To be eligible initially for a grant under the grant program, a person must:

(1) be a resident of this state as determined by coordinating board rules;

(2) meet financial need requirements as defined by the coordinating board;

(3) be enrolled in an associate degree or certificate program at an eligible institution;

(4) be enrolled as an entering student for at least one-half of a full course load for an entering student in the associate degree or certificate program, as determined by the coordinating board;

(5) have applied for any available financial aid or assistance; and

(6) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(b) A person is not eligible to receive a grant under this

subchapter if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.

(c) A person is not eligible to receive a grant under this subchapter if the person has been granted an associate or baccalaureate degree.

(d) A person may not receive a grant under this subchapter for more than 75 semester credit hours or the equivalent.

(e) A person may not receive a grant under this subchapter and a TEXAS grant under Subchapter M for the same semester or other term, regardless of whether the person is otherwise eligible for both grants during that semester or term. A person who but for this subsection would be awarded both a grant under this subchapter and a TEXAS grant for the same semester or other term is entitled to receive only the grant of the greater amount.

(f) A person's eligibility for a grant under this subchapter ends on the fourth anniversary of the initial award of a grant under this subchapter to the person and the person's enrollment in an eligible institution.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001.
Renumbered from Education Code Sec. 56.354 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 41, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1185 (H.B. 3577), Sec. 1, eff. June 17, 2011.

Sec. 56.405. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a grant under this subchapter, a person may continue to receive a grant under this subchapter during each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) meets financial need requirements as defined by the coordinating board;

(2) is enrolled in an associate degree or certificate program at an eligible institution;

(3) is enrolled for at least one-half of a full course load for a student in an associate degree or certificate program, as determined by the coordinating board;

(4) makes satisfactory academic progress toward an associate degree or certificate; and

(5) complies with any additional nonacademic requirement adopted by the coordinating board.

(b) A person is not eligible to continue to receive a grant under this section if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.

(c) If a person fails to meet any of the requirements of Subsection (a) after the completion of any semester or term, the person may not receive a grant under this subchapter during the next semester or term in which the person enrolls. A person may become eligible to receive a grant under this subchapter in a subsequent semester or term if the person:

(1) completes a semester or term during which the student is not eligible for a scholarship; and

(2) meets all the requirements of Subsection (a).

(d) For the purpose of this section, a person makes

satisfactory academic progress toward an associate degree or certificate only if:

(1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and

(2) in a subsequent academic year, the person:

(A) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and

(B) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on course work previously attempted at institutions of higher education.

(e) A person who is eligible to receive a grant under this subchapter continues to remain eligible to receive the grant if the person enrolls in or transfers to another eligible institution.

(f) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a grant under this subchapter, in the event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a grant under this subchapter:

(1) while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(3); or

(2) if the student's grade point average or completion rate falls below the satisfactory academic progress requirements of Subsection (d).

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001.
Renumbered from Education Code Sec. 56.355 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 42, eff. September 1, 2005.

Sec. 56.406. GRANT USE. A person receiving a grant under this subchapter may use the money to pay any usual and customary cost of

attendance at an eligible institution incurred by the student. The institution may disburse all or part of the proceeds of a grant under this subchapter to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 56.356 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 43, eff. September 1, 2005.

Sec. 56.407. GRANT AMOUNT. (a) The amount of a grant under this subchapter for a student enrolled full-time at an eligible institution is the amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in an associate degree or certificate program would be charged for that semester or term at eligible institutions.

(b) The coordinating board may adopt rules that allow the coordinating board to increase or decrease, in proportion to the number of semester credit hours in which a student is enrolled, the amount of a grant award under this section to a student who is enrolled in a number of semester credit hours in excess of or below the number of semester credit hours described in Section 56.404(a)(4) or 56.405(a)(3).

(c) The amount of a grant under this subchapter may not be reduced by any gift aid for which the person receiving the grant is eligible, unless the total amount of a person's grant plus any gift aid received exceeds the total cost of attendance at an eligible institution.

(d) Not later than January 31 of each year, the coordinating board shall publish the amounts of each grant established by the board for the academic year beginning the next fall semester.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(f) An eligible institution may not:

(1) charge a person attending the institution who also

receives a grant under this subchapter an amount of tuition and required fees in excess of the amount of the grant under this subchapter received by the person; or

(2) deny admission to or enrollment in the institution based on a person's eligibility to receive a grant under this subchapter or a person's receipt of a grant under this subchapter.

(g) An institution may use other available sources of financial aid, other than a loan or a Pell grant, to cover any difference in the amount of a grant under this subchapter and the actual amount of tuition and required fees at the institution.

Added by Acts 2001, 77th Leg., ch. 624, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 56.357 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(35), 3(9), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 44, eff. September 1, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(5), eff. September 1, 2013.

Sec. 56.4075. HEALTH CARE PROFESSION STUDENT GRANT. (a) The coordinating board may award a grant in an amount not more than three times the amount that may be awarded under Section 56.407 to a student who:

(1) is enrolled in a program that fulfills the educational requirements for licensure or certification by the state in a health care profession that the coordinating board, in consultation with the Texas Workforce Commission and the statewide health coordinating council, has identified as having a critical shortage in the number of license holders needed in this state;

(2) has completed at least one-half of the work toward a degree or certificate that fulfills the educational requirement for licensure or certification; and

(3) meets all the requirements to receive a grant award under Section 56.407.

(b) In awarding a grant under Subsection (a), the coordinating board may:

(1) give priority to students from a group underrepresented in the programs preparing students for licensure or certification by

the state; and

(2) award different amounts based on the amount of course work a student has completed toward earning the degree required for licensure or certification.

Added by Acts 2003, 78th Leg., ch. 728, Sec. 4, eff. June 20, 2003. Renumbered from Education Code, Section 56.3575 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(20), eff. September 1, 2005. Amended by:

Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.002(4), eff. September 1, 2005.

SUBCHAPTER R. SCHOLARSHIPS FOR STUDENTS GRADUATING IN TOP 10 PERCENT OF HIGH SCHOOL CLASS

Sec. 56.481. PURPOSE. The purpose of this program is to encourage attendance at public institutions of higher education in this state by outstanding high school students in the top 10 percent of their graduating class.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.482. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(3) "Program" means the scholarship program authorized by this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.483. AWARD OF SCHOLARSHIP. (a) The coordinating board shall award scholarships to eligible students under this subchapter.

(b) An institution of higher education shall provide to a student who receives a scholarship under the program for a semester or other academic term:

(1) a credit in the amount of the scholarship, to be applied toward the payment of any amount of educational costs charged by the institution for that semester or term; and

(2) a check, electronic transfer, or other disbursement of any remaining scholarship amount.

(c) An amount paid under Subsection (b)(2) may be applied only to any usual and customary cost incurred by the student to attend the institution of higher education.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.484. INITIAL ELIGIBILITY FOR SCHOLARSHIP. To be eligible for a scholarship under this subchapter, a student must:

(1) have graduated from a public or accredited private high school in this state while ranked in the top 10 percent of the student's graduating class, subject to Section 56.487(b);

(2) have completed the recommended or advanced high school curriculum established under Section 28.025 or its equivalent;

(3) have applied for admission as a first-time freshman student for the 2010-2011 academic year or a subsequent academic year to an institution of higher education that has elected to offer admissions for that academic year to applicants as provided by Section 51.803(a-1);

(4) enroll as a first-time freshman student in an institution of higher education not later than the 16th month after the date of the student's high school graduation;

(5) have been awarded a TEXAS grant under Subchapter M for the same semester or other academic term for which the scholarship will be awarded;

(6) be a Texas resident under Section 54.052; and

(7) comply with any other eligibility requirements established by coordinating board rule.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.485. INELIGIBILITY FOR SCHOLARSHIP. Notwithstanding Section 56.484, a student is not eligible for an initial or

subsequent scholarship under this subchapter if the student was offered admission as a first-time freshman student to any institution of higher education for an academic year for which that institution made admissions under Section 51.803(a-1), regardless of whether the student subsequently enrolls at that institution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.486. AMOUNT OF SCHOLARSHIP. (a) Except as provided by Subsection (b), the amount of a scholarship for each semester or other academic term in which an eligible student is enrolled at an institution of higher education is an amount sufficient to cover, but not exceed, the amount of tuition charged to the student for that semester or term.

(b) The amount of a scholarship for each semester or other academic term may not exceed the amount of the student's unmet financial need for that semester or term after any other gift aid has been awarded.

(c) The coordinating board shall issue to each eligible student a certificate indicating the amount of the scholarship awarded to the student.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.487. APPLICATION PROCEDURE. (a) The coordinating board shall establish application procedures for the program. The procedures may require an officer of the applicable high school or school district to verify the eligibility of a student to receive a scholarship under the program.

(b) The coordinating board may permit a student to establish initial eligibility based on the student's class rank at the end of the student's seventh semester in high school. The board may revoke an initial scholarship awarded to a student who subsequently loses eligibility based on the student's class rank on graduation from high school.

(c) The coordinating board may consider applications received after the application deadline only if sufficient funding for

scholarships remains after the board awards scholarships to all eligible students who applied on or before the deadline.

(d) The coordinating board shall establish procedures to notify each eligible student of the receipt of a scholarship under the program and to enable an institution of higher education to verify the award of a scholarship to a student who is enrolled at that institution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.488. CONTINUING ELIGIBILITY FOR SCHOLARSHIP. (a) After establishing eligibility to receive an initial scholarship under the program, a student may continue to receive additional scholarships during each subsequent semester or other academic term in which the student is enrolled at an institution of higher education if the student:

(1) makes satisfactory academic progress as required by Section 56.489;

(2) submits to the institution transcripts for any coursework completed at other public or private institutions of higher education;

(3) has been awarded a TEXAS grant under Subchapter M for the same semester or other academic term for which the scholarship will be awarded; and

(4) complies with any other eligibility requirements established by coordinating board rule.

(b) If a student fails to meet any of the requirements of Subsection (a) after completing a semester or other academic term, the student may not receive a scholarship during the next semester or other academic term in which the student enrolls. A student may become eligible to receive a scholarship in a subsequent semester or term if the student:

(1) completes a semester or term during which the student is not eligible for a scholarship; and

(2) meets all the requirements of Subsection (a).

(c) Except as provided by Section 56.490(b), a student's eligibility for a scholarship under the program ends on the fourth anniversary of the first day of the semester or other academic term

for which the student was awarded an initial scholarship under the program.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.489. SATISFACTORY ACADEMIC PROGRESS. For each academic year in which a student receives one or more scholarships under the program, the student must:

(1) complete for that year:

(A) at least 75 percent of all credit hours attempted, as determined by the institution of higher education in which the student is enrolled; and

(B) at least 30 credit hours or the number of credit hours needed to complete the student's degree or certificate program, whichever is less; and

(2) maintain an overall grade point average of at least 3.25 on a four-point scale or its equivalent for all coursework attempted at any public or private institution of higher education.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.490. EXCEPTION FOR HARDSHIP OR OTHER GOOD CAUSE. (a) Each institution of higher education shall adopt a policy to allow a student who fails to make satisfactory academic progress as required by Section 56.489 to receive a scholarship in a subsequent semester or other academic term on a showing of hardship or other good cause, including:

(1) a showing of a severe illness or other debilitating condition that could affect the student's academic performance;

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care could affect the student's academic performance; or

(3) any other cause considered acceptable by the coordinating board.

(b) An institution of higher education may extend the eligibility period described by Section 56.488(c) in the event of hardship or other good cause as provided by the institution's policy

adopted under Subsection (a).

(c) An institution of higher education shall maintain documentation of each exception granted to a student under this section and shall provide timely notice of those exceptions to the coordinating board.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.491. PUBLICATION OF PROGRAM INFORMATION. (a) The coordinating board shall publish and disseminate general information and rules for the program as provided by Subsection (b) and as otherwise considered appropriate by the board.

(b) The coordinating board shall provide application instructions to:

(1) each school district and each institution of higher education; and

(2) an individual student on request.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.492. REIMBURSEMENT. (a) Each institution of higher education that provides scholarships under the program to eligible students enrolled at the institution is entitled to reimbursement by the coordinating board of the amounts provided. The institution must request reimbursement in the manner specified by coordinating board rule.

(b) On approval of an institution's request for reimbursement, the coordinating board shall direct the comptroller to transfer the appropriate amount to the institution. The institution may use the transferred funds as reimbursement for any credits provided to students under this subchapter, to reimburse students for charges previously paid to the institution, or to make scholarship payments to students, as applicable.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

Sec. 56.493. RULES. The coordinating board shall adopt rules as necessary to administer the program under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1342 (S.B. 175), Sec. 5, eff. June 19, 2009.

CHAPTER 57. GUARANTEED STUDENT LOANS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 57.011. STATUS OF TEXAS GUARANTEED STUDENT LOAN CORPORATION. (a) The Texas Guaranteed Student Loan Corporation is converted as provided by this section from a public nonprofit corporation to a nonprofit corporation under Chapter 22, Business Organizations Code.

(b) On or immediately after September 1, 2013, to effectuate the conversion under Subsection (a), the corporation shall file a certificate of formation with the secretary of state or, if the secretary of state determines it appropriate, the corporation shall file a certificate of conversion under Chapter 10, Business Organizations Code.

(c) The corporation as converted under this section continues in existence uninterrupted from the date of its creation, August 27, 1979. The secretary of state shall recognize the continuous existence of the corporation from that date in the certificate of formation or certificate of conversion, as applicable.

(d) The corporation continues to serve as the designated guaranty agency for the State of Texas under the Higher Education Act of 1965 (20 U.S.C. Section 1001 et seq.).

(e) Student loan borrower information collected, assembled, or maintained by the corporation is confidential and is not subject to public disclosure.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 22, eff. September 1, 2013.

Sec. 57.02. DEFINITIONS. In this chapter:

(1) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(6), eff. September 1, 2013.

(2) "Corporation" means the Texas Guaranteed Student Loan Corporation.

(3) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(6), eff. September 1, 2013.

Added by Acts 1979, 66th Leg., p. 1711, ch. 706, Sec. 1, eff. Aug. 27, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(6), eff. September 1, 2013.

SUBCHAPTER C. STUDENT LOANS

Sec. 57.48. PAYMENTS BY THE COMPTROLLER TO DEFAULTING PERSONS PROHIBITED. (a) Except as provided by Subsection (g), the corporation shall report to the comptroller the name of any person who is in default on a loan guaranteed under this chapter. The report must contain the information and be submitted in the manner and with the frequency required by rules of the comptroller.

(b) Except as provided by this section, the comptroller, as a ministerial duty, may not issue a warrant or initiate an electronic funds transfer to a person who has been reported properly under Subsection (a).

(c) Except as provided by this section, the comptroller may not issue a warrant or initiate an electronic funds transfer to the assignee of a person who has been reported properly under Subsection (a) if the assignment became effective after the person defaulted.

(d) If this section prohibits the comptroller from issuing a warrant or initiating an electronic funds transfer to a person, the comptroller may issue a warrant or initiate an electronic funds transfer only as provided by this section to:

(1) the person's estate;

(2) the distributees of the person's estate; or

(3) the person's surviving spouse.

(e) This section does not prohibit the comptroller from issuing a warrant or initiating an electronic funds transfer to a person reported properly under Subsection (a) or to the assignee of the person if the corporation subsequently and properly reports to the comptroller that:

(1) the person is complying with an installment payment agreement or similar agreement to eliminate the default, unless the corporation subsequently and properly reports to the comptroller that

the person no longer is complying with the agreement;

(2) the default is being eliminated by deductions of money from the person's compensation under the garnishment provisions of 20 U.S.C. Section 1095a, unless the corporation subsequently and properly reports to the comptroller that the default is no longer being eliminated by the deductions;

(3) the default has been eliminated; or

(4) the report of default was prohibited by Subsection (g) or was otherwise erroneous.

(f) This section does not prohibit the comptroller from issuing a warrant or initiating an electronic funds transfer to pay:

(1) the compensation of a state officer or employee; or

(2) the remuneration of an individual if the remuneration is being paid by a private person through a state agency.

(g) The corporation may not report a person under Subsection (a) unless the corporation first provides the person with an opportunity to exercise any due process or other constitutional or statutory protection that must be accommodated before the corporation may begin a collection action or procedure. The comptroller may not investigate or determine whether the corporation has complied with this prohibition.

(h) This section does not prohibit the comptroller from issuing a warrant or initiating an electronic funds transfer if:

(1) the warrant or transfer would result in a payment being made in whole or in part with money paid to the state by the United States; and

(2) the state agency that administers the money certifies to the comptroller that federal law:

(A) requires the payment to be made; or

(B) conditions the state's receipt of the money on the payment being made.

(i) This section does not prohibit the comptroller from issuing a warrant or initiating an electronic funds transfer to a person reported properly under Subsection (a) or to the person's assignee, the person's estate, the distributees of the person's estate, or the person's surviving spouse if the corporation consents to issuance of the warrant or initiation of the transfer.

(j) The comptroller may adopt rules and establish procedures to administer this section.

(k) In this section:

(1) "Compensation" means base salary or wages, longevity pay, hazardous duty pay, benefit replacement pay, or an emolument provided in lieu of base salary or wages.

(2) "State agency" means a board, commission, council, committee, department, office, agency, or other governmental entity in the executive, legislative, or judicial branch of state government. The term includes an institution of higher education as defined by Section 61.003, other than a public junior or community college.

(3) "State officer or employee" means an officer or employee of a state agency.

Added by Acts 1979, 66th Leg., p. 1711, ch. 706, Sec. 1, eff. Aug. 27, 1979. Amended by Acts 1991, 72nd Leg., ch. 641, Sec. 1, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 449, Sec. 20, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 1035, Sec. 21, 22, eff. June 19, 1997; Acts 1999, 76th Leg., ch. 1467, Sec. 1.01, eff. Jan. 1, 2000; Acts 2001, 77th Leg., ch. 1158, Sec. 5, eff. June 15, 2001.

Sec. 57.482. PAYMENTS BY A STATE AGENCY TO DEFAULTING PERSONS PROHIBITED. (a) A state agency, as a ministerial duty, may not use funds inside or outside the state treasury to pay a person or the person's assignee if Section 57.48 prohibits the comptroller from issuing a warrant or initiating an electronic funds transfer to the person or assignee.

(b) A state agency that is prohibited by Subsection (a) from making a payment to a person also is prohibited from paying any part of that payment to:

(1) the person's estate;

(2) the distributees of the person's estate; or

(3) the person's surviving spouse.

(c) The comptroller may not reimburse a state agency for a payment that the comptroller determines was made in violation of this section.

(d) This section applies to a payment only if the comptroller is not responsible under Section 404.046, 404.069, or 2103.003, Government Code, for issuing a warrant or initiating an electronic funds transfer to make the payment.

(e) In this section, "state agency" has the meaning assigned by

Section 57.48.

Added by Acts 1999, 76th Leg., ch. 1467, Sec. 1.02, eff. Jan. 1, 2000.

Sec. 57.49. COOPERATION OF STATE AGENCIES AND SUBDIVISIONS. Each agency and political subdivision of the state shall cooperate with the corporation in providing information to the agency's or political subdivision's clients concerning student financial aid, including information about default prevention. Each agency and political subdivision shall provide information to the corporation on request to assist the corporation in curing delinquent loans and collecting defaulted loans.

Added by Acts 1979, 66th Leg., p. 1711, ch. 706, Sec. 1, eff. Aug. 27, 1979. Amended by Acts 1999, 76th Leg., ch. 967, Sec. 10, eff. June 18, 1999.

Sec. 57.491. LOAN DEFAULT GROUND FOR NONRENEWAL OF PROFESSIONAL OR OCCUPATIONAL LICENSE. (a) In this section:

(1) "License" means a certificate or similar form of permission issued or renewed by a licensing agency and required by law to engage in a profession or occupation.

(2) "Licensee" means a person to whom a licensing agency issues a license.

(3) "Licensing agency" means a board, commission, department, or other agency in the executive branch of state government that issues or renews a license.

(b) The corporation shall identify the licensing agencies subject to this section and provide written notice to those agencies of the requirements prescribed by this section. Only those licensing agencies that the corporation identifies and that receive such notice are required to carry out this section.

(c) Annually, each licensing agency shall prepare a list of the agency's licensees and submit the list to the corporation in hard copy or electronic form. Using the submitted lists, the corporation periodically shall:

(1) identify the persons who are in default on loans guaranteed by the corporation; and

(2) provide a list of the names of those persons to the appropriate licensing agencies in hard copy or electronic form.

(d) A person who is in default on a loan may enter an agreement with the corporation for repayment of a defaulted loan as required under this section. The corporation shall provide the person with a certificate certifying that the person has entered a repayment agreement on the defaulted loan.

(e) A licensing agency shall not renew the license of a licensee whose name is on the list provided by the corporation under Subsection (c) unless the licensee presents to the agency a certificate issued by the corporation certifying that:

(1) the licensee has entered a repayment agreement on the defaulted loan; or

(2) the licensee is not in default on a loan guaranteed by the corporation.

(f) Repealed by Acts 2005, 79th Leg., Ch. 221, Sec. 13(3), eff. September 1, 2005.

(g) A licensing agency shall not renew the license of a licensee who defaults on a repayment agreement unless the person presents to the agency a certificate issued by the corporation certifying that:

(1) the licensee has entered another repayment agreement on the defaulted loan; or

(2) the licensee is not in default on a loan guaranteed by the corporation or on a repayment agreement.

(h) A licensing agency shall provide written notice of the nonrenewal policies established under Subsections (e) and (g) to each applicant for a license or for renewal of a license. The corporation shall provide written notice of those same policies on each loan application form provided by the corporation and on each promissory note signed by a borrower. Failure to provide the notice required by this subsection does not affect the default status of a borrower or the prohibitions on renewal of a license held by a person in default.

(i) A licensing agency shall provide an opportunity for a hearing to a licensee before the agency takes action concerning the nonrenewal of a license under this section.

(j) Each licensing agency shall adopt any rules necessary to carry out the licensing agency's duties under this section.

(k) The board shall establish procedures to carry out the corporation's duties under this section.

(l) This section does not apply to the State Securities Board.

Added by Acts 1989, 71st Leg., ch. 985, Sec. 16, eff. Sept. 1, 1989.
Amended by:
Acts 2005, 79th Leg., Ch. 221 (H.B. 2274), Sec. 11, eff. September 1, 2005.
Acts 2005, 79th Leg., Ch. 221 (H.B. 2274), Sec. 13(3), eff. September 1, 2005.

CHAPTER 58. COMPENSATION OF RESIDENT PHYSICIANS

Sec. 58.002. DEFINITIONS. (a) In this chapter:

(1) "Resident physician" means a person who is appointed a resident physician by a school of medicine in The University of Texas System, the Texas Tech University System, The Texas A&M University System, or the University of North Texas System or by the Baylor College of Medicine and who:

(A) has received a Doctor of Medicine or a Doctor of Osteopathic Medicine degree from the Baylor College of Medicine or from an approved school of medicine; or

(B) is a citizen of Texas and has received a Doctor of Medicine or a Doctor of Osteopathic Medicine degree from some other school of medicine that is accredited by the Liaison Committee on Medical Education or by the Bureau of Professional Education of the American Osteopathic Association.

(2) "Compensation" includes:

(A) stipends;

(B) payments, if any, for services rendered; and

(C) fringe benefits when applied to payments to or for the benefit of resident physicians.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

Added by Acts 1981, 67th Leg., p. 3245, ch. 855, Sec. 1, eff. Aug. 31, 1981. Amended by Acts 1989, 71st Leg., ch. 991, Sec. 1, eff.

Aug. 28, 1989; Acts 1995, 74th Leg., ch. 965, Sec. 12, eff. June 16, 1995.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 24, eff. September 1, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(5), eff. September 1, 2013.

Sec. 58.006. STATEWIDE PRECEPTORSHIP PROGRAMS. (a) The Texas Higher Education Coordinating Board may contract with one or more organizations to operate the statewide preceptorship program in general internal medicine and the statewide preceptorship program in general pediatrics for medical students enrolled in Texas medical schools.

(b) An organization eligible to receive funds under this subsection must:

(1) qualify for exemption from federal income tax under Section 501, Internal Revenue Code of 1986 (26 U.S.C. Section 501); or

(2) be operated by a state accredited medical school as defined in Section 61.501(1).

(c) Students eligible to participate in the preceptorship programs under this section must indicate an interest in a primary care career.

Added by Acts 1995, 74th Leg., ch. 518, Sec. 1, eff. June 12, 1995.

Sec. 58.007. ADVISORY COMMITTEE. (a) Nothing in this section or Section 58.006 or 58.008 shall diminish or abolish the activities of the Family Practice Residency Advisory Committee established under Section 61.505. It is not the intent of this section to combine or assimilate advisory programs but only to add to and enhance the training of primary care physicians in Texas.

(b)(1) The Primary Care Residency Advisory Committee is created and shall consist of 12 members as follows:

(A) seven members shall be licensed physicians, one appointed by each of the following:

(i) the Texas Medical Association;

(ii) the Texas Osteopathic Medical Association;

(iii) the Texas Academy of Family Physicians;

(iv) the Texas Society of the American College of Osteopathic Family Physicians;

(v) the Texas Society of Internal Medicine;

(vi) the Texas Pediatric Society; and

(vii) the Texas Association of Obstetricians and Gynecologists;

(B) one member shall be appointed by the Texas Department of Rural Affairs;

(C) one member shall be appointed by the Bureau of Community Oriented Primary Care at the Department of State Health Services; and

(D) three members shall be members of the public, one appointed by each of the following:

(i) the governor;

(ii) the lieutenant governor; and

(iii) the speaker of the house of representatives.

(2) No individual who has a direct financial interest in primary care residency training programs shall be appointed to serve as a member of the advisory committee.

(c) The terms of the office of each member shall be for three years, except for the initial term, which shall be designated in a manner approved by the Texas Higher Education Coordinating Board in such a way that one-third of the members shall serve for one year, one-third for two years, and one-third for three years, and thereafter each member shall serve for a term of three years. Each member shall serve until the member's replacement has been appointed to the committee.

(d) The members of the committee shall not be compensated for their service.

(e) The committee shall meet at least annually and so often as requested by the Texas Higher Education Coordinating Board or called into meeting by the committee chair.

(f) The committee chair shall be elected by the members of the committee for a term of one year.

(g) The committee shall review for the Texas Higher Education Coordinating Board applications for approval and funding of primary care residency training program expansion as described in Section 58.008 and related support programs, make recommendations to the

board relating to the standards and criteria for approval of residency training and related support programs, and perform such other duties as may be directed by the board.

(h) The committee shall review for the Texas Higher Education Coordinating Board applications for approval and funding of faculty enhancement for generalist physicians at Texas medical schools as described in Section 58.009, make recommendations to the board relating to the standards and criteria for approval of faculty enhancement awards, monitor compliance with the contractual conditions associated with faculty enhancement awards, and evaluate the success of the faculty enhancement program in reaching the goal of increasing the number of generalist physician faculty at Texas medical schools.

Added by Acts 1995, 74th Leg., ch. 518, Sec. 1, eff. June 12, 1995.
Amended by Acts 1997, 75th Leg., ch. 940, Sec. 1, eff. June 18, 1997; Acts 2001, 77th Leg., ch. 1424, Sec. 7, eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 112 (H.B. 1918), Sec. 4, eff. September 1, 2009.

Sec. 58.008. PRIMARY CARE RESIDENCY PROGRAM EXPANSION. (a) Only residency positions in family practice, general internal medicine, general pediatrics, and obstetrics and gynecology shall be eligible for these funds.

(b) The committee shall recommend to the Texas Higher Education Coordinating Board an allocation of new primary care residency positions that are to receive state support. The committee shall take into consideration in recommending an allocation among the four primary care specialties designated for expansion the following factors:

(1) the current primary care specialties mix of Texas physicians in direct practice;

(2) projections for the primary care specialties mix of Texas physicians in direct practice;

(3) the current state-supported primary care positions;

(4) geographic shortages for primary care physicians;

(5) federally designated and state designated medically underserved areas;

(6) the demographics of the Texas population; and

(7) the infrastructure of existing residency programs.

(c) Once funds are awarded to support a resident position of a particular residency program, the board shall continue to award funds to support that residency position for all three or four postgraduate years of the residency training curriculum until the resident physician appointed to that position has completed or left the program. The position would then be eligible for reallocation by the Primary Care Residency Advisory Committee.

Added by Acts 1995, 74th Leg., ch. 518, Sec. 1, eff. June 12, 1995.

Sec. 58.009. FACULTY ENHANCEMENT FUND FOR GENERALIST PHYSICIANS. (a) Only accredited medical schools identified in Section 61.501(1) shall be eligible to receive funds under this section.

(b) Only full-time, clinical faculty positions in family practice, general internal medicine, and general pediatrics whose faculty rank is no greater than assistant professor shall be eligible for funds under this section.

(c) The committee shall recommend to the Texas Higher Education Coordinating Board an allocation of generalist faculty positions that are to receive state support through the Faculty Enhancement Fund for Generalist Physicians. The committee shall take into consideration in recommending an allocation the following factors:

(1) the faculty-student ratio in the generalist specialty at the applicant school;

(2) the length of time a budgeted generalist faculty position has gone unfilled;

(3) whether the position is a new generalist faculty position; and

(4) other factors as determined by the committee.

(d) Once funds are awarded to support a generalist faculty position at a particular medical school, the board shall continue to award funds to support that generalist faculty position for a period not to exceed one additional academic year. After that time, the medical school shall provide an amount equal to the annualized faculty enhancement award in its operating budget to maintain the level of compensation for the position after the grant period has

ended.

(e) The board may spend not more than 10 percent of the amounts appropriated for this program in fiscal year 1998, and not more than five percent of the amounts appropriated for this program in succeeding years, for administering the faculty enhancement program for generalist physicians.

(f) The board may solicit, receive, and spend grants, gifts, and donations from public and private sources to comply with this section.

Added by Acts 1997, 75th Leg., ch. 940, Sec. 2, eff. June 18, 1997.

Sec. 58.010. STATEWIDE PRECEPTORSHIP PROGRAMS IN PUBLIC HEALTH SETTINGS. (a) The Texas Higher Education Coordinating Board may contract with one or more organizations to operate a statewide preceptorship program in a public health setting for medical students enrolled in Texas medical schools.

(b) An organization eligible to receive funds under this subsection must:

(1) qualify for exemption from federal income tax under Section 501, Internal Revenue Code of 1986 (26 U.S.C. Section 501); or

(2) be operated by a state accredited medical school as defined in Section 61.501(1).

(c) Students eligible to participate in the preceptorship programs under this section must indicate an interest in a career providing primary care.

(d) The board may create and appoint an advisory committee to assist the board in the operation of the program.

Added by Acts 1997, 75th Leg., ch. 787, Sec. 1, eff. Sept. 1, 1997. Renumbered from Sec. 58.009 by Acts 1999, 76th Leg., ch. 62, Sec. 19.01(13), eff. Sept. 1, 1999.

CHAPTER 58A. PROGRAMS SUPPORTING GRADUATE MEDICAL EDUCATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 58A.001. DEFINITIONS. In this chapter:

(1) "Board" means the Texas Higher Education Coordinating Board.

(2) "Center" means the comprehensive health professions resource center established under Chapter 105, Health and Safety Code.

(3) "Community-based, ambulatory patient care center" includes:

(A) a federally qualified health center, as defined by Section 1905(l)(2)(B), Social Security Act (42 U.S.C. Section 1396d(l)(2)(B));

(B) a community mental health center, as defined by Section 1861(ff)(3)(B), Social Security Act (42 U.S.C. Section 1395x(ff)(3)(B));

(C) a rural health clinic, as defined by Section 1861(aa)(2), Social Security Act (42 U.S.C. Section 1395x(aa)(2)); and

(D) a teaching health center, as defined by 42 U.S.C. Section 293l-1(f)(3)(A).

(4) "First-year residency position" means a residency position offering first year training in a graduate medical education program.

(5) "Graduate medical education program" means a nationally accredited post-doctor of medicine (M.D.) or post-doctor of osteopathic medicine (D.O.) program that prepares physicians for the independent practice of medicine in a specific specialty area.

(6) "Hospital" means:

(A) a facility licensed as a hospital under Chapter 241, Health and Safety Code, or as a mental hospital under Chapter 577, Health and Safety Code; or

(B) a similar facility owned or operated by this state or an agency of this state.

(7) "Medical school" means a public or independent educational institution that awards a doctor of medicine (M.D.) or doctor of osteopathic medicine (D.O.) degree.

(8) "Sponsoring institution" means the entity that assumes the ultimate financial or academic responsibility for a graduate medical education program.

(9) "Teaching hospital" means a hospital that:

(A) is formally affiliated with a medical school for purposes of providing a graduate medical education program; or

(B) serves as the sponsoring institution for a graduate medical education program.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 1, eff. September 1, 2015.

Sec. 58A.002. PERMANENT FUND SUPPORTING GRADUATE MEDICAL EDUCATION. (a) In this section, "trust company" means the Texas Treasury Safekeeping Trust Company.

(b) The permanent fund supporting graduate medical education is a special fund in the treasury outside the general revenue fund. The fund is composed of:

(1) money transferred or appropriated to the fund by the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the fund.

(c) The trust company shall administer the fund. The trust company shall determine the amount available for distribution from the fund, determined in accordance with a distribution policy that is adopted by the comptroller and designed to preserve the purchasing power of the fund's assets and to provide a stable and predictable stream of annual distributions. Expenses of managing the fund's assets shall be paid from the fund. Except as provided by this section, money in the fund may not be used for any purpose. Sections 403.095 and 404.071, Government Code, do not apply to the fund.

(d) In managing the assets of the fund, through procedures and subject to restrictions the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

(e) The amount available for distribution from the fund may be appropriated only:

(1) to the board to fund the programs created under this chapter; or

(2) as otherwise directed by the legislature.

(f) A public or private institution of higher education or other entity that may receive money under a program described by Subsection (e) may solicit and accept gifts and grants to be deposited to the credit of the fund. A gift or grant to the fund must be distributed and appropriated for the purposes of the fund, subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

Added by Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 2, eff. September 1, 2015.

Sec. 58A.003. REDUCTION IN FUNDING. (a) The board shall limit or withhold funding from any grant recipient under this chapter that does not comply with reporting requirements or that uses grant funds for a purpose not authorized by this chapter for the grant awarded.

(b) The board shall seek reimbursement with respect to any grant funds that are not used for purposes authorized by this chapter for the grant awarded.

Added by Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 2, eff. September 1, 2015.

SUBCHAPTER B. GRADUATE MEDICAL EDUCATION RESIDENCY EXPANSION

Sec. 58A.021. ADMINISTRATION. The board shall allocate funds appropriated for purposes of this subchapter and may adopt necessary rules regarding the allocation of those funds.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

Sec. 58A.022. GRADUATE MEDICAL EDUCATION PLANNING AND PARTNERSHIP GRANTS. (a) The board shall award one-time graduate medical education planning and partnership grants to hospitals, medical schools, and community-based, ambulatory patient care centers located in this state that seek to develop new graduate medical education programs with first-year residency positions, regardless of

whether the grant recipient currently offers or has previously offered a graduate medical education program with first-year residency positions.

(b) The board shall award graduate medical education planning and partnership grants on a competitive basis according to criteria adopted by the board. The board shall determine the number of grants awarded and the amount of each grant consistent with any conditions provided by legislative appropriation. A grant received under this section must be used for the purpose of planning a new graduate medical education program with first-year residency positions.

(c) A hospital, medical school, or community-based, ambulatory patient care center that is awarded a graduate medical education planning and partnership grant and that establishes new first-year residency positions after receipt of the grant is eligible to apply for additional funds under Section 58A.024 for each such position established, as provided by appropriation.

(d) A hospital, medical school, or community-based, ambulatory patient care center may partner with an existing graduate medical education program or sponsoring institution for purposes of planning a new graduate medical education program using grant funds awarded under this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 3, eff. September 1, 2015.

Sec. 58A.023. GRANTS FOR UNFILLED RESIDENCY POSITIONS. (a) The board shall award grants to graduate medical education programs to enable those programs to fill first-year residency positions that are accredited but unfilled as of July 1, 2013. The board shall determine the number of grants awarded and the amount of each grant consistent with any conditions provided by legislative appropriation.

(b) A grant received under this section must be expended to support:

(1) resident stipends and benefits; and

(2) other direct resident costs to the program.

(c) A grant application must include proof of the accredited

but unfilled positions to which the application applies.

(d) The board may distribute a grant amount for a residency position only on receiving verification that the applicable residency position has been filled.

(e) Grant amounts are awarded under this section for the duration of the period in which the resident who initially fills the residency position continues to hold that position.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 4, eff. September 1, 2015.

Sec. 58A.024. GRANTS FOR PROGRAM EXPANSION OR NEW PROGRAM. (a) The board shall award grants to enable new or existing graduate medical education programs to increase the number of first-year residency positions. The board shall determine the number of grants awarded and the amount of each grant consistent with any conditions provided by legislative appropriation.

(b) A grant application must include a plan for receiving accreditation for the increased number of positions or for the new program, as applicable.

(c) The board may distribute a grant amount for a residency position only on receiving verification that the applicable residency position has been filled.

(d) Grant amounts are awarded under this section for the duration of the period in which the resident who initially fills the residency position continues to hold that position.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 5, eff. September 1, 2015.

Sec. 58A.0245. CRITICAL SHORTAGE LEVELS. (a) If the board determines that the number of first-year residency positions proposed by eligible applicants under Sections 58A.023 and 58A.024 exceeds the

number of first-year residency positions for which grant funding under those sections is appropriated, in awarding grants under those sections the board shall prioritize the awarding of new grants to medical specialties determined by the board to be at critical shortage levels.

(b) In determining critical shortage levels under this section, the board shall consider:

(1) the available results of research conducted by the center under Section 105.009, Health and Safety Code;

(2) other relevant research and criteria, including research and criteria related to the designation of health professional shortage areas; and

(3) research performed by other appropriate entities.

Added by Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 6, eff. September 1, 2015.

Sec. 58A.0246. CONTINUATION OF GRANTS AWARDED FOR 2015 STATE FISCAL YEAR. The board shall award additional grants to fund eligible graduate medical education programs that, for the state fiscal year ending on August 31, 2015, received a grant awarded under Section 58A.023 or 58A.024 or under Section 61.511, as that section existed immediately before September 1, 2015, if those programs continue to meet the applicable grant requirements that existed at the time of the initial award.

Added by Acts 2015, 84th Leg., R.S., Ch. 321 (S.B. 18), Sec. 6, eff. September 1, 2015.

Sec. 58A.026. GRANTS FOR ADDITIONAL YEARS OF RESIDENCY. (a) If the board determines that funds appropriated for purposes of this subchapter are available after all eligible grant applications under Sections 58A.022, 58A.023, and 58A.024 have been funded, the board shall award grants from excess funds to support residents:

(1) who have completed at least three years of residency; and

(2) whose residency program is in a field in which this state has less than 80 percent of the national average of physicians per 100,000 population, as determined by the board.

(b) Grants shall be awarded under this section in amounts, in the number, and in the residency fields determined by the board, subject to any conditions provided by legislative appropriation. A grant received under this section must be expended to support the direct resident costs to the program, including the resident stipend and benefits.

(c) The board may distribute grant amounts only on receiving verification that the applicable residency position has been filled.

(d) The board may award grants under this section only from funds appropriated for the state fiscal year beginning September 1, 2016, or for a subsequent state fiscal year.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

SUBCHAPTER C. PRIMARY CARE INNOVATION PROGRAM

Sec. 58A.051. PRIMARY CARE INNOVATION PROGRAM. Subject to available funds, the board shall establish a grant program under which the board awards incentive payments to medical schools that administer innovative programs designed to increase the number of primary care physicians in this state.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

Sec. 58A.052. GIFTS, GRANTS, AND DONATIONS. In addition to other money appropriated by the legislature, the board may solicit, accept, and spend gifts, grants, and donations from any public or private source for the purposes of the program established under this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

Sec. 58A.053. RULES. In consultation with each medical school in this state, the board shall adopt rules for the administration of the program established under this subchapter. The rules must include:

(1) administrative provisions relating to the awarding of grants under this subchapter, such as:

(A) eligibility criteria for medical schools;

(B) grant application procedures;

(C) guidelines relating to grant amounts;

(D) procedures for evaluating grant applications; and

(E) procedures for monitoring the use of grants; and

(2) methods for tracking the effectiveness of grants that:

(A) using data reasonably available to the board, consider relevant information regarding the career paths of medical school graduates during the four-year period following their graduation; and

(B) evaluate whether and for how long those graduates work in primary care in this state.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

Sec. 58A.054. ADMINISTRATIVE COSTS. A reasonable amount, not to exceed three percent, of any money appropriated for purposes of this subchapter may be used by the board to pay the costs of administering this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 2, eff. September 1, 2013.

CHAPTER 59. MEDICAL MALPRACTICE COVERAGE FOR CERTAIN INSTITUTIONS

SUBCHAPTER A. MEDICAL PROFESSIONAL LIABILITY

Sec. 59.01. DEFINITIONS. In this subchapter:

(1) "Medical staff or students" means medical doctors, doctors of osteopathy, dentists, veterinarians, and podiatrists appointed to the faculty or professional medical staff employed for student health services by The University of Texas System, The Texas A&M University System, the Texas Tech University System, or the University of North Texas Health Science Center at Fort Worth, either full time or who, although appointed less than full time (including volunteers), either devote their total professional service to such appointment or provide services to patients by assignment from the department chairman; and interns, residents, fellows, and medical or

dental students, veterinary students, and students of osteopathy participating in a patient-care program in The University of Texas System, The Texas A&M University System, the Texas Tech University System, or the University of North Texas Health Science Center at Fort Worth.

(2) "Medical malpractice claim" means a cause of action for treatment, lack of treatment, or other claimed departure from accepted standards of care which proximately results in injury to or death of the patient, whether the patient's claim or cause of action or the executor's claim or cause of action under Section 71.021, Civil Practice and Remedies Code, sounds in tort or contract.

(3) "Board" means the board of regents of The University of Texas System, the board of regents of The Texas A&M University System, the board of regents of the Texas Tech University System, or the board of regents of the University of North Texas.

(4) "Fund" means the medical professional liability fund.

(5) "Charitable care or services" means all care or services provided for free or at discounted amounts at or below actual costs based on the ability of the beneficiary to pay and specifically includes all care and services provided to beneficiaries covered by Medicare and Medicaid.

(6) "Medical and dental unit" has the meaning assigned by Section 61.003 of this code.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1985, 69th Leg., ch. 117, Sec. 3(a), eff. Sept. 1, 1985; Acts 1985, 69th Leg., ch. 854, Sec. 1, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 1070, Sec. 3, eff. May 15, 1988; Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989; Acts 1991, 72nd Leg., ch. 832, Sec. 1, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 408, Sec. 7, eff. Aug. 30, 1993.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 8, eff. May 18, 2013.

Sec. 59.02. MEDICAL PROFESSIONAL LIABILITY FUND. (a) Each board may establish a separate self-insurance fund to pay any damages adjudged in a court of competent jurisdiction or a settlement of any medical malpractice claim against a member of the medical staff or

students arising from the exercise of his appointment, duties, or training with The University of Texas System, The Texas A&M University System, the Texas Tech University System, or the University of North Texas Health Science Center at Fort Worth.

(b) The boards may pay from the funds all expenses incurred in the investigation, settlement, defense, or payment of claims described above on behalf of the medical staff or students.

(c) On the establishment of each fund, transfers to the fund shall be made in an amount and at such intervals as determined by the board. Each board may receive and accept any gifts or donations specified for the purposes of this subchapter and deposit those gifts or donations into the fund. Each board may invest money deposited in the fund, and any income received shall be retained in the fund. The money shall be deposited in any of the approved depository banks of The University of Texas System, The Texas A&M University System, the Texas Tech University System, or the University of North Texas Health Science Center at Fort Worth. All expenditures from the funds shall be paid pursuant to approval by the boards.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989; Acts 1993, 73rd Leg., ch. 408, Sec. 8, eff. Aug. 30, 1993.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 9, eff. May 18, 2013.

Sec. 59.03. RULES. Each board may adopt rules for the establishment and administration of the fund and the negotiation, settlement, and payment of claims as necessary to carry out the purpose of this subchapter. Each board may establish by rule reasonable limits on the amount of claims to be paid from the fund or to be provided in purchased insurance.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.04. PURCHASE OF INSURANCE. Each board may purchase

medical malpractice insurance from an insurance company authorized to do business in this state as it considers necessary to carry out the purpose of this subchapter.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.05. LEGAL COUNSEL. Each board may employ private legal counsel to represent the medical staff and students covered by this subchapter under the rules of the board.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.06. LIMITATION ON APPROPRIATED FUNDS. Funds appropriated by the legislature to either system, to the Texas Tech University Health Sciences Center, to the Texas Tech University Health Sciences Center at El Paso, or to the University of North Texas Health Science Center at Fort Worth from the General Revenue Fund may not be used to establish or maintain the fund, to purchase insurance, or to employ private legal counsel.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989; Acts 1993, 73rd Leg., ch. 408, Sec. 9, eff. Aug. 30, 1993.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 10, eff. May 18, 2013.

Sec. 59.07. EXEMPTION FROM INSURANCE CODE; REPORT. The establishment and administration of each fund under this subchapter and the rules of the boards do not constitute the business of insurance as defined and regulated in the Insurance Code. However, the boards of regents shall annually report to the State Board of Insurance information appropriate for carrying out the functions of

the State Board of Insurance.

Added by Acts 1983, 68th Leg., p. 996, ch. 235, art. 2, Sec. 1(a), eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.08. STATE INDEMNIFICATION. (a) The state shall indemnify a member of the medical staff or a student for damages paid as required by a judgment on or settlement of a medical malpractice claim arising out of the provision of charitable care or services.

(b) State liability for indemnification under this section may not exceed:

(1) $100,000 for each defendant for each occurrence; and

(2) $250,000 for each occurrence for all defendants.

(c) The state is not liable for indemnity under this section for damages found by the trier of fact to result from fraud, malice, or gross negligence.

(d) The state may not charge or assess a board, a medical and dental unit, or any fund or account of a board or medical and dental unit for any amount of indemnification paid or to be paid by the state under this section.

(e) The attorney general is entitled to approve any settlement of the portion of a medical malpractice claim that may result in the state being liable for indemnification of the defendant under this section. If the attorney general does not approve a settlement, the state is not liable for indemnification of the defendant under this section. The attorney general shall base the determination on the best interests of the defendant.

(f) This section prevails over any other law, including Chapter 104, Civil Practice and Remedies Code, to the extent of any conflict.

Added by Acts 1991, 72nd Leg., ch. 832, Sec. 2, eff. Sept. 1, 1991.

SUBCHAPTER B. VETERINARY MALPRACTICE COVERAGE PURCHASED BY TEXAS A&M

Sec. 59.21. DEFINITIONS. In this subchapter:

(1) "Board" means the board of regents of The Texas A&M University System.

(2) "Fund" means the veterinary medical diagnostic professional liability fund.

(3) "Professional staff" means veterinarians, diagnosticians, toxicologists, pathologists, microbiologists, and other professional employees employed by the Texas Veterinary Medical Diagnostic Laboratory, including the director.

(4) "Veterinary malpractice claim" means a cause of action for damages resulting proximately from negligence in performing diagnostic services, toxicological and other diagnostic analyses, and in making recommendations for treatment.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.22. VETERINARY MEDICAL DIAGNOSTIC PROFESSIONAL LIABILITY FUND. (a) The board may establish a separate self-insurance fund to pay any damages adjudged in a court of competent jurisdiction or a settlement of any veterinary malpractice claim against a member of the professional staff arising from the exercise of his appointment or duties with the Texas Veterinary Medical Diagnostic Laboratory.

(b) The board may pay from the fund all expenses incurred in amounts and at intervals determined by the board.

(c) The board may receive and accept any gifts or donations into the fund.

(d) The board may invest money deposited in the fund, and any income received shall be retained in the fund. The money shall be deposited in any of the approved depository banks of The Texas A&M University System. All expenditures from the fund shall be paid pursuant to approval by the board.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.23. RULES. The board may adopt rules for the establishment and administration of the fund and the negotiation, settlement, and payment of claims as necessary to carry out the purpose of this subchapter. The board may establish by rule reasonable limits on the amount of claims to be paid from the fund or to be provided in purchased insurance.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.24. PURCHASE OF INSURANCE. The board may purchase veterinary medical malpractice insurance from an insurance company authorized to do business in this state as it considers necessary to carry out the purpose of this subchapter.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.25. LEGAL COUNSEL. The board may employ private legal counsel to represent the professional staff covered by this subchapter under the rules of the board.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.26. LIMITATION ON APPROPRIATED FUNDS. Funds appropriated by the legislature to the Texas Veterinary Medical Diagnostic Laboratory from the General Revenue Fund may not be used to establish or maintain the fund, to purchase insurance, or to employ private legal counsel.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.27. EXEMPTION FROM INSURANCE CODE; REPORT. The establishment and administration of the fund under this subchapter and the rules of the board do not constitute the business of insurance as defined and regulated in the Insurance Code. However, the board shall annually report to the State Board of Insurance information appropriate for carrying out the functions of the State Board of Insurance.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

Sec. 59.28. ADDITIONAL COMPENSATION. Malpractice liability coverage authorized by this subchapter is provided as additional compensation to the professional staff.

Added by Acts 1989, 71st Leg., ch. 2, Sec. 6.02(a), eff. Aug. 28, 1989.

SUBTITLE B. STATE COORDINATION OF HIGHER EDUCATION
CHAPTER 61. TEXAS HIGHER EDUCATION COORDINATING BOARD
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 61.001. SHORT TITLE. This chapter may be cited as the Higher Education Coordinating Act of 1965.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.002. PURPOSE. (a) The purpose of this chapter is to establish in the field of public higher education in the State of Texas an agency to provide leadership and coordination for the Texas higher education system, institutions, and governing boards, to the end that the State of Texas may achieve excellence for college education of its youth through the efficient and effective utilization and concentration of all available resources and the elimination of costly duplication in program offerings, faculties, and physical plants.

(b) In the exercise of its leadership role, the Texas Higher Education Coordinating Board established by this chapter shall be an advocate for the provision of adequate resources and sufficient authority to institutions of higher education so that such institutions may realize, within their prescribed role and scope, their full potential to the benefit of the students who attend such institutions and to the benefit of the citizens of the state in terms of the realization of the benefits of an educated populace.

(c) Postsecondary education for qualified Texans who desire to pursue such education is important to the welfare and security of this state and the nation and, consequently, is an important public purpose. The legislature finds and declares that the state can

achieve its full economic and social potential only if every individual has the opportunity to contribute to the full extent of the individual's capabilities and only when financial barriers to the individual's economic, social, and educational goals are removed. In order to facilitate the removal of those barriers, the board, in consultation with one or more nonprofit entities with experience providing the services on a statewide basis, may provide necessary and desirable services related to financial aid services, including cooperative awareness efforts with appropriate educational and civic associations designed to disseminate postsecondary education awareness information, including information regarding available grant and loan programs and the prevention of student loan default.

(d) The Texas Higher Education Coordinating Board has only the powers expressly provided by law or necessarily implied from an express grant of power. Any function or power not expressly granted to the board by this code or other law in regard to the administration, organization, control, management, jurisdiction, or governance of an institution of higher education is reserved to and shall be performed by the governing board of the institution, the applicable system administration, or the institution of higher education.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 823, Sec. 1.01, eff. June 20, 1987.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 23, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 25, eff. September 1, 2013.

Sec. 61.003. DEFINITIONS. In this chapter:

(1) "Board" means the Texas Higher Education Coordinating Board.

(2) "Public junior college" means any junior college certified by the board in accordance with Section 61.063 of this chapter.

(3) "General academic teaching institution" means The University of Texas at Austin; The University of Texas at El Paso;

The University of Texas of the Permian Basin; The University of Texas at Dallas; The University of Texas at San Antonio; Texas A&M University, Main University; The University of Texas at Arlington; Tarleton State University; Prairie View A&M University; Texas Maritime Academy; Texas Tech University; University of North Texas; Lamar University; Lamar State College--Orange; Lamar State College--Port Arthur; Texas A&M University--Kingsville; Texas A&M University--Corpus Christi; Texas Woman's University; Texas Southern University; Midwestern State University; University of Houston; University of Texas--Pan American; The University of Texas at Brownsville; Texas A&M University--Commerce; Sam Houston State University; Texas State University; West Texas A&M University; Stephen F. Austin State University; Sul Ross State University; Angelo State University; The University of Texas at Tyler; and any other college, university, or institution so classified as provided in this chapter or created and so classified, expressly or impliedly, by law.

(4) "Public senior college or university" means a general academic teaching institution as defined above.

(5) "Medical and dental unit" means The Texas A&M University System Health Science Center and its component institutions, agencies, and programs; the Texas Tech University Health Sciences Center; the Texas Tech University Health Sciences Center at El Paso; The University of Texas Medical Branch at Galveston; The University of Texas Southwestern Medical Center; The University of Texas Medical School at San Antonio; The University of Texas Dental Branch at Houston; The University of Texas M. D. Anderson Cancer Center; The University of Texas Graduate School of Biomedical Sciences at Houston; The University of Texas Dental School at San Antonio; The University of Texas Medical School at Houston; The University of Texas Health Science Center--South Texas and its component institutions, if established under Subchapter N, Chapter 74; the nursing institutions of The Texas A&M University System and The University of Texas System; and The University of Texas School of Public Health at Houston; and such other medical or dental schools as may be established by statute or as provided in this chapter.

(6) "Other agency of higher education" means The University of Texas System, System Administration; Texas Western University Museum; Texas A&M University System, Administrative and General Offices; Texas Agricultural Experiment Station; Texas Agricultural Extension Service; Rodent and Predatory Animal Control Service (a

part of the Texas Agricultural Extension Service); Texas Engineering Experiment Station (including the Texas Transportation Institute); Texas Engineering Extension Service; Texas Forest Service; Texas Tech University Museum; Texas State University System, System Administration; Sam Houston Memorial Museum; Panhandle-Plains Historical Museum; Cotton Research Committee of Texas; Water Resources Institute of Texas; Texas Veterinary Medical Diagnostic Laboratory; and any other unit, division, institution, or agency which shall be so designated by statute or which may be established to operate as a component part of any public senior college or university, or which may be so classified as provided in this chapter.

(7) "Public technical institute" means the Lamar Institute of Technology or the Texas State Technical College System.

(8) "Institution of higher education" means any public technical institute, public junior college, public senior college or university, medical or dental unit, public state college, or other agency of higher education as defined in this section.

(9) "Governing board" means the body charged with policy direction of any public technical institute, public junior college, public senior college or university, medical or dental unit, or other agency of higher education, including but not limited to boards of directors, boards of regents, boards of trustees, and independent school district boards insofar as they are charged with policy direction of a public junior college.

(10) "University system" means the association of one or more public senior colleges or universities, medical or dental units, or other agencies of higher education under the policy direction of a single governing board.

(11) "Degree program" means any grouping of subject matter courses which, when satisfactorily completed by a student, will entitle him to a degree from a public senior college or university or a medical or dental unit.

(12) "Certificate program" means a grouping of subject-matter courses which, when satisfactorily completed by a student, will entitle him to a certificate, associate degree from a technical institute or junior college, or documentary evidence, other than a degree, of completion of a course of study at the postsecondary level.

(13) "Recognized accrediting agency" means the Southern

Association of Colleges and Schools and any other association or organization so designated by the board.

(14) "Educational and general buildings and facilities" means buildings and facilities essential to or commonly associated with teaching, research, or the preservation of knowledge, including the proportional share used for those activities in any building or facility used jointly with auxiliary enterprises. Excluded are auxiliary enterprise buildings and facilities, including but not limited to dormitories, cafeterias, student union buildings, stadiums, and alumni centers, used solely for those purposes.

(15) "Private or independent institution of higher education" includes only a private or independent college or university that is:

(A) organized under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes);

(B) exempt from taxation under Article VIII, Section 2, of the Texas Constitution and Section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. Section 501); and

(C) accredited by:

(i) the Commission on Colleges of the Southern Association of Colleges and Schools;

(ii) the Liaison Committee on Medical Education; or

(iii) the American Bar Association.

(16) "Public state college" means Lamar State College--Orange, Lamar State College--Port Arthur, or the Lamar Institute of Technology.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1657, ch. 601, Sec. 3, eff. June 15, 1973; Acts 1983, 68th Leg., p. 3054, ch. 524, Sec. 4, eff. Sept. 1, 1983; Acts 1985, 69th Leg., ch. 646, Sec. 1, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 180, Sec. 1, eff. Aug. 31, 1987; Acts 1987, 70th Leg., ch. 823, Sec. 1.03, eff. June 20, 1987; Acts 1987, 70th Leg., ch. 1070, Sec. 4, eff. May 15, 1988; Acts 1989, 71st Leg., ch. 644, Sec. 1, eff. June 14, 1989; Acts 1989, 71st Leg., ch. 1084, Sec. 1.32, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 287, Sec. 29, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., ch. 305, Sec. 2, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 516, Sec. 4, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 126, Sec. 2, eff. May 19, 1997; Acts 1997, 75th Leg., ch. 227, Sec. 4, eff. May 23, 1997;

Acts 1999, 76th Leg., ch. 767, Sec. 5, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 1322, Sec. 1, eff. June 18, 1999; Acts 2003, 78th Leg., ch. 386, Sec. 7, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 373 (S.B. 480), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 3, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.02, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 10, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 11, eff. May 18, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 6, eff. September 1, 2013.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 61.021. ESTABLISHMENT OF COORDINATING BOARD: FUNCTIONS. (a) The Texas Higher Education Coordinating Board is an agency of the state. It shall have its office in Austin. It shall perform only the functions which are enumerated in this chapter and which the legislature may assign to it. Functions vested in the governing boards of the respective institutions of higher education not specifically delegated to the coordinating board shall be performed by the governing boards. The coordinating functions and other duties delegated to the board in this chapter shall apply to all public institutions of higher education.

(b) References in this code or other law to the "coordinating board" or the "Coordinating Board, Texas College and University System," are references to the Texas Higher Education Coordinating Board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 823, Sec. 1.02, eff. June 20, 1987.

Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education

Coordinating Board is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2025.

Added by Acts 1977, 65th Leg., p. 1853, ch. 735, Sec. 2.151, eff. Aug. 29, 1977. Amended by Acts 1985, 69th Leg., ch. 479, Sec. 200, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 823, Sec. 1.04, eff. June 20, 1987; Acts 1989, 71st Leg., ch. 1084, Sec. 1.01, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., 1st C.S., ch. 17, Sec. 6.01, eff. Nov. 12, 1991; Acts 2003, 78th Leg., ch. 820, Sec. 1, eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1232 (S.B. 652), Sec. 1.02, eff. June 17, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 26, eff. September 1, 2013.

Sec. 61.022. MEMBERS OF BOARD; APPOINTMENT; TERMS OF OFFICE. (a) The board shall consist of nine members appointed by the governor so as to provide representation from all areas of the state with the advice and consent of the senate, and as the constitution provides. Members of the board serve staggered six-year terms. The terms of one-third of the members expire August 31 of each odd-numbered year.
(b) A board member may not be employed professionally for remuneration in the field of education during the member's term of office.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2003, 78th Leg., ch. 1170, Sec. 18.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 820, Sec. 2, eff. Sept. 1, 2003.

Sec. 61.0221. DUTY IN MAKING OR CONFIRMING APPOINTMENTS. (a) In making or confirming appointments to the coordinating board, the governor and senate shall ensure that the appointee has the background and experience suitable for performing the statutory responsibility of a member of the coordinating board.

(b) Appointments to the board shall be made without regard to the race, color, handicap, sex, religion, age, or national origin of the appointees.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 1.05, eff. June 20, 1987. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.01, eff. Sept. 1, 1989.

Sec. 61.0222. RESTRICTIONS ON BOARD APPOINTMENT, MEMBERSHIP, AND EMPLOYMENT. (a) A member of the board must be a representative of the general public. A person is not eligible for appointment as a member of the board if the person or the person's spouse:

(1) is employed by or participates in the management of a business entity or other organization regulated by the board or receiving funds from the board;

(2) owns or controls, directly or indirectly, more than a 10 percent interest in a business entity or other organization regulated by the board or receiving funds from the board; or

(3) uses or receives a substantial amount of tangible goods, services, or funds from the board, other than compensation or reimbursement authorized by law for board membership, attendance, or expenses.

(b) A person may not be a member of the board and may not be a board employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), and its subsequent amendments, if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of higher education; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of higher education.

(c) A person may not be a member of the board or act as the general counsel to the board if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

(d) In this section, "Texas trade association" means a

cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.02, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 3, eff. Sept. 1, 2003.

Sec. 61.0223. REMOVAL OF BOARD MEMBER. (a) It is a ground for removal from the board that a member:

(1) does not have at the time of taking office the qualifications required by Section 61.0222(a);

(2) does not maintain during service on the board the qualifications required by Section 61.0222(a);

(3) is ineligible for membership under Section 61.022 or 61.0222;

(4) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(5) is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a board member exists.

(c) If the commissioner of higher education has knowledge that a potential ground for removal exists, the commissioner shall notify the presiding officer of the board of the potential ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the commissioner shall notify the next highest ranking officer of the board, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.03, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 4, eff. Sept. 1, 2003.

Sec. 61.0224. TRAINING OF BOARD MEMBERS. (a) A person who is appointed to and qualifies for office as a member of the board may not vote, deliberate, or be counted as a member in attendance at a meeting of the board until the person completes a training program that complies with this section.

(b) The training program must provide the person with information regarding:

(1) the legislation that created the board;

(2) the programs operated by the board;

(3) the role and functions of the board;

(4) the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority;

(5) the current budget for the board;

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

(7) the requirements of:

(A) the open meetings law, Chapter 551, Government Code;

(B) the public information law, Chapter 552, Government Code;

(C) the administrative procedure law, Chapter 2001, Government Code; and

(D) other laws relating to public officials, including conflict-of-interest laws; and

(8) any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 5, eff. Sept. 1, 2003.

Sec. 61.0225. NONVOTING STUDENT REPRESENTATIVE. (a) In this section:

(1) "Board" means the Texas Higher Education Coordinating

Board or its successor agency.

(2) "Student government" means the representative student organization directly elected by the student body of an institution of higher education.

(b) A student representative shall be appointed to the board. The student representative is not a state officer. Except as otherwise provided by this section, the appointment of a student representative to the board shall be made in the same manner as a student regent is appointed under Section 51.355(c). The student representative to the board serves a term that is the same as the term of a student regent appointed under Section 51.355.

(c) The board shall develop a uniform application form to be used by each institution of higher education to solicit applicants for the position of student representative to the board.

(d) For an institution of higher education that is not part of a university system, the president of the institution, from among the applicants selected as the student government's recommendations for the position of student representative to the board, shall select two or more applicants as the institution's recommendations for the position and send the applications of those applicants to the governor in accordance with the deadline established under Section 51.355(c) for a chancellor to send applications to the governor for a student regent.

(e) A student representative to the board must meet the minimum requirements prescribed by Section 51.355(d) for a student regent, as those requirements apply to an institution of higher education.

(f) The student representative has the same powers and duties as the members of the board, including the right to attend and participate in meetings of the board, except that the student representative:

(1) may not vote on any matter before the board or make or second any motion before the board; and

(2) is not counted in determining whether a quorum exists for a meeting of the board or in determining the outcome of any vote of the board.

(g) The student representative serves without pay but shall be reimbursed for the actual expenses incurred by the student representative in attending the meetings of the board or in attending to other work of the board when that work is approved by the chairman of the board.

(h) The student government of the institution of higher education at which a current student representative was enrolled at the time of the student representative's appointment may not solicit applicants for the position of student representative for the next regular term of the position.

(i) A vacancy in the position of student representative shall be filled for the unexpired term by appointment by the governor.

Added by Acts 2007, 80th Leg., R.S., Ch. 1311 (S.B. 1007), Sec. 1, eff. September 1, 2007.

Sec. 61.023. BOARD OFFICERS. The governor shall designate a chairman and vice chairman of the board. The board shall appoint a secretary of the board whose duties may be prescribed by law and by the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.024. COMPENSATION AND EXPENSES OF MEMBERS. Members of the board shall serve without pay but shall be reimbursed for their actual expenses incurred in attending meetings of the board or in attending to other work of the board when that other work is approved by the chairman of the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.025. QUORUM; MEETINGS; AGENDA. (a) A majority of the membership of the board constitutes a quorum.

(b) Except as provided by Section 551.126, Government Code, the board shall hold regular quarterly meetings in the city of Austin, and other meetings at places and times scheduled by it in formal sessions and called by the chairman.

(c) An agenda for the meetings in sufficient detail to indicate the items on which final action is contemplated shall be mailed to the chairman of each governing board and to the chief administrative officer of each state institution of higher education at least seven

days prior to the meeting.

(d) The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the board, including a policy to specifically provide, as an item on the board's agenda at each meeting, an opportunity for public comment before the board makes a decision on any agenda item.

(e) The board may hold a meeting to consider a higher education impact statement, if a higher education impact statement by the board is to be provided under the rules of either the house of representatives or the senate. The meeting shall be called by the chair and the board shall provide notice of the meeting in accordance with Chapter 551, Government Code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.04, eff. Sept. 1, 1989; Acts 1997, 75th Leg., ch. 944, Sec. 2, eff. June 18, 1997.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 538 (S.B. 1046), Sec. 1, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 27, eff. September 1, 2013.

Text of section as amended by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 28

For text of section as amended by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 2, see other Sec. 61.026.

Sec. 61.026. COMMITTEES AND ADVISORY COMMITTEES. (a) The chair may appoint committees from the board's membership as the chair or the board considers necessary.

(b) The board may appoint advisory committees from outside its membership as the board considers necessary. Chapter 2110, Government Code, applies to an advisory committee appointed by the chair or the board. The board shall adopt rules, in compliance with Chapter 2110, Government Code, regarding an advisory committee that primarily functions to advise the board, including rules governing an advisory committee's purpose, tasks, reporting requirements, and abolishment date. A board member may not serve on a board advisory

committee.

(c) The board may adopt rules under this section regarding an advisory committee's:

(1) size and quorum requirements;

(2) qualifications for membership, including experience requirements and geographic representation;

(3) appointment procedures;

(4) terms of service; and

(5) compliance with the requirements for open meetings under Chapter 551, Government Code.

(d) Each advisory committee must report its recommendations directly to the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 28, eff. September 1, 2013.

Text of section as amended by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 2

For text of section as amended by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 28, see other Sec. 61.026.

Sec. 61.026. COMMITTEES AND ADVISORY COMMITTEES. (a) The chairman may appoint committees from the board's membership as the chairman or the board may find necessary from time to time. The board may appoint advisory committees from outside its membership as it may deem necessary.

(b) If the board directs an advisory committee to assist the board in exercising its authority under Section 61.051(j) regarding an off-campus course in nursing education, including clinical coursework, the board shall require the advisory committee to include or consult with one or more private postsecondary educational institutions or private career schools and colleges in this state that offer degree programs.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 2, eff. September 1, 2013.

For expiration of this section, see Subsection (g).

Sec. 61.0261. UNIFORM PRE-NURSING CURRICULUM ADVISORY COMMITTEE. (a) In this section:

(1) "Pre-nursing curriculum" means a curriculum designed to prepare students for enrollment in an undergraduate professional nursing program.

(2) "Undergraduate professional nursing program" means an educational program for preparing students for initial licensure as registered nurses.

(b) The Uniform Pre-Nursing Curriculum Advisory Committee is created to develop and make recommendations on a uniform pre-nursing curriculum for undergraduate professional nursing programs offered by institutions of higher education. The advisory committee consists of at least 16 members as follows:

(1) the commissioner of higher education or the commissioner's designee;

(2) the executive director of the Texas Board of Nursing or the executive director's designee;

(3) two representatives of professional nursing associations, appointed by the board; and

(4) a representative from the undergraduate professional nursing programs offered by at least 12 institutions of higher education, appointed by the board in accordance with the following:

(A) at least three representatives must be from junior colleges;

(B) at least three representatives must be from general academic teaching institutions; and

(C) at least three representatives must be from health science centers.

(c) The members of the advisory committee may not receive compensation for their service.

(d) The advisory committee shall assess, as of September 1, 2016:

(1) the prerequisite courses that are required for each undergraduate professional nursing program in this state; and

(2) the ability of a student to use course credit earned at

one institution of higher education to qualify for consideration for admission to an undergraduate professional nursing program offered by another institution of higher education.

(e) The advisory committee shall develop and make recommendations regarding the creation of a uniform pre-nursing curriculum. Recommendations under this section must specify:

(1) the prerequisite courses that a student must complete to qualify for consideration for admission to each undergraduate professional nursing program offered by an institution of higher education; and

(2) the content for the courses under Subdivision (1).

(f) Not later than December 1, 2016, the advisory committee shall prepare and submit to the legislature and to each standing legislative committee with primary jurisdiction over higher education a report containing the committee's findings under this section, including the recommended uniform pre-nursing curriculum.

(g) This section expires January 1, 2017.

Added by Acts 2015, 84th Leg., R.S., Ch. 937 (H.B. 3078), Sec. 1, eff. June 18, 2015.

Sec. 61.027. RULES OF PROCEDURE; HEARINGS; NOTICE; MINUTES. The board shall adopt and publish rules and regulations in accordance with and under the conditions applied to other agencies by Chapter 2001, Government Code to effectuate the provisions of this chapter. The board shall grant any institution of higher education a hearing upon request and after reasonable notice. Minutes of all meetings shall be available in the board's office for public inspection.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 823, Sec. 1.12, eff. June 20, 1987; Acts 1995, 74th Leg., ch. 76, Sec. 5.95(49), eff. Sept. 1, 1995.

Sec. 61.028. COMMISSIONER OF HIGHER EDUCATION; PERSONNEL; CONSULTANTS. (a) The board shall appoint a commissioner of higher education, who shall select and supervise the board's staff and perform other duties delegated to him by the board. The commissioner shall serve at the pleasure of the board.

(b) The commissioner shall be a person of high professional qualifications having a thorough background by training and experience in the fields of higher education and administration and shall possess such other qualifications as the board may prescribe.

(c) The commissioner shall employ professional and clerical personnel and consultants as necessary to assist the board and the commissioner in performing the duties assigned by this chapter. The number of employees, their compensation and the other expenditures of the board shall be within the limits and in compliance with the appropriation made for those purposes by the legislature and within budgets that shall be approved from time to time by the board.

(d) The commissioner or the commissioner's designee shall develop an intraagency career ladder program. The program shall require intraagency postings of all nonentry level positions concurrently with any public posting.

(e) The commissioner or the commissioner's designee shall develop a system of annual performance evaluations. All merit pay for board employees must be based on the system established under this subsection.

(f) The commissioner or the commissioner's designee shall prepare and maintain a written policy statement that implements a program of equal employment opportunity to ensure that all personnel decisions are made without regard to race, color, disability, sex, religion, age, or national origin. The policy statement must include:

(1) personnel policies, including policies relating to recruitment, evaluation, selection, training, and promotion of personnel, that show the intent of the board to avoid the unlawful employment practices described by Chapter 21, Labor Code; and

(2) an analysis of the extent to which the composition of the board's personnel is in accordance with state and federal law and a description of reasonable methods to achieve compliance with state and federal law.

(g) The policy statement must:

(1) be updated annually;

(2) be reviewed by the state Commission on Human Rights for compliance with Subsection (f)(1); and

(3) be filed with the governor's office.

(h) The governor's office shall deliver a biennial report to the legislature based on the information received under Subsection

(g) of this section. The report may be made separately or as part of other biennial reports made to the legislature.

(i) The board shall develop and implement policies that clearly define the respective responsibilities of the board and the staff of the board.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.05, eff. Sept. 1, 1989; Acts 2003, 78th Leg., ch. 820, Sec. 6, eff. Sept. 1, 2003.

Sec. 61.029. INTERNAL AUDITOR. (a) The board shall appoint an internal auditor for the board.

(b) The internal auditor shall report directly to the board on all matters, other than administrative matters, that require the decision of the commissioner of higher education.

(c) The commissioner of higher education shall advise the board regarding:

(1) the termination or discipline of the internal auditor; and

(2) the transfer or reclassification of, or other changes in, the powers or duties of the internal auditor.

(d) The internal auditor shall develop an annual audit plan, conduct audits as specified in the audit plan, and fulfill the other duties required by Chapter 2102, Government Code.

(e) The internal auditor shall review all audit reports with the board and the commissioner of higher education.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.06, eff. Sept. 1, 1989. Amended by Acts 1997, 75th Leg., ch. 1122, Sec. 18(1), eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 820, Sec. 8, eff. Sept. 1, 2003.

Sec. 61.030. QUALIFICATIONS AND STANDARDS OF BOARD MEMBERS AND EMPLOYEES. The board shall provide to its members and employees, as often as necessary, information regarding their qualifications for office or employment under this chapter and their responsibilities under applicable laws relating to standards of conduct for state officers or employees.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.07, eff. Sept. 1, 1989.

Sec. 61.031. PUBLIC INTEREST INFORMATION AND COMPLAINTS. (a) The board shall maintain a file on each written complaint filed with the board. The file must include:

(1) the name of the person who filed the complaint;

(2) the date the complaint is received by the board;

(3) the subject matter of the complaint;

(4) the name of each person contacted in relation to the complaint;

(5) a summary of the results of the review or investigation of the complaint; and

(6) an explanation of the reason the file was closed, if the board closed the file without taking action other than to investigate the complaint.

(b) The board shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the board's policies and procedures relating to complaint investigation and resolution.

(c) The board, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.08, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 9, eff. Sept. 1, 2003.

Sec. 61.032. NOTICE OF NATIONAL COMPACT MEETINGS. The commissioner of higher education or the commissioner's designee on behalf of Texas members of the Board of Control for Southern Regional Education shall file notice of board of control meetings with the secretary of state's office for publication in the Texas Register.

Added by Acts 1989, 71st Leg., ch. 262, Sec. 1, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1084, Sec. 1.09, eff. Sept. 1, 1989.

Sec. 61.033. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE RESOLUTION. (a) The board shall develop and implement a policy to encourage the use of:

(1) negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of board rules; and

(2) appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the board's jurisdiction.

(b) The board's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The board shall designate a trained person to:

(1) coordinate the implementation of the policy adopted under Subsection (a);

(2) serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

(3) collect data concerning the effectiveness of those procedures, as implemented by the board.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 10, eff. Sept. 1, 2003.

Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. The board shall engage institutions of higher education in a negotiated rulemaking process as described by Chapter 2008, Government Code, when adopting a policy, procedure, or rule relating to:

(1) an admission policy regarding the common admission application under Section 51.762, a uniform admission policy under Section 51.807, graduate and professional admissions under Section 51.843, or the transfer of credit under Section 61.827;

(2) the allocation or distribution of funds, including financial aid or other trusteed funds under Section 61.07761;

(3) the reevaluation of data requests under Section 51.406; or

(4) compliance monitoring under Section 61.035.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 29, eff. September 1, 2013.

Sec. 61.034. EFFECTIVE USE OF TECHNOLOGY. The board shall develop and implement a policy that requires the commissioner of higher education and the staff of the board to research and propose appropriate technological solutions to improve the ability of the agency to perform its mission. The technological solutions must include measures to ensure that the public is able to easily find information about the board through the Internet and that persons who have a reason to use the board's services are able to use the Internet to interact with the board and to access any services that can be provided effectively through the Internet. The policy shall also ensure that proposed technological solutions are cost-effective and developed through the board's planning processes.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 11, eff. Sept. 1, 2003.

Sec. 61.035. COMPLIANCE MONITORING. (a) The board, in consultation with affected stakeholders, shall adopt rules to establish an agency-wide, risk-based compliance monitoring function for:

(1) funds allocated by the board to institutions of higher education, private or independent institutions of higher education, and other entities, including student financial assistance funds, academic support grants, and any other grants, to ensure that those funds are distributed in accordance with applicable law and board rule; and

(2) data reported by institutions of higher education to the board and used by the board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data is reported accurately.

(b) For purposes of this section, student financial assistance includes grants, scholarships, loans, and work-study.

(c) After considering potential risks and the board's resources, the board shall review a reasonable portion of the total funds allocated by the board and of data reported to the board. The board shall use various levels of monitoring, according to risk, ranging from checking reported data for errors and inconsistencies to conducting comprehensive audits, including site visits.

(d) In developing the board's risk-based approach to compliance monitoring under this section, the board shall consider the following

factors relating to an institution of higher education or private or independent institution of higher education:

(1) the amount of student financial assistance or grant funds allocated to the institution by the board;

(2) whether the institution is required to obtain and submit an independent audit;

(3) the institution's internal controls;

(4) the length of time since the institution's last desk review or site visit;

(5) past misuse of funds or misreported data by the institution;

(6) in regard to data verification, whether the data reported to the board by the institution is used for determining funding allocations; and

(7) other factors as considered appropriate by the board.

(e) The board shall train compliance monitoring staff to ensure that the staff has the ability to monitor both funds compliance and data reporting accuracy. Program staff in other board divisions who conduct limited monitoring and contract administration shall coordinate with the compliance monitoring function to identify risks and avoid duplication.

(f) If the board determines through its compliance monitoring function that funds awarded by the board to an institution of higher education or private or independent institution of higher education have been misused or misallocated by the institution, the board shall present its determination to the institution's governing board, or to the institution's chief executive officer if the institution is a private or independent institution of higher education, and provide an opportunity for a response from the institution. Following the opportunity for response, the board shall report its determination and the institution's response, together with any recommendations, to the institution's governing board or chief executive officer, as applicable, the governor, and the Legislative Budget Board.

(g) If the board determines through its compliance monitoring function that an institution of higher education has included errors in the institution's data reported for formula funding, the board:

(1) for a public junior college, may adjust the appropriations made to the college for a fiscal year as necessary to account for the corrected data; and

(2) for a general academic teaching institution, a medical

and dental unit, or a public technical institute, shall calculate a revised appropriation amount for the applicable fiscal year based on the corrected data and report that revised amount to the governor and Legislative Budget Board for consideration as the basis for budget execution or other appropriate action, and to the comptroller.

(h) In conducting the compliance monitoring function under this section, the board may partner with internal audit offices at institutions of higher education and private or independent institutions of higher education, as institutional resources allow, to examine the institutions' use of funds allocated by, and data reported to, the board. To avoid duplication of effort and assist the board in identifying risk, an internal auditor at an institution shall notify the board of any audits conducted by the auditor involving funds administered by the board or data reported to the board. The board by rule may prescribe the timing and format of the notification required by this subsection. The board by rule shall require a private or independent institution of higher education to provide to the board the institution's external audit involving funds administered by the board. The private or independent institution of higher education's external audit must comply with the board's rules for auditing those funds.

(i) The board may seek technical assistance from the state auditor in establishing the compliance monitoring function under this section. The state auditor may periodically audit the board's compliance monitoring function as the state auditor considers appropriate.

(j) In this section:

(1) "Desk review" means an administrative review by the board that is based on information reported by an institution of higher education or private or independent institution of higher education, including supplemental information required by the board for the purposes of compliance monitoring, except that the term does not include information or accompanying notes gathered by the board during a site visit.

(2) "Site visit" means an announced or unannounced in-person visit by a representative of the board to an institution of higher education or private or independent institution of higher education for the purposes of compliance monitoring.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 30,

eff. September 1, 2013.

SUBCHAPTER C. POWERS AND DUTIES OF BOARD

Sec. 61.051. COORDINATION OF INSTITUTIONS OF PUBLIC HIGHER EDUCATION. (a) The board represents the highest authority in the state in matters of public higher education and is charged with the duty to take an active part in promoting quality education throughout the state by:

(1) providing a statewide perspective to ensure the efficient and effective use of higher education resources and to eliminate unnecessary duplication;

(2) developing and evaluating progress toward a long-range master plan for higher education and providing analysis and recommendations to link state spending for higher education with the goals of the long-range master plan;

(3) collecting and making accessible data on higher education in the state and aggregating and analyzing that data to support policy recommendations;

(4) making recommendations to improve the efficiency and effectiveness of transitions, including between high school and postsecondary education, between institutions of higher education for transfer purposes, and between postsecondary education and the workforce; and

(5) administering programs and trusteed funds for financial aid and other grants as necessary to achieve the state's long-range goals and as directed by the legislature.

(a-1) The board shall develop a long-range master plan for higher education in this state. The plan shall:

(1) establish long-term, measurable goals and provide strategies for implementing those goals;

(2) assess the higher education needs of each region of the state;

(3) provide for regular evaluation and revision of the plan, as the board considers necessary, to ensure the relevance of goals and strategies; and

(4) take into account the resources of private or independent institutions of higher education.

(a-2) The board shall establish methods for obtaining input from stakeholders and the general public when developing or revising

the long-range master plan developed under Subsection (a-1).

(a-3) Not later than December 1 of each even-numbered year, the board shall prepare and deliver a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives with primary jurisdiction over higher education. In the report, the board shall assess the state's progress in meeting the goals established in the long-range master plan developed under Subsection (a-1) and recommend legislative action, including statutory or funding changes, to assist the state in meeting those goals. The report must include updates on implementation strategies provided for in the long-range master plan under Subsection (a-1).

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(a-5) In conjunction with development of the long-range master plan under Subsection (a-1), the board shall evaluate the role and mission of each general academic teaching institution, other than a public state college, to ensure that the roles and missions of the institutions collectively contribute to the state's goals identified in the master plan.

(e) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(f) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(g) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(h) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1236 , Sec. 5.006(b), eff. September 1, 2015.

(i) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1236 , Sec. 5.007, eff. September 1, 2015.

(j) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(k) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(m) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(o) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(p) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(q) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(8), eff. September 1, 2013.

(r) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(17), eff. June 17, 2011.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 2055, ch. 676, Sec. 1, 2, eff. June 20, 1975; Acts 1985, 69th Leg., ch. 646, Sec. 2, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 823, Sec. 1.06, eff. June 20, 1987; Acts 1989, 71st Leg., ch. 1084, Sec. 1.11, 4.01(1), eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 668, Sec. 7.01, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 138, Sec. 1, eff. May 19, 1997; Acts 2001, 77th Leg., ch. 373, Sec. 1, eff. May 25, 2001; Acts 2003, 78th Leg., ch. 818, Sec. 6.03, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 820, Sec. 12, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 354 (S.B. 1226), Sec. 1, eff. June 17, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 338 (H.B. 2908), Sec. 1, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(17), eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 507 (S.B. 67), Sec. 1, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 31, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(8), eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 17, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.006(b), eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.007, eff. September 1, 2015.

Sec. 61.0512. BOARD APPROVAL OF ACADEMIC PROGRAMS. (a) A new degree or certificate program may be added at an institution of higher education only with specific prior approval of the board. A new degree or certificate program is considered approved if the board has not completed a review under this section and acted to approve or disapprove the proposed program before the first anniversary of the date on which an institution of higher education submits a completed application for approval to the board. The board may not summarily disapprove a program without completing the review required by this section. The board shall specify by rule the elements that constitute a completed application and shall make an administrative determination of the completeness of the application not later than the fifth business day after receiving the application. A request for additional information in support of an application that has been determined administratively complete does not toll the period within which the application is considered approved under this section.

(b) At the time an institution of higher education begins preliminary planning for a new degree program, the institution must notify the board before the institution may carry out that planning.

(c) The board shall review each degree or certificate program offered by an institution of higher education at the time the institution requests to implement a new program to ensure that the program:

(1) is needed by the state and the local community and does not unnecessarily duplicate programs offered by other institutions of higher education or private or independent institutions of higher education;

(2) has adequate financing from legislative appropriation, funds allocated by the board, or funds from other sources;

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

(4) meets academic standards specified by law or prescribed by board rule, including rules adopted by the board for purposes of this section, or workforce standards established by the Texas Workforce Investment Council.

(d) The board may review the number of degrees or certificates awarded through a degree or certificate program every four years or more frequently, at the board's discretion.

(e) The board shall review each degree or certificate program offered by an institution of higher education at least every 10 years

after a new program is established using the criteria prescribed by Subsection (c).

(f) The board may not order the consolidation or elimination of any degree or certificate program offered by an institution of higher education but may, based on the board's review under Subsections (d) and (e), recommend such action to an institution's governing board. If an institution's governing board does not accept recommendations to consolidate or eliminate a degree or certificate program, the university system or, where a system does not exist, the institution, must identify the programs recommended for consolidation or elimination on the next legislative appropriations request submitted by the system or institution.

(g) An institution of higher education may offer off-campus courses for credit within the state or distance learning courses only with specific prior approval of the board. An institution must certify to the board that a course offered for credit outside the state meets the board's academic criteria. An institution shall include the certification in submitting any other reports required by the board.

(h) In approving a degree or certificate program under this section, the board:

(1) for a doctoral program, may not consider undergraduate graduation or persistence rates; and

(2) for a baccalaureate degree program proposed to be offered by a public junior college previously authorized by the board to offer baccalaureate degree programs under Section 130.0012:

(A) shall approve the degree program within 60 days after the date the board receives notice of the degree program if the degree program:

(i) is approved by the governing board of the junior college district; and

(ii) is not an engineering program; and

(B) is considered to have approved the degree program after the date described by Paragraph (A) if the conditions of that paragraph are satisfied.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.13, eff. Sept. 1, 1989.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 32, eff.

September 1, 2013.

Sec. 61.05121. STATE AUTHORIZATION RECIPROCITY AGREEMENT. (a) The board on behalf of the state may enter into a state authorization reciprocity agreement among states, districts, and territories regarding the delivery of postsecondary distance education that establishes comparable standards for the provision of distance education by public or private degree-granting postsecondary educational institutions in each of the states, districts, or territories covered by the agreement to students of the other states, districts, or territories covered under the agreement. The board shall apply to an appropriate organization for that purpose.

(b) The board shall administer an agreement entered into under this section, including by:

(1) establishing an application and approval process for a degree-granting postsecondary educational institution with its principal campus located in this state to participate under the agreement; and

(2) maintaining a dispute resolution procedure for complaints regarding participating postsecondary educational institutions located in this state.

(c) If the board obtains evidence that a public or private postsecondary educational institution established outside this state that is providing courses within this state under a state authorization reciprocity agreement established under this section is in apparent violation of the agreement or of this code or rules adopted under this section, the board shall take appropriate action to terminate the institution's operation within this state.

(d) The board shall adopt rules to administer this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 124 (S.B. 1470), Sec. 1, eff. May 23, 2015.

Sec. 61.0513. COURT REPORTER PROGRAMS. The board may not certify a court reporter program under Section 61.051(f) unless the program has received approval from the Judicial Branch Certification Commission.

Added by Acts 1993, 73rd Leg., ch. 563, Sec. 2, eff. Sept. 1, 1993.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 42 (S.B. 966), Sec. 2.02, eff. September 1, 2014.

Sec. 61.0514. INTEGRATED COURSEWORK. The board, with the cooperation and advice of the State Board for Educator Certification, shall adopt educator preparation coursework guidelines that promote, to the greatest extent practicable, the integration of subject matter knowledge with classroom teaching strategies and techniques in order to maximize the effectiveness and efficiency of coursework required for certification under Subchapter B, Chapter 21.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 9, eff. June 19, 1999.

Sec. 61.0515. SEMESTER CREDIT HOURS REQUIRED FOR BACCALAUREATE DEGREE. (a) To earn a baccalaureate degree, a student may not be required by a general academic teaching institution to complete more than the minimum number of semester credit hours required for the degree by the Southern Association of Colleges and Schools or its successor unless the institution determines that there is a compelling academic reason for requiring completion of additional semester credit hours for the degree.

(b) The board may review one or more of an institution's baccalaureate degree programs to ensure compliance with this section.

(c) Subsection (a) does not apply to a baccalaureate degree awarded by an institution to a student enrolled in the institution before the 2008 fall semester. This subsection does not prohibit the institution from reducing the number of semester credit hours the student must complete to receive the degree.

Added by Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 12, eff. June 18, 2005.

Sec. 61.05151. SEMESTER CREDIT HOURS REQUIRED FOR ASSOCIATE DEGREE. (a) To earn an associate degree, a student may not be required by an institution of higher education to complete more than the minimum number of semester credit hours required for the degree by the Southern Association of Colleges and Schools or its successor

unless the institution determines that there is a compelling academic reason for requiring completion of additional semester credit hours for the degree.

(b) The board may review one or more of an institution's associate degree programs to ensure compliance with this section.

(c) Subsection (a) does not apply to an associate degree awarded by an institution to a student enrolled in the institution before the 2015 fall semester. This subsection does not prohibit the institution from reducing the number of semester credit hours the student must complete to receive the degree.

Added by Acts 2013, 83rd Leg., R.S., Ch. 528 (S.B. 497), Sec. 1, eff. June 14, 2013.
Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 33, eff. September 1, 2013.

Sec. 61.0517. APPLIED STEM COURSES. (a) In this section, "applied STEM course" means an applied science, technology, engineering, or mathematics course offered as part of a school district's career and technology education or technology applications curriculum and approved, as provided by Section 28.027, by the State Board of Education for purposes of satisfying the mathematics and science curriculum requirements for the foundation high school program under Section 28.025.

(b) The board shall work with institutions of higher education to ensure that credit for an applied STEM course may be applied to relevant degree programs offered by institutions of higher education in this state.

(c) The board shall include applied STEM courses in the board's review of courses considered for approval for offer by a public junior college or public technical institute.

Added by Acts 2011, 82nd Leg., R.S., Ch. 926 (S.B. 1620), Sec. 4, eff. June 17, 2011.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 69(a), eff. June 10, 2013.

For expiration of this section, see Subsection (h).

Sec. 61.0518. STUDY ON UNDERGRADUATE COURSE CREDIT FOR ADVANCED PLACEMENT EXAMINATIONS. (a) In this section, "Advanced Placement examination" has the meaning assigned by Section 51.968.

(b) The board, in consultation with institutions of higher education, the board's Undergraduate Education Advisory Committee, and other interested parties, shall conduct a study on the performance of undergraduate students at institutions of higher education who receive undergraduate course credit for achieving required scores on one or more Advanced Placement examinations.

(c) The study must compare the academic performance, retention rates, and graduation rates at institutions of higher education of students who complete a lower-division course at an institution and students who receive credit for that course for a score of three or more on an Advanced Placement examination, disaggregated by score.

(d) Each institution of higher education shall submit to the board any data requested by the board as necessary for the board to carry out its duties under this section.

(e) Not later than January 1, 2017, the board shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over higher education a progress report that examines the academic performance at institutions of higher education of students who received undergraduate course credit for a score of three on one or more Advanced Placement examinations and any recommendations for legislative or administrative action.

(f) Not later than January 1, 2019, the board shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over higher education a report regarding the results of the study conducted under this section and any recommendations for legislative or administrative action.

(g) The board shall adopt rules as necessary to implement this section in a manner that ensures compliance with federal law regarding confidentiality of student educational information, including the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(h) This section expires September 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 318 (H.B. 1992), Sec. 2, eff.

June 3, 2015.

Sec. 61.052. LIST OF COURSES; ANNUAL SUBMISSION TO BOARD. (a) Each governing board shall submit to the board once each year on dates designated by the board a comprehensive list by department, division, and school of all courses, together with a description of content, scope, and prerequisites of all these courses, that will be offered by each institution under the supervision of that governing board during the following academic year. The list for each institution must also specifically identify any course included in the common course numbering system under Section 61.832 that has been added to or removed from the institution's list for the current academic year, and the board shall distribute that information as necessary to accomplish the purposes of Section 61.832.

(b) After the comprehensive list of courses is submitted by a governing board under Subsection (a), the governing board shall submit on dates designated by the board any changes in the comprehensive list of courses to be offered, including any changes relating to offering a course included in the common course numbering system.

(b-1) Each governing board must certify at the time of submission under Subsection (a) that the institution does not:

(1) prohibit the acceptance of transfer credit based solely on the accreditation of the sending institution; or

(2) include language in any materials published by the institution, whether in printed or electronic form, suggesting that such a prohibition exists.

(c) The board may order the deletion or consolidation of any courses so submitted after giving due notice with reasons for that action and after providing a hearing if one is requested by the governing board involved.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.14, eff. Sept. 1, 1989.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 34, eff. September 1, 2013.

Sec. 61.053. BOARD ORDERS; NOTICE. (a) Any order of the board affecting the classification, role and scope, and program of any institution of higher education may be entered only after:

(1) a written factual report and recommendations from the commissioner of higher education covering the matter to be acted on have been received by the board and distributed to the governing board and the administrative head of the affected institution;

(2) the question has been placed upon the agenda for a regularly-scheduled quarterly meeting; and

(3) the governing board of the affected institution has had an opportunity to be heard.

(b) Notice of the board's action shall be given in writing to the governing board concerned not later than four months preceding the fall term in which the change is to take effect.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.054. EXPENDITURES FOR PROGRAMS DISAPPROVED BY BOARD. No funds appropriated to any institution of higher education may be expended for any program which has been disapproved by the board, unless the program is subsequently specifically approved by the legislature.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.055. PARTNERSHIPS OR AFFILIATIONS. (a) The board shall encourage cooperative programs and agreements among institutions of higher education, including programs and agreements relating to degree offerings, research activities, and library and computer sharing.

(b) A general academic teaching institution or medical and dental unit may establish a partnership or affiliation with another entity to offer or conduct courses for academic credit or to offer or operate a degree program if:

(1) the governing board or other appropriate official of the institution or unit determines that the partnership or affiliation is:

(A) consistent with the role and mission established for the institution or unit;

(B) in accordance with the degree and certificate programs authorized to be offered by the institution or unit; and

(C) consistent with the role and mission of the university system, if any, to which the institution or unit belongs;

(2) the partnership or affiliation is approved by the coordinating board; or

(3) the partnership or affiliation is established to secure or provide clinical or other similar practical educational experience in connection with a course or degree program authorized to be offered by the institution or unit.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 11, eff. Sept. 1, 1993; Acts 2001, 77th Leg., ch. 1447, Sec. 1, eff. June 17, 2001.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 35, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 36, eff. September 1, 2013.

Sec. 61.056. REVIEW OF LEGISLATION ESTABLISHING ADDITIONAL INSTITUTIONS. Any proposed statute which would establish an additional institution of higher education, except a public junior college, shall be submitted, either prior to introduction or by the standing committee considering the proposed statute, to the board for its opinion as to the state's need for the institution. The board shall report its findings to the governor and the legislature. A recommendation that an additional institution is needed shall require the favorable vote of at least two-thirds of the members of the board. A recommendation of the board shall not be considered a condition precedent to the introduction or passage of any proposed statute.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.057. PROMOTION OF TEACHING EXCELLENCE. To achieve excellence in the teaching of students at institutions and agencies of higher education, the board shall:

(1) develop and recommend:

(A) minimum faculty compensation plans, basic increment programs, and incentive salary increases;

(B) minimum standards for faculty appointment, advancement, promotion, and retirement;

(C) general policies for faculty teaching loads, and division of faculty time between teaching, research, administrative duties, and special assignments;

(D) faculty improvement programs, including a plan for sabbatical leaves, appropriate for the junior and senior colleges and universities, respectively; and

(E) minimum standards for academic freedom, academic responsibility, and tenure;

(2) pursue vigorously and continuously a goal of having all college and university academic classes taught by persons holding the minimum of an earned master's degree or its equivalent in academic training, creative work, or professional accomplishment;

(3) explore, promote, and coordinate the use of educational television among institutions of higher education and encourage participation by public and private schools and private institutions of higher education in educational television;

(4) conduct, and encourage the institutions of higher education to conduct, research into new methods, materials, and techniques for improving the quality of instruction and for the maximum utilization of all available teaching techniques, devices, and resources, including but not limited to large classes, team teaching, programmed instruction, interlibrary exchanges, joint libraries, specially-designed facilities, visual aids, and other innovations that offer promise for superior teaching or for meeting the need for new faculty members to teach anticipated larger numbers of students; and

(5) assume initiative and leadership in providing through the institutions of higher education in the state those programs and offerings which will achieve the objectives set forth in Section 61.002 of this code.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 61.0571. BOARD ASSISTANCE TO INSTITUTIONS. (a) The board shall advise and offer technical assistance on the request of any institution of higher education or system administration.

(b) The board shall develop guidelines for institutional reporting of student performance.

Transferred, redesignated and amended from Education Code, Section 61.051(l) by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 37, eff. September 1, 2013.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 38, eff. September 1, 2013.

Sec. 61.0572. CONSTRUCTION FUNDS AND DEVELOPMENT OF PHYSICAL PLANTS. (a) To assure efficient use of construction funds and the orderly development of physical plants to accommodate projected college student enrollments, the board shall carry out the duties prescribed by this section and Section 61.058 of this code.

(b) The board shall:

(1) determine formulas for space utilization in all educational and general buildings and facilities at institutions of higher education;

(2) devise and promulgate methods to assure maximum daily and year-round use of educational and general buildings and facilities, including but not limited to maximum scheduling of day and night classes and maximum summer school enrollment;

(3) consider plans for selective standards of admission when institutions of higher education approach capacity enrollment;

(4) require, and assist the public technical institutes, public senior colleges and universities, medical and dental units, and other agencies of higher education in developing long-range campus master plans for campus development;

(5) by rule adopt standards to guide the board's review of new construction and the repair and rehabilitation of all buildings and facilities regardless of proposed use; and

(6) ascertain that the board's standards and specifications

for new construction, repair, and rehabilitation of all buildings and facilities are in accordance with Chapter 469, Government Code.

(c) The board in consultation with institutions of higher education shall develop space standards for new construction or other capital improvement projects at public senior colleges and universities and medical and dental units that address the differences in space requirements in teaching, research, and public service activities for those institutions. The standards developed under this subsection shall not be used to determine space needs for those projects related to clinical care facilities.

(d) The board may review purchases of improved real property added to an institution's educational and general buildings and facilities inventory to determine whether the property meets the standards adopted by the board for cost, efficiency, space need, and space use, but the purchase of the improved real property is not contingent on board review. Standards must be adopted by the board using the negotiated rulemaking procedures under Chapter 2008, Government Code. If the property does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, the governing board of the applicable institution, and the Legislative Budget Board. This subsection does not impair the board's authority to collect data relating to the improved real property that is added each year to the educational and general buildings and facilities inventory of institutions of higher education.

Acts 1971, 62nd Leg., p. 3137, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 2056, ch. 676, Sec. 3, eff. June 20, 1975; Acts 1977, 65th Leg., p. 1133, ch. 425, Sec. 1, eff. Aug. 29, 1977; Acts 1983, 68th Leg., p. 585, ch. 121, Sec. 1, eff. Sept. 1, 1983: Acts 1983, 68th Leg., p. 1694, ch. 319, Sec. 1, eff. June 16, 1983; Acts 1985, 69th Leg., ch. 646, Sec. 3, eff. Aug. 26, 1985. Renumbered from Education Code Sec. 61.058(1) to (7) and amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.16, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 803, Sec. 5, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 748, Sec. 4, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 165, Sec. 17.19(7), eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 615, Sec. 5, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 940, Sec. 3, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1319, Sec. 3, eff. June 18, 2003.

Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 3, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 1207 (H.B. 1775), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 3, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 39, eff. September 1, 2013.

Sec. 61.058. NEW CONSTRUCTION AND REPAIR AND REHABILITATION PROJECTS. (a) This section does not apply to buildings and facilities that are to be used exclusively for auxiliary enterprises and will not require appropriations from the legislature for operation, maintenance, or repair.

(b) The board may review all construction, repair, or rehabilitation of buildings and facilities at institutions of higher education to determine whether the construction, rehabilitation, or repair meets the standards adopted by board rule for cost, efficiency, space need, and space use, but the construction, rehabilitation, or repair is not contingent on board review. Standards must be adopted by the board using the negotiated rulemaking procedures under Chapter 2008, Government Code. If the construction, rehabilitation, or repair does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, the governing boards of the applicable institutions, and the Legislative Budget Board. This subsection does not impair the board's authority to collect data relating to the construction, repair, or rehabilitation of buildings and facilities occurring each year at institutions of higher education.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(5), eff. September 1, 2013.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 2056, ch. 676, Sec. 3, eff. June 20, 1975; Acts 1977, 65th Leg., p. 1133, ch. 425, Sec. 1, eff. Aug. 29, 1977; Acts 1983, 68th Leg., p. 585, ch. 121, Sec. 1, eff. Sept. 1, 1983; Acts 1983, 68th Leg., p. 1694, ch. 319, Sec. 1,

eff. June 16, 1983; Acts 1985, 69th Leg., ch. 646, Sec. 3, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 982, Sec. 1, eff. June 19, 1987; Acts 1989, 71st Leg., ch. 1084, Sec. 1.16, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 803, Sec. 6, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 748, Sec. 5, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 229, Sec. 1, eff. May 24, 1999; Acts 2003, 78th Leg., ch. 615, Sec. 6, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 940, Sec. 4, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1319, Sec. 4, eff. June 18, 2003.

Amended by:

Acts 2006, 79th Leg., 3rd C.S., Ch. 9 (H.B. 153), Sec. 4, eff. May 31, 2006.

Acts 2007, 80th Leg., R.S., Ch. 1207 (H.B. 1775), Sec. 3, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 236 (S.B. 1796), Sec. 1, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 4, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 40, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(5), eff. September 1, 2013.

Sec. 61.0581. POWERS UNAFFECTED BY CERTAIN CONSTITUTIONAL AMENDMENT. The powers of the board and the legislature, including the powers granted under Section 61.058 of this code, are not limited by the constitutional amendments proposed by H.J.R. No. 19, 68th Legislature, Regular Session, 1983, and adopted by the voters except to the extent those powers are specifically limited by those constitutional provisions.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 2, eff. June 3, 1985. Renumbered from Education Code Sec. 61.075 by Acts 1987, 70th Leg., ch. 167, Sec. 5.01(a)(19) eff. Sept. 1, 1987.

Sec. 61.05821. CONDITION OF BUILDINGS AND FACILITIES; ANNUAL REPORT REQUIRED. Each institution of higher education, excluding each public junior college and excluding other agencies of higher

education, annually shall report to the governing board of the institution information regarding the condition of the buildings and facilities of the institution, including information concerning deferred maintenance with respect to those buildings and facilities as defined by the board.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 41, eff. September 1, 2013.

Sec. 61.0583. AUDIT OF FACILITIES. (a) The board periodically shall conduct a comprehensive audit of all educational and general facilities on the campuses of public senior colleges and universities and the Texas State Technical College System to verify the accuracy of the facilities inventory for each of those institutions.

(b) The board shall verify the accuracy of the square footage reported in each institution's budget request in relation to the facilities inventory.

(c) The audit must include a periodic review of construction projects to confirm that:

(1) a project has received prior approval by the board if required by Section 61.058 of this code; and

(2) an approved project is completed as specified in the request to the board for approval of the project.

(d) The board shall report its findings concerning the audits conducted under this section to the Legislative Budget Board and the audited institutions.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.18, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 28, eff. Sept. 1, 1991.

Sec. 61.059. APPROPRIATIONS. (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;

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

(4) emphasize an alignment with education goals established by the board.

(b) The board shall devise, establish, and periodically review and revise formulas for the use of the governor and the Legislative Budget Board in making appropriations recommendations to the legislature for all institutions of higher education, including the funding of postsecondary vocational-technical programs. As a specific element of the periodic review, the board shall study and recommend changes in the funding formulas based on the role and mission statements of institutions of higher education. In carrying out its duties under this section, the board shall employ an ongoing process of committee review and expert testimony and analysis.

(b-1) A committee under Subsection (b) must be composed of representatives of a cross-section of institutions representing each of the institutional groupings under the board's accountability system. The commissioner of higher education shall solicit recommendations for the committee's membership from the chancellor of each university system and from the president of each institution of higher education that is not a component of a university system. The chancellor of a university system shall recommend to the commissioner at least one institutional representative for each institutional grouping to which a component of the university system is assigned. The president of an institution of higher education that is not a component of a university system shall recommend to the commissioner at least one institutional representative for the institutional grouping to which the institution is assigned.

(c) Formulas for basic funding shall:

(1) reflect the role and mission of each institution;

(2) emphasize funding elements that directly support faculty;

(3) reflect both fixed and variable elements of cost; and

(4) incorporate, as the board considers appropriate, goals identified in the board's long-range statewide plan developed under Section 61.051.

(d) Not later than June 1 of every even-numbered calendar year, the board shall notify the governing boards and the chief administrative officers of the respective institutions of higher

education and university systems, the governor, and the Legislative Budget Board of the formulas designated by the board to be used by the institutions in making appropriation requests for the next succeeding biennium and shall certify to the governor and the Legislative Budget Board that each institution has prepared its appropriation request in accordance with the designated formulas and in accordance with the uniform system of reporting provided in this chapter. The board shall furnish any other assistance to the governor and the Legislative Budget Board in the development of appropriations recommendations as either or both of them may request. However, nothing in this chapter shall prevent or prohibit the governor, the Legislative Budget Board, the board, or the governing board of any institution of higher education from requesting or recommending deviations from any applicable formula or formulas prescribed by the board and advancing reasons and arguments in support of them.

(e) The board shall present to the governor and to each legislature a comprehensive summary and analysis of institutional appropriation requests, and for that purpose each institution's request must be submitted to the board at the same time at which the request is submitted to the Legislative Budget Board. Nothing in this subsection shall be construed as supplanting the duty, responsibility, and authority of an institution of higher education or the governing board thereof to express its appropriative needs directly to the legislature or any committee thereof.

(f) The board shall recommend to the governor and the Legislative Budget Board supplemental contingent appropriations to provide for increases in enrollment at the institutions of higher education. Contingent appropriations may be made directly to the institutions or to the board, as the legislature may direct in each biennial appropriations act. In the event the contingent appropriation is made to the board, the funds shall be allocated and distributed by the board to the institutions as it may determine, subject only to such limitations or conditions as the legislature may prescribe.

(g) The board shall recommend to the institutions, the governor, and the Legislative Budget Board tuition policies for public technical institutes, public junior colleges, public senior colleges and universities, medical and dental units, and other agencies of higher education and vocational and technical programs

receiving support from state funds.

(h) The board shall distribute funds appropriated to the board for allocation for specified purposes under limitations prescribed by law and the rules and regulations of the board in conformity therewith, provided that no distribution or allocation may be made to any institution of higher education which has failed or refused to comply with any order of the board as long as that failure or refusal continues.

(i) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(9), eff. September 1, 2013.

(i-1) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(9), eff. September 1, 2013.

(j) Funds appropriated to the coordinating board for vocational-technical education may be transferred by interagency contract between the two boards as required to carry out an effective and efficient transition of the administration of postsecondary vocational-technical education.

(k) The legislature shall promote flexibility in the use of funds appropriated to institutions of higher education by:

(1) appropriating base funding as a single amount that is unrestricted to use among the various funding elements of the formula used to determine base funding; and

(2) appropriating to institutions the unexpended balance of appropriations made for the preceding fiscal year.

(l)(1) Except as provided by Subdivision (2), the board may not include in any formula under this section funding based on the number of doctoral students who have a total of 100 or more semester credit hours of doctoral work at an institution of higher education.

(2) Notwithstanding Subdivision (1), the board may approve formula funding for semester credit hours in excess of 100, not to exceed 130 total semester credit hours, for a doctoral student if the institution:

(A) provides the board with substantial evidence that the particular field of study in which the student is enrolled requires a higher number of semester credit hours to maintain nationally competitive standards;

(B) provides the board with evidence that the student's program or research is likely to provide substantial benefit to medical or scientific advancement and that the program or research requires the additional semester credit hours; or

(C) provides the board with other compelling academic reasons that support the finding of an exception.

(3) The board shall report to the Legislative Budget Board, as part of its report on formula funding recommendations, a listing of the exceptions approved under Subdivision (2) and the associated costs in formula-based funding.

(m) For an institution that charges a reduced nonresident tuition rate under Section 54.0601, the board may not include in a formula under this section funding based on the number of nonresident students enrolled at the institution in excess of 10 percent of the total number of students enrolled at the institution.

(n) In the formula applicable to Texas A&M University--Texarkana for funding instruction and operations, the board shall include any semester credit hours taught through distance education to students enrolled at that university who reside in another state and:

(1) as permitted by Section 54.060(a), pay tuition at the rate charged to residents of this state; and

(2) reside in a county in the other state that is contiguous to the county in which the university is located.

(o) In addition to the other funding recommendations required by this section, biennially the board shall determine the amount that the board considers appropriate for purposes of providing funding under Section 61.0596 in the following state fiscal biennium to carry out the purposes of that section and shall make recommendations to the governor and the Legislative Budget Board for funding those programs in that biennium. To the extent the board considers appropriate, the board may include in the formulas established under this section the funding to be provided under Section 61.0596.

(p) In its instruction and operations formula applicable to an institution of higher education, the board may not include any semester credit hours earned for dual course credit by a high school student for high school and college credit at the institution unless those credit hours are earned through any of the following:

(1) a course in the core curriculum of the institution providing course credit;

(2) a career and technical education course that applies to any certificate or associate's degree offered by the institution providing course credit; or

(3) a foreign language course.

(q) Subsection (p) does not apply to a course completed by a student as part of the early college education program established under Section 29.908.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 4, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 823, Sec. 3.01, eff. June 20, 1987; Acts 1989, 71st Leg., ch. 1084, Sec. 1.19, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 27, Sec. 4, eff. April 13, 1993; Acts 1995, 74th Leg., ch. 451, Sec. 7, eff. Aug. 28, 1995; Acts 1997, 75th Leg., ch. 231, Sec. 1, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 690, Sec. 2, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 820, Sec. 13, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 5, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 90 (S.B. 1272), Sec. 2, eff. May 19, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1120 (H.B. 9), Sec. 2, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1183 (H.B. 3468), Sec. 4, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 22.001(12), eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 727 (S.B. 31), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(9), eff. September 1, 2013.

Sec. 61.0592. FUNDING FOR COURSES PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. (a) The purposes of this section are:

(1) to ensure that student demand for courses is met; and

(2) to encourage the efficient use of existing instructional facilities while reducing the need for new instructional facilities.

(b) This section applies only to funding for a course provided by:

(1) The University of Texas at Austin;

(2) Texas A&M University; or

(3) Texas Tech University.

(c) To carry out the purposes of this section, for each institution of higher education listed under Subsection (b), the board shall include in the formulas established under Section 61.059 funding in amounts sufficient to cover the institution's revenue loss resulting from any reduction in tuition rates under Section 54.061.

(d) In addition to the funding included under Subsection (c), in the formulas established under Section 61.059, as an incentive for the institutions to reduce tuition rates under Section 54.061, the board may include additional funding that represents a portion of the savings to the state resulting from the institution's efficient use of resources.

Added by Acts 2007, 80th Leg., R.S., Ch. 598 (H.B. 120), Sec. 1, eff. June 15, 2007.

Sec. 61.0593. STUDENT SUCCESS-BASED FUNDING RECOMMENDATIONS. (a) The legislature finds that it is in the state's highest public interest to evaluate student achievement at institutions of higher education and to develop higher education funding policy based on that evaluation. Funding policies that promote postsecondary educational success based on objective indicators of relative performance, such as degree completion rates, are critical to maintaining the state's competitiveness in the national and global economy and supporting the general welfare of this state. Therefore, the purpose of this section is to ensure that institutions of higher education produce student outcomes that are directly aligned with the state's education goals and economic development needs.

(b) In this section:

(1) "At-risk student" means an undergraduate student of an institution of higher education:

(A) who has been awarded a grant under the federal Pell Grant program; or

(B) who, on the date the student initially enrolled in the institution:

(i) was 20 years of age or older;

(ii) had a score on the Scholastic Assessment Test (SAT) or the American College Test (ACT) that was less than the

national mean score for students taking that test;

(iii) was enrolled as a part-time student; or

(iv) had not received a high school diploma but had received a high school equivalency certificate within the last six years.

(2) "Critical field" means a field of study designated as a critical field under Subsection (c).

(c) Except as otherwise provided under Subdivision (2), the fields of engineering, computer science, mathematics, physical science, allied health, nursing, and teaching certification in the field of science or mathematics are critical fields. Beginning September 1, 2012, the board, based on the board's determination of those fields of study in which the support and development of postsecondary education programs at the bachelor's degree level are most critically necessary for serving the needs of this state, by rule may:

(1) designate as a critical field a field of study that is not currently designated by this subsection or by the board as a critical field; or

(2) remove a field of study from the list of fields currently designated by this subsection or by the board as critical fields.

(d) This subsection applies only to a general academic teaching institution other than a public state college. In devising its funding formulas and making its recommendations to the legislature relating to institutional appropriations of funds under Section 61.059 for institutions to which this subsection applies, the board, in the manner and to the extent the board considers appropriate and in consultation with those institutions, shall incorporate the consideration of undergraduate student success measures achieved during the preceding state fiscal biennium by each of the institutions. At the time the board makes those recommendations, the board shall also make recommendations for incorporating the success measures, to the extent the board considers appropriate in consultation with those institutions, into the distribution of any incentive funds available for those institutions, including performance incentive funds under Subchapter D, Chapter 62. The board's recommendations must provide alternative approaches for applying the success measures and must compare the effects on funding of applying the success measures within the formula for base funding

to applying the success measures as a separate formula. The success measures considered by the board under this subsection may include:

(1) the total number of bachelor's degrees awarded by the institution;

(2) the total number of bachelor's degrees in critical fields awarded by the institution;

(3) the total number of bachelor's degrees awarded by the institution to at-risk students; and

(4) as determined by the board, the six-year graduation rate of undergraduate students of the institution who initially enrolled in the institution in the fall semester immediately following their graduation from a public high school in this state as compared to the six-year graduation rate predicted for those students based on the composition of the institution's student body.

(e) Notwithstanding Subsection (d):

(1) not more than 10 percent of the total amount of general revenue appropriations of base funds for undergraduate education recommended by the board for all institutions to which Subsection (d) applies for a state fiscal biennium may be based on student success measures; and

(2) the board's recommendation for base funding for undergraduate education based on student success measures does not reduce or otherwise affect funding recommendations for graduate education.

(f) This subsection applies only to public junior colleges, public state colleges, and public technical institutes. In devising its funding formulas and making its recommendations to the legislature relating to institutional appropriations of incentive funds for institutions to which this subsection applies, the board, in the manner and to the extent the board considers appropriate and in consultation with those institutions, shall incorporate the consideration of the undergraduate student success measures achieved during the preceding state fiscal biennium by each of the institutions. The success measures considered by the board under this subsection may include:

(1) the following academic progress measures achieved by students at the institution:

(A) successful completion of:

(i) developmental education in mathematics;

(ii) developmental education in English;

(iii) the first college-level mathematics course with a grade of "C" or higher;

(iv) the first college-level English course with a grade of "C" or higher; and

(v) the first 30 semester credit hours at the institution; and

(B) transfer to a four-year college or university after successful completion of at least 15 semester credit hours at the institution; and

(2) the total number of the following awarded by the institution:

(A) associate's degrees;

(B) bachelor's degrees under Section 130.0012; and

(C) certificates identified by the board for purposes of this section as effective measures of student success.

(g) Biennially, the board, in consultation with institutions to which Subsections (d) and (f) apply, shall review the student success measures considered by the board under those subsections.

(h) The board shall include in its findings and recommendations to the legislature under Section 61.059:

(1) an evaluation of the effectiveness of the student success measures described by this section in achieving the purpose of this section during the preceding state fiscal biennium; and

(2) any related recommendations the board considers appropriate.

(i) The board shall adopt rules for the administration of this section, including rules requiring each institution of higher education to submit to the board any student data or other information the board considers necessary for the board to carry out its duties under this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1120 (H.B. 9), Sec. 3, eff. June 17, 2011.

Sec. 61.0594. COORDINATED FUNDING OF GRADUATE MEDICAL EDUCATION. (a) The board shall administer a program to support graduate medical education programs in this state consistent with the needs of this state for graduate medical education and the training of resident physicians in accredited residency programs in

appropriate fields and specialties, including primary care specialties described by Section 58.008(a).

(b) From money available to the program, the board may make grants or formula distributions to:

(1) support appropriate graduate medical education programs and activities for which adequate funds are not otherwise available; or

(2) foster new or expanded graduate medical education programs or activities that the board determines will address the state's needs for graduate medical education.

(c) To be eligible to receive a grant or distribution under this section, an institution or other entity must incur the costs of faculty supervision and education or the stipend costs of resident physicians in accredited clinical residency programs in this state. In making grants and distributions under this section, the board shall give consideration to the costs incurred by medical schools or other entities to support faculty responsible for the education or supervision of resident physicians in accredited graduate medical education programs, including programs in osteopathic medical education.

(d) The program is funded by appropriations, by gifts, grants, and donations made to support the program, and by any other funds the board obtains, including federal funds, for the program. From program funds, the comptroller of public accounts shall issue warrants to each institution or other entity determined by the board as eligible to receive a grant or distribution from the program in the amount certified by the board. An amount granted to an institution or other entity under the program may be used only to cover expenses of training residents of the particular program or activity for which the award is made in accordance with any conditions imposed by the board and may not otherwise be expended for the general support of the institution or entity.

(e) The board shall appoint an advisory committee to advise the board regarding the development and administration of the program, including considering requests for program grants and establishing formulas for distribution of money under the program. The advisory committee shall consist of:

(1) the executive director of the Texas State Board of Medical Examiners or the executive director's designee;

(2) the chair of the Family Practice Residency Advisory

Committee or the chair's designee;

(3) the chair of the Primary Care Residency Advisory Committee or the chair's designee;

(4) the commissioner of the Health and Human Services Commission or the commissioner's designee; and

(5) the following members appointed by the board:

(A) one representative of a teaching hospital affiliated with a Texas medical school;

(B) one representative of a teaching hospital not affiliated with a Texas medical school;

(C) three representatives of medical schools, at least one representing a medical school in The University of Texas System, and at least one representing a medical school not in The University of Texas System;

(D) two physicians active in private practice, one of whom must be a generalist;

(E) one doctor of osteopathic medicine active in private practice;

(F) one representative of an entity providing managed health care;

(G) three clinical faculty members, at least one of whom must be a generalist;

(H) one resident physician, who is a nonvoting member; and

(I) one medical student, who is a nonvoting member.

(f) The appointed advisory committee members serve staggered three-year terms. The board shall make the initial committee appointments to terms of one, two, and three years as necessary so that one-third of the appointed members' terms expire each year, as nearly as practicable. The committee shall elect one of its members as presiding officer for a term of one year. The committee shall meet at least once each year at the times requested by the board or set by the presiding officer of the committee. A member of the advisory committee may not be compensated for service on the committee but is entitled to be reimbursed by the board for actual expenses incurred in the performance of the member's duties as a committee member.

(g) The advisory committee shall:

(1) review applications for funding of graduate medical education programs under this section and make recommendations for

approval or disapproval of those applications;

(2) make recommendations relating to the standards and criteria used for consideration and approval of grants or for the development of formulas for distribution of funding under this section;

(3) recommend to the board an allocation of funds among medical schools, teaching hospitals, and other entities that may receive funds under this section; and

(4) perform other duties assigned by the board.

Added by Acts 1997, 75th Leg., ch. 252, Sec. 2, eff. Sept. 1, 1997.

Sec. 61.0595. FUNDING FOR CERTAIN EXCESS UNDERGRADUATE CREDIT HOURS. (a) In the formulas established under Section 61.059, the board may not include funding for semester credit hours earned by a resident undergraduate student who before the semester or other academic session begins has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that exceeds by at least 30 hours the number of semester credit hours required for completion of the degree program or programs in which the student is enrolled, including minors and double majors, and for completion of any certificate or other special program in which the student is also enrolled, including a program with a study-abroad component.

(b) For purposes of Subsection (a), an undergraduate student who is not enrolled in a degree program is considered to be enrolled in a degree program requiring a minimum of 120 semester credit hours.

(c) For a student enrolled in a baccalaureate program under Section 51.931, semester credit hours earned by the student 10 or more years before the date the student begins the new degree program under Section 51.931 are not counted for purposes of determining whether the student has previously earned the number of semester credit hours specified by Subsection (a).

(d) The following are not counted for purposes of determining whether the student has previously earned the number of semester credit hours specified by Subsection (a):

(1) semester credit hours earned by the student before receiving a baccalaureate degree that has previously been awarded to

the student;

(2) semester credit hours earned by the student by examination or under any other procedure by which credit is earned without registering for a course for which tuition is charged;

(3) credit for a remedial education course, a technical course, a workforce education course funded according to contact hours, or another course that does not count toward a degree program at the institution;

(4) semester credit hours earned by the student at a private institution or an out-of-state institution; and

(5) semester credit hours earned by the student before graduating from high school and used to satisfy high school graduation requirements.

(e) Subsection (a) applies only to funding for semester credit hours earned by a student who initially enrolled as an undergraduate student in any institution of higher education during or after the 1999 fall semester, except that with respect to semester credit hours earned by a student who initially enrolls as an undergraduate student in any institution of higher education before the 2006 fall semester, the board may not reduce funding under this section until the number of semester credit hours previously attempted by the student as described by this section exceeds the number of semester credit hours required for the student's degree program by at least 45 hours.

(f) In the formulas established under Section 61.059, the board shall include without consideration of Subsection (a) funding for semester credit hours earned by a student who initially enrolled as an undergraduate student in any institution of higher education before the 1999 fall semester.

(g) To the extent practicable, the savings to the state resulting from the exclusion of funding for excess undergraduate semester credit hours from the funding formulas of the board as required by this section shall be used to finance the Toward EXcellence, Access, & Success (TEXAS) grant program under Subchapter M, Chapter 56.

Added by Acts 1997, 75th Leg., ch. 1073, Sec. 1.07, eff. Aug. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 6, Sec. 1, eff. April 8, 1999.

Amended by:

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 13, eff. June

18, 2005.

Acts 2009, 81st Leg., R.S., Ch. 290 (H.B. 101), Sec. 1, eff. June 19, 2009.

Sec. 61.0596. UNIVERSITY FUNDING FOR EXCELLENCE IN SPECIFIC PROGRAMS AND FIELDS; INCENTIVE GRANTS. (a) The board shall administer this section to encourage and assist general academic teaching institutions, other than public state colleges, that are not research universities or emerging research universities according to the institutional groupings under the board's higher education accountability system to develop and maintain specific programs or fields of study of the highest national rank or recognition for that type of program or field.

(b) To assist the institution in achieving the highest national rank or recognition for the applicable degree program and from money available for the purpose, the board shall award incentive grants to general academic teaching institutions described by Subsection (a) that the board considers to have demonstrated the greatest commitment to success in developing or improving, consistent with the mission of the institution, the quality of an existing degree program designated by the institution. An institution must use a grant under this subsection for faculty recruitment or other faculty support with respect to the designated degree program for which the grant is awarded, including establishment of endowed faculty positions or enhancement of faculty compensation as considered appropriate by the institution.

(c) An institution may designate only one degree program at a time for consideration for new funding under Subsection (b). The institution may change its designation with the consent of the board. If the board determines that an institution has met all the applicable benchmarks for the institution's designated program, the institution may designate another degree program for consideration for new funding under Subsection (b).

(d) The board shall establish a series of benchmarks applicable to each degree program designated by an institution under this section. The institution becomes eligible for funding under Subsection (b) for each benchmark the board determines that the institution has met. The board shall establish the amount of funding for each benchmark met in a manner that provides an effective

incentive to assist the institution to continue its efforts to meet the remaining benchmarks for its designated program.

(e) Unless the board determines that a different number of benchmarks is appropriate, the board shall establish three benchmarks for each designated degree program. The board shall identify one or more persons who have relevant expertise and do not reside in this state to assist the board in establishing the benchmarks and associated funding levels for each type of degree program designated by an institution under this section.

(f) An institution that designates a degree program to receive funding under Subsection (b) shall reimburse the board for the costs incurred by the board in administering this section with respect to the institution's designated program.

(g) In addition to supporting the programs designated by institutions for consideration to receive incentive grants under Subsection (b), from money available for the purpose, the board shall provide additional money as the board determines appropriate to assist the institutions described by Subsection (a) in maintaining the excellence of programs or fields of study that have achieved the highest national ranking or recognition for that type of program or field.

(h) The legislature may not appropriate money for grants or other financial assistance to general academic teaching institutions under this section before the board certifies that one or more institutions have met at least one of the benchmarks established by the board for the institutions' designated degree programs under Subsection (d).

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 6, eff. September 1, 2009.

Sec. 61.060. CONTROL OF PUBLIC JUNIOR COLLEGES. The board shall exercise, under the acts of the legislature, general control of the public junior colleges of this state, on and after September 1, 1965. All authority not vested by this chapter or other laws of the state in the board is reserved and retained locally in each respective public junior college district or the governing board of each public junior college as provided in the applicable laws.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 61.061. POLICIES, RULES, AND REGULATIONS RESPECTING JUNIOR COLLEGES. The board has the responsibility for adopting policies, enacting regulations, and establishing general rules necessary for carrying out the duties with respect to public junior colleges placed upon it by the legislature. The commissioner of higher education is responsible for carrying out these policies and enforcing these rules and regulations.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.062. POWERS RESPECTING JUNIOR COLLEGES. (a) The board may authorize the creation of public junior college districts as provided in the applicable laws. In the exercise of this authority the board shall give particular attention to the need for a public junior college in the proposed district, and the ability of the district to provide adequate local financial support.

(b) The board may dissolve any public junior college district which has failed to establish and maintain a junior college in the district within three years from the date of its authorization.

(c) The board may adopt standards for the operation of public junior colleges and prescribe rules and regulations for them.

(d) The board may require of each public junior college whatever reports it deems necessary in accordance with its rules and regulations.

(e) The board may establish advisory commissions composed of representatives of public junior colleges and other citizens of the state to provide advice and counsel to the board with respect to public junior colleges.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.063. LISTING AND CERTIFICATION OF JUNIOR COLLEGES. The commissioner of higher education shall file with the state comptroller on or before October 1 of each year a list of the public

junior colleges in this state. The commissioner shall certify the names of those colleges that have complied with the standards, rules, and regulations prescribed by the board. Only those colleges which are so certified shall be eligible for and may receive any appropriation made by the legislature to public junior colleges.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 18, eff. September 1, 2013.

Sec. 61.064. COOPERATIVE UNDERTAKINGS WITH PRIVATE COLLEGES AND UNIVERSITIES. The board shall:

(1) enlist the cooperation of private colleges and universities in developing a statewide plan for the orderly growth of the Texas system of higher education;

(2) encourage cooperation between public and private institutions of higher education wherever possible and may enter into cooperative undertakings with those institutions on a shared-cost basis as permitted by law;

(3) consider the availability of degree and certificate programs in private institutions of higher education in determining programs for public institutions of higher education; and

(4) cooperate with these private institutions, within statutory and constitutional limitations, to achieve the purposes of this chapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.065. REPORTING; ACCOUNTING. (a) The comptroller of public accounts and the board jointly shall prescribe and periodically update a uniform system of financial accounting and reporting for institutions of higher education, including definitions of the elements of cost on the basis of which appropriations shall be made and financial records shall be maintained. The board may require institutions to report additional financial information as the board considers necessary. In order that the uniform system of

financial accounting and reporting shall provide for maximum consistency with the national reporting system for higher education, the uniform system shall incorporate insofar as possible the provisions of the financial accounting and reporting manual published by the National Association of College and University Business Officers. The accounts of the institutions shall be maintained and audited in accordance with the approved reporting system.

(b) The coordinating board shall annually evaluate the informational requirements of the state for purposes of simplifying institutional reports of every kind and shall consult with the comptroller of public accounts in relation to appropriate changes in the uniform system of financial accounting and reporting.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 823, Sec. 4.02, eff. June 20, 1987; Acts 1991, 72nd Leg., ch. 599, Sec. 4, eff. Sept. 1, 1991; Acts 2003, 78th Leg., ch. 820, Sec. 14, eff. Sept. 1, 2003.

Sec. 61.0651. MANAGEMENT POLICIES. (a) The coordinating board shall adopt and recommend management policies applicable to institutions of higher education in relation to management of human resources and physical plants. The policies shall be designed to streamline operations and improve accountability.

(b) The human resources management policies shall be designed to increase productivity. The policies may relate to any human resources management issue, including:

(1) the improvement of health benefits for institutional employees through statewide group health benefit programs;

(2) the creation of a management training system to assist institutions in developing personnel management systems, in complying with equal employment opportunity and affirmative action requirements, and in maintaining personnel records;

(3) the requirement of five-year plans to manage personnel overhead, to establish position control systems for administrative personnel, and to implement productivity improvement programs; and

(4) the development of institutional plans to identify, recruit, and develop outstanding administrators of institutions of higher education.

(c) The physical plant management policies shall be designed to

maintain the state's investment in land and facilities. The policies may require institutions to:

(1) include estimated maintenance costs for the life of the building in any request for approval of new construction;

(2) end the practice of deferring building maintenance;

(3) achieve maximum utilization of classroom and laboratory facilities;

(4) prepare annual five-year plans for major repair and rehabilitation projects and for new construction, regardless of funding source; and

(5) implement policies and practices to reduce utility costs.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 4.01, eff. June 20, 1987.

Sec. 61.0661. OPPORTUNITIES FOR GRADUATE MEDICAL EDUCATION. (a) The board shall conduct an assessment of the adequacy of opportunities for graduates of medical schools in this state to enter graduate medical education in this state. The assessment must:

(1) compare the number of first-year graduate medical education positions available annually with the number of medical school graduates;

(2) include a statistical analysis of recent trends in and projections of the number of medical school graduates and first-year graduate medical education positions in this state;

(3) develop methods and strategies for achieving a ratio for the number of first-year graduate medical education positions to the number of medical school graduates in this state of at least 1.1 to 1;

(4) evaluate current and projected physician workforce needs of this state, by total number and by specialty, in the development of additional first-year graduate medical education positions; and

(5) examine whether this state should ensure that a first-year graduate medical education position is created in this state for each new medical student position established by a medical and dental unit.

(b) Not later than December 1 of each even-numbered year, the

board shall report the results of the assessment to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives with primary jurisdiction over higher education.

Transferred, redesignated and amended from Education Code, Section 61.051(a-4) by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 42, eff. September 1, 2013.

Sec. 61.0662. INFORMATION ON RESEARCH CONDUCTED BY INSTITUTIONS. (a) The board shall maintain an inventory of all institutional and programmatic research activities being conducted by the various institutions of higher education, whether state-financed or not.

(b) Once a year, on dates prescribed by the board, each institution of higher education shall report to the board all research conducted at that institution during the preceding year. Each institution's report must include the amounts spent by the institution on human embryonic stem cell research and adult stem cell research during the year covered by the report and the source of the funding for that research.

(c) All reports required by this section shall be made subject to the limitations imposed by security regulations governing defense contracts for research.

(d) Not later than January 1 of each year, the board shall submit to the legislature information regarding human stem cell research obtained by the board from reports required by this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 345 (S.B. 139), Sec. 1, eff. June 15, 2007.
Transferred, redesignated and amended from Education Code, Section 61.051(h) by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 43, eff. September 1, 2013.
Reenacted and amended by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.006(a), eff. September 1, 2015.

Sec. 61.0663. INVENTORY OF POSTSECONDARY EDUCATIONAL PROGRAMS AND SERVICES FOR PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES. (a) The board shall maintain an inventory of all

postsecondary educational programs and services provided for persons with intellectual and developmental disabilities by institutions of higher education.

(b) The board shall:

(1) post the inventory on the board's Internet website in an easily identifiable and accessible location;

(2) submit the inventory to the Texas Education Agency for inclusion in the transition and employment guide under Section 29.0112; and

(3) update the inventory at least once every two years.

(c) At times prescribed by the board, each institution of higher education shall report to the board all programs and services described by Subsection (a) provided by that institution.

Added by Acts 2015, 84th Leg., R.S., Ch. 747 (H.B. 1807), Sec. 1, eff. June 17, 2015.

Sec. 61.0664. COLLECTION AND STUDY OF DATA ON PARTICIPATION OF PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES IN HIGHER EDUCATION. (a) The board shall collect and maintain data relating to undergraduate and graduate level participation of persons with intellectual and developmental disabilities at institutions of higher education, including data regarding applications for admission, admissions, retention, graduation, and professional licensing.

(b) The board shall conduct an ongoing study of the data collected and maintained under Subsection (a) to analyze factors affecting the participation of persons with intellectual and developmental disabilities at institutions of higher education.

(c) The board shall conduct an ongoing study on the recruitment of persons with intellectual and developmental disabilities at institutions of higher education. The study must identify previously made recruitment efforts, limitations on recruitment, and possible methods for recruitment. Not later than November 1 of each even-numbered year, the board shall submit to the governor and members of the legislature a report on the results of the study conducted under this subsection and any recommendations for legislative or other action.

(d) Each institution of higher education, at times prescribed by the board, shall submit to the board any information requested by

the board as necessary for the board to carry out its duties under this section.

(e) The board shall adopt rules as necessary to implement this section in a manner that ensures compliance with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

Added by Acts 2015, 84th Leg., R.S., Ch. 1128 (S.B. 37), Sec. 1, eff. September 1, 2015.

Sec. 61.0665. STUDY ON USE AND AVAILABILITY OF ELECTRONIC TEXTBOOKS. (a) The board shall conduct a study and recommend policies regarding the use and availability of electronic textbooks in higher education in this state and in other states. The study and policy recommendations must include a specific focus on the results of the pilot program implemented by The University of Texas at Austin with respect to the use of electronic textbooks and must address methods for encouraging the use of electronic textbooks at public or private institutions of higher education in this state.

(b) Each student regent serving under Section 51.355 or 51.356 shall assist the board in performing the board's duties under Subsection (a). The board shall establish procedures to assist a student regent in complying with this subsection.

(c) The board may solicit and accept gifts and grants from any public or private source to conduct the study and develop policy recommendations under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1012 (H.B. 4149), Sec. 2, eff. June 19, 2009.

Sec. 61.067. CONTRACTS. In achieving the goals outlined in this chapter and in performing the functions assigned to it, the board may contract with any other state governmental agency as authorized by law, with any agency of the United States, and with corporations and individuals. The board shall propose, foster, and encourage the use of interagency contracts among the institutions of

higher education to reduce duplication and achieve better use of personnel and facilities.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.068. GIFTS, GRANTS, DONATIONS. The board may accept gifts, grants, or donations of personal property from any individual, group, association, or corporation, or the United States, subject to such limitations or conditions as may be provided by law. Gifts, grants, or donations of money shall be deposited in the state treasury and expended in accordance with the specific purpose for which given, under such conditions as may be imposed by the donor and as provided by law.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.069. BOARD ROLE IN ESTABLISHING BEST PRACTICES. (a) The board may administer or oversee a program to identify best practices only in cases where funding or other restrictions prevent entities other than the board from administering the program.

(b) The board may initiate a new pilot project only if other entities, including nonprofit organizations and institutions of higher education, are not engaging in similar projects or if the initiative cannot be performed by another entity.

(c) The board may use its position as a statewide coordinator to assist with matching nonprofit organizations or grant-funding entities with institutions of higher education and private or independent institutions of higher education to implement proven programs and best practices.

(d) The board may compile best practices and strategies resulting from its review of external studies for use in providing technical assistance to institutions of higher education and as the basis for the board's statewide policy recommendations.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 44, eff. September 1, 2013.

Sec. 61.071. STUDENT REPRESENTATIVES ON CERTAIN BOARD ADVISORY COMMITTEES. (a) In this section:

(1) "Board" means the Texas Higher Education Coordinating Board or its successor agency.

(2) "Student government" means the representative student organization directly elected by the student body of an institution of higher education.

(b) Not later than August 1 of each odd-numbered year, the board shall provide the following to each institution of higher education:

(1) a list of available positions for student representatives on board advisory committees, the effective term of each of those positions, and the duties and requirements for each position;

(2) a maximum number of nominees determined by the board allowed to be submitted by each institution for each position; and

(3) an application form for appointment to an advisory committee.

(b-1) The term of a student representative on a board advisory committee may not be less than two years.

(c) Not later than September 1 of each odd-numbered year, the president of each institution of higher education shall establish a nomination process for the available positions for student representatives on board advisory committees and shall solicit student applications from which the president may select a number of applicants for those positions, not to exceed the maximum number designated by the board for each position.

(d) Not later than the following December 1, the president shall forward the applications of the nominees selected by the president to the board for consideration. Not later than the following February 1, the board shall appoint a total of not fewer than four student representatives to designated advisory committees of the board, including the Common Application Advisory Committee, the Distance Education Advisory Committee, the Financial Aid Advisory Committee, the Undergraduate Education Advisory Committee, the Transfer Issues Advisory Committee, or any other advisory committee created to address the needs of higher education, including committees addressing financial aid, student services, and undergraduate education needs.

(e) A student representative on an advisory committee must meet

minimum requirements prescribed by Section 51.355(d) for a nonvoting student regent, as those requirements apply to an institution of higher education.

(f) A student representative on an advisory committee has the same powers and duties as the members of the advisory committee, including the right to attend and participate in meetings of the committee, except that the student representative:

(1) may not vote on any matter before the committee or make or second any motion before the committee; and

(2) is not counted in determining whether a quorum exists for a meeting of the committee or in determining the outcome of any vote of the committee.

(g) A student representative on an advisory committee serves without pay.

(h) A vacancy in the position of student representative on an advisory committee shall be filled for the unexpired term by appointment by the board.

Added by Acts 2007, 80th Leg., R.S., Ch. 1311 (S.B. 1007), Sec. 2, eff. September 1, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 827 (S.B. 1729), Sec. 1, eff. June 19, 2009.

Sec. 61.072. REGULATION OF FOREIGN STUDENT TUITION. The board shall adopt rules and policies to be followed by the governing boards of institutions of higher education in fixing foreign student tuition fees pursuant to Subsections (h) and (i), Section 54.051, of this code.

Added by Acts 1975, 64th Leg., p. 1359, ch. 515, Sec. 3, eff. June 19, 1975.

Sec. 61.073. ALLOCATION OF FUNDS FOR TUITION AND FEE EXEMPTIONS. Funds shall be appropriated to the board for allocation to each junior college in an amount equal to the total of all tuition and fees forgone each semester as a result of the tuition and fee exemptions required by law in Sections 54.301, 54.331, 54.341, 54.343, 54.351, 54.352, 54.353, 54.3531, and 54.364.

Added by Acts 1977, 65th Leg., p. 83, ch. 40, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1995, 74th Leg., ch. 823, Sec. 7, eff. Aug. 28, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 7, eff. January 1, 2012.

Sec. 61.074. OFFICIAL GRADE POINT AVERAGE. The board shall by rule establish a mandatory uniform method of calculating the official grade point average of a student enrolled in, or seeking admission to a graduate or professional school of, an institution of higher education.

Added by Acts 1977, 65th Leg., p. 1610, ch. 628, Sec. 1, eff. Aug. 29, 1977.

Sec. 61.075. COURSES BENEFITTING MILITARY INSTALLATIONS. (a) The coordinating board by rule shall provide for the offering of courses and degree programs on military installations, including significant new naval military facilities.

(b) Any institution of higher education may cooperate with a military installation in providing degree programs and courses of particular benefit to military personnel and civilian employees stationed at or employed by the military installation, including a significant new naval military facility.

(c) In this section, "significant new naval military facility" has the meaning assigned by Section 4, Article 1, National Defense Impacted Region Assistance Act of 1985.

Added by Acts 1985, 69th Leg., ch. 69, art. 5, Sec. 1, eff. July 30, 1985.

Sec. 61.076. P-16 COUNCIL. (a) It is the policy of the State of Texas that the entire system of education supported with public funds be coordinated to provide the citizens with efficient, effective, and high quality educational services and activities. The P-16 Council, in conjunction with other agencies as may be appropriate, shall ensure that long-range plans and educational

programs for the state complement the functioning of the entire system of public education, extending from early childhood education through postgraduate study.

(b) The P-16 Council is composed of the commissioner of education, the commissioner of higher education, the executive director of the Texas Workforce Commission, the executive director of the State Board for Educator Certification, and the commissioner of assistive and rehabilitative services. The commissioner of higher education and the commissioner of education shall serve as co-chairs of the council.

(c) The co-chairs may appoint six additional members who are education professionals, agency representatives, business representatives, or other members of the community. Members appointed to the council under this subsection serve two-year terms expiring February 1 of each odd-numbered year.

(d) The council shall meet at least once each calendar quarter and may hold other meetings as necessary at the call of the co-chairs. Each member of the council or the member's designee shall make a report of the council's activities at least twice annually to the governing body of the member's agency, except that the commissioner of education or that commissioner's designee shall report to the State Board of Education and the commissioner of assistive and rehabilitative services or that commissioner's designee shall report to the executive commissioner of the Health and Human Services Commission.

(e) The council shall coordinate plans and programs, including curricula, instructional programs, research, and other functions as appropriate. This coordination shall include the following areas:

(1) equal educational opportunity for all Texans;

(2) college recruitment, with special emphasis on the recruitment of minority students;

(3) preparation of high school students for further study at colleges and universities;

(4) reduction of the dropout rate and dropout prevention;

(5) teacher education, recruitment, and retention;

(6) testing and assessment; and

(7) adult education programs.

(f) The council shall examine and make recommendations regarding the alignment of secondary and postsecondary education curricula and testing and assessment. This subsection does not

require the council to establish curriculum or testing or assessment standards.

(g) The council shall advise the board and the State Board of Education on the coordination of postsecondary career and technology activities, career and technology teacher education programs offered or proposed to be offered in the colleges and universities of this state, and other relevant matters, including:

(1) coordinating postsecondary career and technology education and the articulation between postsecondary career and technology education and secondary career and technology education;

(2) facilitating the transfer of responsibilities for the administration of postsecondary career and technology education from the State Board of Education to the board in accordance with Section 111(a)(I) of the Carl D. Perkins Vocational Education Act (Pub. L. No. 98-524);

(3) advising the State Board of Education, when it acts as the State Board for Career and Technology Education, on the following:

(A) the transfer of federal funds to the board for allotment to eligible public postsecondary institutions of higher education;

(B) the career and technology education funding for projects and institutions as determined by the board when the State Board for Career and Technology Education is required by federal law to endorse those determinations;

(C) the development and updating of the state plan for career and technology education and the evaluation of programs, services, and activities of postsecondary career and technology education and amendments to the state plan for career and technology education as may relate to postsecondary education;

(D) other matters related to postsecondary career and technology education; and

(E) the coordination of curricula, instructional programs, research, and other functions as appropriate, including school-to-work and school-to-college transition programs and professional development activities; and

(4) advising the Texas Workforce Investment Council on educational policy issues related to workforce preparation.

(h) The council, in conjunction with the State Center for Early Childhood Development, shall develop and adopt a school readiness

certification system as required by Section 29.161.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.21, eff. Sept. 1, 1989. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 16, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1140 (H.B. 2808), Sec. 1, eff. September 1, 2005.
Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 4.010, eff. September 1, 2007.
Acts 2011, 82nd Leg., R.S., Ch. 1033 (H.B. 2909), Sec. 3, eff. June 17, 2011.

Sec. 61.07611. DEVELOPMENTAL EDUCATION PLAN; REPORT. (a) To serve students who require developmental education in an effective and cost-effective manner, the board shall develop a statewide plan for developmental education to be provided under Section 51.3062 that:

(1) assigns primary responsibility for developmental education to public junior colleges, public state colleges, and public technical institutes; and

(2) provides for using technology, to the greatest extent practicable consistent with best practices, to provide developmental education to students.

(b) In developing the developmental education plan, the board shall:

(1) research relevant issues related to developmental education;

(2) study and develop best practices for successful developmental education programs, including through use of pilot programs; and

(3) assess various methods of providing developmental education to students to determine which methods, if any, should be implemented on a statewide basis.

(c) Developmental education under the plan must include:

(1) technological delivery of developmental education courses that allows students to complete course work;

(2) diagnostic assessments to determine a student's specific educational needs to allow for appropriate developmental

instruction;

(3) modular developmental education course materials;

(4) use of tutors and instructional aides to supplement developmental education course instruction as needed for particular students;

(5) an internal monitoring mechanism to identify a student's area of academic difficulty;

(6) periodic updates of developmental education course materials; and

(7) assessments after completion of a developmental education course to determine a student's readiness to enroll in freshman-level academic courses.

(d) The developmental education plan must provide for:

(1) ongoing training for developmental education program faculty members, tutors, and instructional aides at the institutions or other locations where those persons provide instruction; and

(2) ongoing research and improvement of appropriate developmental education programs, including participation by a group of institution of higher education faculty members selected by the board, to:

(A) monitor results of the programs;

(B) identify successful and unsuccessful program components; and

(C) identify possible solutions to program problems.

Added by Acts 2011, 82nd Leg., R.S., Ch. 874 (S.B. 162), Sec. 1, eff. September 1, 2011.

Sec. 61.0762. PROGRAMS TO ENHANCE STUDENT SUCCESS. (a) To enhance the success of students at institutions of higher education, the board by rule shall:

(1) develop higher education bridge programs in the subject areas of mathematics, science, social science, or English language arts to increase student success by reducing the need for developmental education;

(2) develop incentive programs for institutions of higher education that implement research-based, innovative developmental education initiatives;

(3) develop a pilot program to award grants to institutions

of higher education for intensive programs designed to address the needs of students at risk of dropping out of college;

(4) develop professional development programs for faculty of institutions of higher education on college readiness standards and the implications of such standards on instruction; and

(5) develop other programs as determined by the board that support the participation and success goals in "Closing the Gaps," the state's master plan for higher education.

(b) The board may award a grant under Subsection (a)(3) to an institution of higher education only if at least 50 percent of the students served in the program:

(1) have a score on the Scholastic Assessment Test (SAT) or American College Test (ACT) that is less than the national mean score for that test;

(2) have been awarded a grant under the federal Pell grant program;

(3) are at least 20 years of age on the date the student enrolls as a first-time freshman in the institution of higher education;

(4) have enrolled or will initially enroll as a part-time student; or

(5) meet any other requirements established by the board.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.08, eff. May 31, 2006.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 851 (S.B. 2258), Sec. 2, eff. June 19, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 4, eff. September 1, 2015.

Sec. 61.07621. TEXAS GOVERNOR'S SCHOOLS. (a) A Texas governor's school is a summer residential program for high-achieving high school students. A governor's school program may include any or all of the following educational curricula:

(1) mathematics and science;

(2) humanities;

(3) fine arts; or

(4) leadership and public policy.

(b) A public senior college or university may apply to the board to administer a Texas governor's school program under this section. The board shall give preference to a public senior college or university that applies in cooperation with a nonprofit association. The board shall give additional preference if the nonprofit association receives private foundation funds that may be used to finance the program.

(c) The board may approve an application under this section only if the applicant:

(1) applies within the period and in the manner required by rule adopted by the board;

(2) submits a program proposal that includes:

(A) a curriculum consistent with Subsection (a);

(B) criteria for selecting students to participate in the program;

(C) a statement of the length of the program, which must be at least three weeks; and

(D) a statement of the location of the program;

(3) agrees to use a grant under this section only for the purpose of administering a program; and

(4) satisfies any other requirements established by rule adopted by the board.

(d) The criteria described by Subsection (c)(2)(B) must include grade point average, academic standing, and extracurricular activities.

(e) From funds appropriated to the board, the board may make a grant in an amount not to exceed $750,000 each year to public senior colleges or universities whose applications are approved under this section to pay the costs of administering a Texas governor's school program.

(f) The board may adopt other rules necessary to implement this section.

Added by Acts 2006, 79th Leg., 3rd C.S., Ch. 5 (H.B. 1), Sec. 5.04, eff. May 31, 2006.
Redesignated from Education Code, Section 29.124 and amended by Acts 2007, 80th Leg., R.S., Ch. 876 (H.B. 1748), Sec. 1, eff. June 15, 2007.

For expiration of this section, see Subsection (h).

Sec. 61.0763. STUDENT LOAN DEFAULT PREVENTION AND FINANCIAL AID LITERACY PILOT PROGRAM. (a) In this section, "career school or college" has the meaning assigned by Section 132.001.

(b) Not later than January 1, 2014, the board shall establish and administer a pilot program at selected postsecondary educational institutions to ensure that students of those institutions are informed consumers with regard to all aspects of student financial aid, including:

(1) the consequences of borrowing to finance a student's postsecondary education;

(2) the financial consequences of a student's academic and career choices; and

(3) strategies for avoiding student loan delinquency and default.

(c) The board shall select at least one institution from each of the following categories of postsecondary educational institutions to participate in the program:

(1) general academic teaching institutions;

(2) public junior colleges;

(3) private or independent institutions of higher education; and

(4) career schools or colleges.

(d) In selecting postsecondary educational institutions to participate in the pilot program, the board shall give priority to institutions that have a three-year cohort student loan default rate, as reported by the United States Department of Education:

(1) of more than 20 percent; or

(2) that has above average growth as compared to the rates of other postsecondary educational institutions in this state.

(e) The board, in consultation with postsecondary educational institutions, shall adopt rules for the administration of the pilot program, including rules governing the selection of postsecondary educational institutions to participate in the pilot program consistent with the requirements of Subsection (d).

(f) The board may contract with one or more entities to administer the pilot program according to criteria established by board rule.

(g) Not later than January 1 of each year, beginning in 2016:

(1) the board shall submit a report to the governor, the

lieutenant governor, and the speaker of the house of representatives regarding the outcomes of the pilot program, as reflected in the federal student loan default rates reported for the participating institutions; and

(2) each participating institution shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives regarding the outcomes of the pilot program at the institution, as reflected in the federal student loan default rate reported for the institution.

(h) This section expires December 31, 2020.

Added by Acts 2013, 83rd Leg., R.S., Ch. 561 (S.B. 680), Sec. 1, eff. June 14, 2013.
Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 45, eff. September 1, 2013.

Sec. 61.0766. MATHEMATICS, SCIENCE, AND TECHNOLOGY TEACHER PREPARATION ACADEMIES. (a) From funds appropriated for that purpose, the board shall establish academies at institutions of higher education to improve the instructional skills of teachers certified under Subchapter B, Chapter 21, and train students enrolled in a teacher preparation program to perform at the highest levels in mathematics, science, and technology. The board may adopt rules as necessary to administer this section.

(b) Before an institution of higher education establishes an academy under this section, the institution must apply through a competitive process, as determined by the board, and meet any requirements established by the board for designation as an academy under this section and continued funding. The institution of higher education must have a teacher preparation program approved by the State Board for Educator Certification or be affiliated with a program approved by the State Board for Educator Certification.

(c) A participant in an academy program must be:

(1) an experienced teacher who:

(A) is recommended by a school district; and

(B) has at least two years experience teaching mathematics, science, or technology in assignments for which the teacher met all certification requirements; or

(2) a teacher preparation program candidate who has or will

graduate with a degree in mathematics, science, or technology.

(d) An academy program shall:

(1) offer a masters-level degree as part of the program on a schedule that allows a teacher participant to complete the program and degree while employed as a teacher;

(2) coordinate with the mathematics, science, and technology departments of the institution of higher education operating the program to facilitate the ability of:

(A) academy participants to take advanced courses and qualify for degrees; and

(B) teacher preparation program candidates pursuing mathematics, science, or technology degrees to participate in academy programs;

(3) integrate advanced subject-matter coursework with instructional methodology and curriculum delivery; and

(4) focus on strengthening instructional skills.

(e) An academy program may:

(1) provide financial assistance for the purpose of allowing participants to complete the program and obtain a master teacher certificate under Section 21.0482, 21.0483, or 21.0484;

(2) include programs in leadership skills to develop training, mentoring, and coaching skills;

(3) deliver coursework electronically for some or all of the program; and

(4) provide for ongoing professional development and coordination with specific public school instructional programs.

Added by Acts 2007, 80th Leg., R.S., Ch. 1058 (H.B. 2237), Sec. 4, eff. June 15, 2007.
Transferred from Education Code, Section 21.462 and amended by Acts 2009, 81st Leg., R.S., Ch. 852 (S.B. 2262), Sec. 1, eff. June 19, 2009.

Sec. 61.077. ACADEMIC ADVISING ASSESSMENT. (a) The board shall establish a method for assessing the quality and effectiveness of academic advising services available to students at each institution of higher education. In establishing the method of assessment, the board shall consult with representatives from institutions of higher education, including academic advisors and

other professionals the board considers appropriate.

(b) The method of assessment established under this section must:

(1) include the use of student surveys; and

(2) identify objective, quantifiable measures for determining the quality and effectiveness of academic advising services at an institution of higher education.

Added by Acts 2011, 82nd Leg., R.S., Ch. 360 (S.B. 36), Sec. 1, eff. June 17, 2011.

Sec. 61.0771. DISTANCE LEARNING MASTER PLAN. (a) The board, in cooperation with institutions of higher education, shall develop a master plan for the development of distance learning and other applications of instructional electronic technology by institutions of higher education and as necessary may revise the plan. The plan shall include recommendations for:

(1) the coordination and integration of distance learning and related telecommunications activities among institutions of higher education and other public or private entities to achieve optimum efficiency and effectiveness in providing necessary services, including identification of the costs and any cost savings to be achieved by the use of distance learning and related activities such as teleconferencing or sharing resources by telecommunications;

(2) the development and acquisition of distance learning infrastructure and equipment, including its functions and capabilities, within and among institutions of higher education consistent with the missions of those institutions and the recipients of their services;

(3) the establishment of uniform or compatible standards and technologies for distance learning;

(4) the training of faculty and staff in the use and operation of distance learning facilities;

(5) appropriate applications of distance learning, including the identification of the needs of the student populations to be served;

(6) policies relating to the funding for implementation and administering of distance learning, including interinstitutional funds transfers among institutions providing and receiving distance

learning services and formula funding allocations, and recommendations for the appropriate fees for services offered through distance learning;

(7) revising regulatory policy relating to public utilities to facilitate distance learning; and

(8) any statutory or regulatory changes desirable to promote distance learning or to implement the master plan.

(b) The board may include in the plan any related recommendation the board considers appropriate, including recommendations for coordination of distance learning with other telecommunications activities and services conducted by government agencies or private entities.

(c) To assist in the development of the plan, the board shall create an advisory committee consisting of experts in distance learning, including school administrators and faculty and lay persons. The board shall include on the committee a representative of each university system and each public senior college or university under a separate governing board, and representatives of public junior colleges, public health science centers, centers created under Chapter 106, Health and Safety Code, medical schools, public technical institutes, and independent institutions of higher education. The advisory committee shall include at least three faculty members who teach a distance learning course. The appointment of an employee of an institution of higher education to the committee must be approved by the president or chancellor of that institution.

(d) The advisory committee may request the cooperation or participation of state agencies, public broadcasting stations, representatives of the local and long-distance telecommunications industries, representatives of federally qualified health centers, and representatives providing distance learning equipment or services, including computer hardware and software, in preparing the master plan.

(e) Repealed by Acts 2003, 78th Leg., ch. 820, Sec. 53.

Added by Acts 1995, 74th Leg., ch. 133, Sec. 1, eff. Aug. 28, 1995. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 18, 53, eff. Sept. 1, 2003.

Sec. 61.0775. BUSINESS RESEARCH AND DEVELOPMENT. (a) The board shall designate an institution of higher education with appropriate facilities and resources to conduct a continuing study of the programs and other efforts of institutions of higher education to address the needs of small businesses in this state for assistance in research, development, and prototyping.

(b) At times the board considers appropriate, the institution conducting the continuing study shall make recommendations on actions that may be taken to address the needs of small businesses as described by Subsection (a) in the most cost-effective manner, including through the participation of institutions of higher education in partnerships, ventures, or projects that promote the commercialization of technology for or by small businesses. The board shall deliver the recommendations to appropriate institutions of higher education and to the legislature.

Added by Acts 1997, 75th Leg., ch. 616, Sec. 1, eff. Sept. 1, 1997.

Sec. 61.0776. CENTER FOR FINANCIAL AID INFORMATION. (a) The board, in cooperation with public and private or independent institutions of higher education, the Texas Education Agency, public school counselors, representatives of student financial aid offices of any institutions, regional education service centers, and the Texas Guaranteed Student Loan Corporation, shall develop a center for financial aid information. The center shall disseminate information about financial aid opportunities and procedures, including information about different types of financial aid available, eligibility requirements, and procedures for applying for financial aid. The center shall also provide information to prospective students about the Teach for Texas grant program. The information must emphasize the importance of teaching as a profession.

(b) To assist the board in developing information provided by the center, the board shall create and appoint an advisory committee that consists of experts in financial aid administration, public school counselors, and other persons who can provide insight into the informational needs of students.

(c) The board may designate an institution of higher education or other entity with appropriate facilities and resources to operate or house the center. If the board designates a public nonprofit

entity created by the legislature to operate or house the center, the board may reimburse the entity from money appropriated for that purpose for the costs incurred by the entity in carrying out the activities of the center under this section.

(d) The center shall maintain a toll-free telephone line that is staffed by persons knowledgeable about financial aid information in this state.

(e) The center shall, based on the advisory committee's recommendations, publish information concerning financial aid opportunities in this state and shall:

(1) furnish a written copy of the information to each middle school, junior high school, and high school counselor in this state; and

(2) post the information on an Internet website accessible to the public.

(f) The board, in cooperation with the entities specified by Subsection (a) and the advisory committee established by Subsection (b), shall develop a comprehensive financial aid training program for public school counselors, employees of student financial aid offices of public and private or independent institutions of higher education, members of appropriate community-based organizations, and other appropriate persons. The board may adopt rules as necessary to administer the training program. The board shall design the training program to:

(1) use the information required by Subsection (e) and any other information necessary to carry out this subdivision:

(A) to inform persons receiving the training concerning:

(i) the opportunities available to students for obtaining financial aid, including eligibility requirements; and

(ii) the procedures for obtaining financial aid; and

(B) to provide sufficient and accessible detail to enable the persons receiving the training to provide timely and consistent answers to the questions of students and their parents, conservators, or guardians concerning the opportunities and procedures;

(2) teach methods to enable the persons receiving the training to effectively communicate financial aid information to students and their parents, conservators, or guardians;

(3) support and promote the dissemination of financial aid information to students and their parents, conservators, or guardians throughout local areas; and

(4) publicize the training and make the training easily available to public school counselors and other appropriate persons throughout this state.

Added by Acts 1999, 76th Leg., ch. 1590, Sec. 5, eff. June 19, 1999.
Amended by Acts 2001, 77th Leg., ch. 1261, Sec. 2, eff. June 15, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 48, eff. September 1, 2005.

Sec. 61.07761. FINANCIAL AID AND OTHER TRUSTEED FUNDS ALLOCATION. (a) For any funds trusteed to the board for allocation to institutions of higher education and private or independent institutions of higher education, including financial aid program funds, the board by rule shall:

(1) establish and publish the allocation methodologies; and

(2) develop procedures to verify the accuracy of the application of those allocation methodologies by board staff.

(b) The board shall consult with affected stakeholders before adopting rules under this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 46, eff. September 1, 2013.

Sec. 61.0777. UNIFORM STANDARDS FOR PUBLICATION OF COST OF ATTENDANCE INFORMATION. (a) The board shall prescribe uniform standards intended to ensure that information regarding the cost of attendance at institutions of higher education is available to the public in a manner that is consumer-friendly and readily understandable to prospective students and their families. In developing the standards, the board shall examine common and recommended practices regarding the publication of such information and shall solicit recommendations and comments from institutions of higher education and interested private or independent institutions of higher education.

(b) The uniform standards must:

(1) address all of the elements that constitute the total cost of attendance, including tuition and fees, room and board costs, book and supply costs, transportation costs, and other personal expenses; and

(2) prescribe model language to be used to describe each element of the cost of attendance.

(c) Each institution of higher education that offers an undergraduate degree or certificate program shall:

(1) prominently display on the institution's Internet website in accordance with the uniform standards prescribed under this section information regarding the cost of attendance at the institution by a full-time entering first-year student; and

(2) conform to the uniform standards in any electronic or printed materials intended to provide to prospective undergraduate students information regarding the cost of attendance at the institution.

(d) Each institution of higher education shall consider the uniform standards prescribed under this section when providing information to the public or to prospective students regarding the cost of attendance at the institution by nonresident students, graduate students, or students enrolled in professional programs.

(e) The board shall prescribe requirements for an institution of higher education to provide on the institution's Internet website consumer-friendly and readily understandable information regarding student financial aid opportunities. The required information must be provided in connection with the information displayed under Subsection (c)(1) and must include a link to the primary federal student financial aid Internet website intended to assist persons applying for student financial aid.

(f) The board shall provide on the board's Internet website a program or similar tool that will compute for a person accessing the website the estimated net cost of attendance for a full-time entering first-year student attending an institution of higher education. The board shall require each institution to provide the board with the information the board requires to administer this subsection.

(h) The board shall encourage private or independent institutions of higher education approved under Subchapter F to participate in the tuition equalization grant program, to the greatest extent practicable, to prominently display the information

described by Subsections (a) and (b) on their Internet websites in accordance with the standards established under those subsections, and to conform to those standards in electronic and printed materials intended to provide to prospective undergraduate students information regarding the cost of attendance at the institutions. The board shall also encourage those institutions to include on their Internet websites a link to the primary federal student financial aid Internet website intended to assist persons applying for student financial aid.

(i) The board shall make the program or tool described by Subsection (f) available to private or independent institutions of higher education described by Subsection (h), and those institutions shall make that program or tool, or another program or tool that complies with the requirements for the net price calculator required under Section 132(h)(3), Higher Education Act of 1965 (20 U.S.C. Section 1015a), available on their Internet websites not later than the date by which the institutions are required by Section 132(h)(3) to make the net price calculator publicly available on their Internet websites.

Added by Acts 2009, 81st Leg., R.S., Ch. 681 (H.B. 2504), Sec. 3, eff. June 19, 2009.
Added by Acts 2009, 81st Leg., R.S., Ch. 1233 (S.B. 1764), Sec. 1, eff. June 19, 2009.

Sec. 61.0778. ONLINE INFORMATION REGARDING CERTAIN CAREER EDUCATIONAL ENTITIES. (a) In this section, "commission" means the Texas Workforce Commission.

(b) The board and commission jointly shall develop a comprehensive strategy to improve and coordinate the dissemination of online information regarding the operation and performance of career schools or colleges that the board or commission identifies as doing business in this state. As part of the comprehensive strategy, the board and the commission shall compile, share, and compare existing data and other applicable information under the control of each agency and shall organize that information as nearly as possible according to the categories of information required for the online resumes of lower-division public institutions under Section 51A.103. The websites must present information regarding those institutions,

schools, and colleges in a manner that is:

(1) to the extent practicable, consistent among the institutions, schools, and colleges; and

(2) easily accessible and readily understandable to the public.

Added by Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 8, eff. June 17, 2011.

Sec. 61.079. WASTE MANAGEMENT DEGREE PROGRAMS AND RESEARCH. (a) The board shall initiate and encourage the development of and by rule shall adopt standards for the approval of elective courses in waste management and waste management degree programs at institutions of higher education.

(b) For purposes of this section, a waste management degree program includes:

(1) a single-discipline degree program with an emphasis on solid waste management and recycling; or

(2) an interdisciplinary degree program that reflects business, political, economic, public affairs, legal, environmental, or engineering perspectives on waste management and recycling.

(c) The board shall encourage institutions of higher education:

(1) to develop graduate or research programs involving research and development of innovative products made from recycled materials; and

(2) as part of a statewide recycling extension service, to provide professionals in recycling fields with technical data and information developed by those programs.

Added by Acts 1991, 72nd Leg., ch. 303, Sec. 11, eff. Sept. 1, 1991.

Sec. 61.080. CONTINUING STUDY OF MINORITY PARTICIPATION IN HIGHER EDUCATION. (a) The board shall collect data and maintain a database relating to the participation of members of racial and ethnic minority groups in this state in public higher education, including data relating to minority applications, recruitment, admissions, retention, graduation, and professional licensing at both the undergraduate and graduate levels.

(b) The board shall maintain a continuous study of the data

collected under Subsection (a) and of factors affecting that data.

(c) In order to avoid duplication with any other study by the office of the comptroller, the board shall, through a memorandum of understanding, work in conjunction with the comptroller in conducting the study.

Added by Acts 1997, 75th Leg., ch. 885, Sec. 1, eff. June 18, 1997.

Sec. 61.0816. INFORMATION REGARDING HIGHER EDUCATION AUTHORITIES. (a) The board shall collect and make available to the public on request information regarding higher education authorities operating under Chapters 53, 53A, and 53B and nonprofit corporations carrying out the functions of higher education authorities under those chapters. For each authority or corporation, the information must include:

(1) the total amount and type of outstanding bonds issued by the authority or corporation;

(2) a description of the programs and activities administered by the authority or corporation; and

(3) with respect to any real property owned by the authority or corporation:

(A) the location and description of the property;

(B) the current or proposed use of the property, including whether the property is under construction or renovation;

(C) the method by which the authority or corporation financed the acquisition, construction, or renovation of the property;

(D) the school, public or private institution of higher education, or other educational institution for which the property is being used or proposed to be used;

(E) whether the property is exempt from ad valorem taxes; and

(F) the appraised value of the property.

(b) A higher education authority or nonprofit corporation described by this section shall provide the board the relevant information the board requests at the time and in the manner the board prescribes.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 19, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 641 (H.B. 2701), Sec. 3, eff. September 1, 2005.

Sec. 61.0817. INDIVIDUAL DEVELOPMENT ACCOUNT INFORMATION PROGRAM. (a) The board shall establish and administer a program to provide student financial aid offices at public junior colleges with information and other assistance to enable those offices to provide appropriate students of those colleges with information and referrals regarding the availability of and services offered by individual development account programs. The board shall evaluate the program as necessary to determine the effectiveness of the program at increasing student awareness of and participation in individual development account programs.

(b) The board may adopt rules for the administration of this section.

Added by Acts 2003, 78th Leg., ch. 1200, Sec. 1, eff. June 20, 2003. Renumbered from Education Code, Section 61.0816 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(21), eff. September 1, 2005.

Sec. 61.082. RESEARCH. (a) The board shall:

(1) encourage institutions of higher education and the faculty of those institutions to individually or through collaborative effort conduct human immunodeficiency virus (HIV) related research; and

(2) recognize achievements in basic and applied HIV-related research.

(b) The board shall encourage and fund applied and basic HIV-related research through its ongoing research programs, including the Advanced Technology and Advanced Research Programs.

Added by Acts 1989, 71st Leg., ch. 1195, Sec. 18, eff. Sept. 1, 1989. Renumbered from Education Code Sec. 61.078 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(10), eff. Nov. 12, 1991.

Sec. 61.0821. RESEARCH ON BORDER REGION ENVIRONMENTAL ISSUES. (a) In this section, "border region" means the area composed of the counties of Atascosa, Bandera, Bexar, Brewster, Brooks, Cameron,

Crockett, Culberson, Dimmit, Duval, Edwards, El Paso, Frio, Hidalgo, Hudspeth, Jeff Davis, Jim Hogg, Jim Wells, Kenedy, Kerr, Kimble, Kinney, Kleberg, Live Oak, La Salle, Maverick, McMullen, Medina, Nueces, Pecos, Presidio, Real, Reeves, San Patricio, Starr, Sutton, Terrell, Uvalde, Val Verde, Webb, Willacy, Zapata, and Zavala.

(b) The board shall encourage institutions of higher education and other entities using state research or technology funds to apply those funds to environmental issues in the border region to the extent consistent with the authorized use of those funds.

Added by Acts 1999, 76th Leg., ch. 198, Sec. 1, eff. Aug. 30, 1999.

Sec. 61.0822. CONTRACT WITH TEXAS BOARD OF ARCHITECTURAL EXAMINERS. The board may contract with the Texas Board of Architectural Examiners to administer the examination fee scholarship program established under Section 1051.206, Occupations Code.

Added by Acts 2001, 77th Leg., ch. 861, Sec. 10, eff. Sept. 1, 2001. Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 14A.769, eff. Sept. 1, 2003.

Sec. 61.084. TRAINING FOR MEMBERS OF GOVERNING BOARDS. (a) The board by rule shall establish a training program for members of the governing boards of institutions of higher education. Each member of a governing board of an institution of higher education shall attend, during the member's first year of service as a member of a governing board of an institution of higher education, at least one training program under this section. A member of a governing board who is required to attend a training program under this section may attend additional training programs under this section.

(a-1) The board's rules must require a governing board member who holds an appointive position to attend, as part of the training program, the intensive short orientation course developed under Section 61.0841 and any available training course sponsored or coordinated by the office of the governor with a curriculum designed for training newly appointed state officers, board members, or high-level executive officials. The rules must require the member to attend those courses the first time they are offered following the date the member takes the oath of office, regardless of whether that

attendance is required under other law. The rules may provide a governing board member with additional time to attend those courses if the member for good cause is unable to attend the courses the first time they are offered. Subsection (g) does not apply to the courses required by this subsection.

(a-2) A member of the governing board of an institution of higher education who holds an appointive position and whose first year of service on the governing board begins on or after January 1, 2016, is prohibited from voting on a budgetary or personnel matter related to system administration or institutions of higher education until the member completes the intensive short orientation course described by Subsection (a-1).

(b) The training program must include a seminar held annually in Austin to be conducted by the staff of the board. The staff of the board may obtain assistance from representatives of the office of the attorney general, the office of the comptroller of public accounts, the office of the state auditor, and the Texas Ethics Commission and from other training personnel the board deems necessary. The board by rule may prescribe an alternative training program for members of governing boards for whom attendance at a seminar held in Austin would be a hardship. The alternative training program need not be in the form of a seminar but must include substantially the same information included in the seminar held in Austin.

(c) The board by rule shall establish a registration fee to be paid by training program participants in an amount adequate to cover the costs incurred by the board and other state agencies in providing the training program. A participant shall pay from private funds the fee required by this subsection and the participant's costs of travel, including transportation, lodging, and meals. Neither the fee required by this subsection nor a participant's travel costs shall be reimbursed from appropriated funds, other than grants and donations of private funds available for that purpose.

(d) The content of the instruction at the training program shall focus on the official role and duties of the members of governing boards and shall provide training in the areas of budgeting, policy development, ethics, and governance. Topics covered by the training program must include:

(1) auditing procedures and recent audits of institutions of higher education;

(2) the enabling legislation that creates institutions of higher education;

(3) the role of the governing board at institutions of higher education and the relationship between the governing board and an institution's administration, faculty and staff, and students, including limitations on the authority of the governing board;

(4) the mission statements of institutions of higher education;

(5) disciplinary and investigative authority of the governing board;

(6) the requirements of the open meetings law, Chapter 551, Government Code, and the open records law, Chapter 552, Government Code;

(7) the requirements of conflict of interest laws and other laws relating to public officials;

(8) any applicable ethics policies adopted by institutions of higher education or the Texas Ethics Commission;

(9) the requirements of laws relating to the protection of student information under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or any other federal or state law relating to the privacy of student information; and

(10) any other topic relating to higher education the board considers important.

(e) In addition to the content of the instruction at a training program required under Subsection (d), topics covered by the training program for members of a governing board of a public junior college district must include information about best practices in campus financial management, financial ratio analysis, and case studies using financial indicators.

(f) The minutes of the last regular meeting held by a governing board of a public junior college district during a calendar year must reflect whether each member of the governing board has completed any training required to be completed by the member under this section as of the meeting date.

(g) The board shall provide an equivalent training program by electronic means in the event a member of a governing board is unable to attend the training program required by this section. Completion of the training program by electronic means is deemed to satisfy the requirements of this section.

(h) The board is responsible for documenting governing board

members' completion of the requirements provided by this section.

Added by Acts 1993, 73rd Leg., ch. 621, Sec. 1, eff. Sept. 1, 1993. Renumbered from Education Code Sec. 61.083 and amended by Acts 1995, 74th Leg., ch. 59, Sec. 1, eff. Sept. 1, 1995. Renumbered from Education Code Sec. 61.083 by Acts 1995, 74th Leg., ch. 76, Sec. 17.01(11), eff. Sept. 1, 1995. Amended by Acts 1995, 74th Leg., ch. 99, Sec. 1, eff. May 16, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 962 (H.B. 1206), Sec. 1, eff. September 1, 2011.
Acts 2015, 84th Leg., R.S., Ch. 834 (S.B. 24), Sec. 1, eff. January 1, 2016.

Sec. 61.0841. INTENSIVE SHORT COURSE FOR APPOINTED MEMBERS OF GOVERNING BOARDS. (a) The board shall develop an intensive short orientation course for members of the governing boards of institutions of higher education who hold appointive positions. The orientation course must be offered as an online interactive course and may also be offered in the form of a written document or in a one-on-one or group setting.

(b) The instruction in the orientation course must include:

(1) best practices relating to excellence, transparency, accountability, and efficiency in the governing structure and organization of general academic teaching institutions and university systems;

(2) best practices relating to the manner in which governing boards and administrators of general academic teaching institutions and university systems develop and implement major policy decisions, including the need for impartiality and adequate internal review in their processes;

(3) matters relating to excellence, transparency, accountability, and efficiency in the governance and administration of general academic teaching institutions and university systems; and

(4) ethics, conflicts of interests, and the proper role of a board member in the governing structure of general academic teaching institutions and university systems.

Added by Acts 2015, 84th Leg., R.S., Ch. 834 (S.B. 24), Sec. 2, eff. January 1, 2016.

Sec. 61.085. ON-LINE SURPLUS PROPERTY RESOURCE. (a) The board shall establish and maintain an Internet site or similar facility accessible to school districts by telecommunication to allow an institution of higher education to provide notice to school districts in this state of any available surplus or salvage property of the institution that consists of instructional materials or that may be used for instructional purposes. The board shall operate the facility to allow a school district to make a direct inquiry to an institution regarding the possible acquisition of property by the school district.

(b) The board may charge a fee for an institution or school district to use the facility.

Added by Acts 1999, 76th Leg., ch. 274, Sec. 3, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1281, Sec. 3, eff. Sept. 1, 1999.

Sec. 61.087. MATCHING SCHOLARSHIPS TO RETAIN STUDENTS IN TEXAS. (a) The board shall adopt rules that allow a public or private or independent institution of higher education to use any funds appropriated to the institution or that the institution may use for the award of scholarships or grants to match, in whole or in part, any nonathletic scholarship or grant offer, including an offer of the payment of tuition, fees, room and board, or a stipend, received by a graduate of a Texas public or private high school from an out-of-state institution of higher education. The rules shall provide for verifying that an out-of-state institution has made a nonathletic scholarship or grant offer to a student and the amount of the offer. The board may adopt any other rule necessary to implement this section.

(b) In adopting rules under this section, the board may not require an institution to match a scholarship or grant offer.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(19), eff. June 17, 2011.

Added by Acts 1999, 76th Leg., ch. 1010, Sec. 1, eff. June 18, 1999. Renumbered from Sec. 61.086 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(21), eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(19), eff. June 17, 2011.

Sec. 61.089. STATE SCIENCE AND ENGINEERING FAIRS. (a) The board shall conduct an annual state science and engineering fair as part of an outreach program for middle school, junior high school, and high school students to:

(1) promote an appreciation for and interest in science, mathematics, and engineering among middle school, junior high school, and high school students;

(2) assist schools and school districts in fulfilling their missions of science, mathematics, and engineering education; and

(3) promote workforce development in the fields of science, mathematics, and engineering by providing students with an opportunity to interact with higher education and corporate institutions.

(b) The board may contract with public or private entities to conduct the state fair.

(c) The board shall coordinate the state fair with local and regional science and engineering fairs held in this state.

(d) The board shall adopt rules for the organization and operation of the state fair and shall select the participants in the fair.

(e) The board may use general revenue funds appropriated for that purpose and any gifts, grants, and donations to conduct the state fair. The amount of general revenue funds appropriated for that purpose in a state fiscal year may not exceed $10,000 or the total amount of money received as gifts, grants, or donations, whichever amount is less.

Added by Acts 2001, 77th Leg., ch. 562, Sec. 1, eff. June 11, 2001. Renumbered from Education Code Sec. 61.088 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(36), eff. Sept. 1, 2003.

Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in cooperation with the Department of Agriculture, ensure that the board seeks to obtain the maximum amount of funds from any source, including federal

funds, to support programs to provide student loan reimbursement or stipends for graduates of degree programs in this state who practice or agree to practice in a medically underserved community.

Added by Acts 2001, 77th Leg., ch. 435, Sec. 3, eff. May 28, 2001. Amended by Acts 2003, 78th Leg., ch. 609, Sec. 8, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 9.006(g), eff. Sept. 1, 2003. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 112 (H.B. 1918), Sec. 5, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 148 (H.B. 1493), Sec. 1, eff. September 1, 2013.

Sec. 61.090. PILOT CENTERS FOR ADVANCEMENT OF QUALITY IN LONG-TERM CARE. (a) The governing board of the University of North Texas Health Science Center at Fort Worth and the governing board of the Texas Tech University Health Sciences Center each may establish at the respective health science center a pilot center for the advancement of quality in long-term care for the purpose of:

(1) identifying opportunities for research, education, and outreach programs designed to improve the quality of care in long-term care facilities; and

(2) implementing and evaluating those research, education, and outreach programs.

(b) Each pilot center shall:

(1) identify existing consumer-centered clinical and quality-of-life assessment protocols and develop new such assessment protocols;

(2) evaluate the assessment protocols described by Subdivision (1);

(3) identify existing consumer-centered clinical and quality-of-life care protocols and develop new such care protocols;

(4) evaluate the care protocols described by Subdivision (3);

(5) evaluate the role of reimbursement and financial incentives in improving the quality of care in long-term care facilities;

(6) serve as training sites for physicians, registered nurses, licensed vocational nurses, nursing assistants, long-term

care facility administrators, therapists, social workers, and long-term care facility surveyors and investigators;

(7) evaluate the role of telecommunications technology in improving the quality of care in long-term care facilities in remote or underserved areas; and

(8) develop best practices that can be taught and appropriately replicated in long-term care facilities.

(c) Each pilot center shall establish a multidisciplinary leadership team to coordinate the activities across the pilot centers to:

(1) establish uniformity in information and best practices; and

(2) disseminate in conjunction with appropriate state agencies and long-term care professional organizations:

(A) the assessment and care protocols described by Subsections (b)(1) and (3); and

(B) informational materials regarding the professional, organizational, and managerial capacities necessary to advance the quality of care in long-term care facilities.

Added by Acts 2001, 77th Leg., ch. 1374, Sec. 1, eff. June 16, 2001. Renumbered from Education Code Sec. 61.088 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(37), eff. Sept. 1, 2003.

Sec. 61.0901. INCENTIVES TO PROMOTE RETENTION AND GRADUATION OF NURSING STUDENTS. (a) In this section, "professional nursing program" has the meaning assigned by Section 61.9621.

(b) The board shall consider and develop methods to promote the retention and graduation of students enrolled in a professional nursing program and shall adopt rules to implement those methods the board considers feasible, including recommendations on financial aid.

(c) The board by rule shall establish a program to recognize a professional nursing program that achieves a graduation rate of 85 percent or more.

Added by Acts 2007, 80th Leg., R.S., Ch. 344 (S.B. 138), Sec. 1, eff. September 1, 2007.

Sec. 61.0902. PUBLICATION OF PERFORMANCE DATA OF GENERAL

ACADEMIC TEACHING INSTITUTIONS. (a) The board shall administer a program to publish performance data provided to the board by general academic teaching institutions under this section.

(b) Not later than the next November 1 following the completion of an academic year, each general academic teaching institution shall provide to the board one or more reports containing data related to:

(1) the qualifications of the entering freshman class for the academic year covered by the report, including:

(A) the average Texas Academic Skills Program Test scores of the class;

(B) the average scores of the class on each generally recognized test or assessment used in college and university undergraduate admissions, including the Scholastic Assessment Test and the American College Test;

(C) the range of scores of the class from the 25th to the 75th percentile on each generally recognized test or assessment used in college and university undergraduate admissions, including the Scholastic Assessment Test and the American College Test;

(D) the overall grade point average of the class for the academic year covered by the report;

(E) the number of students in the class who graduated in the top 10 percent of the student's high school graduating class; and

(F) enrollment percentages by ethnicity; and

(2) student performance and institution efficiency, including:

(A) the retention rate of full-time students after the completion of one academic year at the institution;

(B) the percentage of full-time degree-seeking undergraduate students who earn a baccalaureate degree before the sixth anniversary of the date of the student's first enrollment at the institution;

(C) the percentage of lower-division semester credit hours taught by tenured or tenure-track faculty;

(D) the percentage of undergraduate classes with fewer than 20 students;

(E) the percentage of undergraduate classes with more than 50 students;

(F) the student-to-faculty ratio for undergraduate students;

(G) the percentage of students receiving financial aid;

(H) the average cost of tuition and fees for an undergraduate student enrolled for 12 semester credit hours;

(I) the average cost of on-campus room and board for an academic year, excluding summer sessions;

(J) the number of disciplines in which master's degrees are offered;

(K) the number of disciplines in which doctoral degrees are offered;

(L) a description of any departments, schools, or certificate or degree programs of the institution that have a statewide or national reputation for excellence; and

(M) statistics regarding job placement rates for students awarded certificates or degrees by the institution.

(c) Each year the board shall publish and post in a grid format on the board's Internet site the names of the general academic teaching institutions, the performance data required by Subsection (b) for the most recent academic year for which the data is available, and any other information considered appropriate by the board. The board shall use the classification system developed by the Carnegie Foundation in publishing and posting the data and other information.

(d) Each general academic teaching institution shall provide a link on the institution's Internet home page to the board's Internet site described by Subsection (c).

(e) A general academic teaching institution is not required to report to the board the data required by Subsection (b) if the data is available to the board from another source.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 20, eff. Sept. 1, 2003.

Sec. 61.09021. COMPARISON TOOL. (a) The board shall make available to the public on the board's Internet website a search tool that allows a person to compare general academic teaching institutions that meet certain criteria selected by the person, including offering a particular major or program of study.

(b) The comparison tool required under this section must:

(1) be accessible from the board's Internet website;

(2) allow a user to identify general academic teaching

institutions according to selection criteria as determined by the board; and

(3) be accessible to the public without requiring registration or use of a user name, password, or other user identification.

(c) The comparison tool required under this section must generate a comparison chart in a grid format that:

(1) lists the general academic teaching institutions that match a user's search criteria; and

(2) provides information for each institution listed that the board has determined would aid a prospective student in evaluating the institution.

(d) The Internet page displaying the comparison chart must include a link to the Internet website of the Texas Workforce Commission.

(e) To the extent practicable, the information provided under Subsection (c) must consist of information that a general academic teaching institution is required to report to the board under another provision of law, including board rule.

(f) Each general academic teaching institution shall provide to the board the information to be provided under Subsection (c) not later than October 1, or a date determined by the board, of each year. The board shall update the comparison tool as soon as practicable after receiving information from each institution.

Added by Acts 2011, 82nd Leg., R.S., Ch. 945 (H.B. 736), Sec. 9, eff. June 17, 2011.

Sec. 61.0903. CERTIFICATE OF RECOGNITION FOR MAJOR DONORS TO INSTITUTIONS OF HIGHER EDUCATION. (a) The board shall design and produce a certificate of recognition for presentation by an institution of higher education to a person who in any year contributes to the institution for the support of any purposes, programs, or activities of the institution one or more gifts or donations in a total amount of at least $10,000.

(b) On receipt of a written request from an institution of higher education providing the information necessary to establish the donor's eligibility for the certificate, the board shall prepare and provide at no cost to the institution a certificate of recognition

designed by the board under this section recognizing the gifts or donations of a person described by Subsection (a).

Added by Acts 2007, 80th Leg., R.S., Ch. 507 (S.B. 469), Sec. 1, eff. June 16, 2007.
Renumbered from Education Code, Section 61.0901 by Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(10), eff. September 1, 2009.

Sec. 61.0904. REVIEW OF INSTITUTIONAL GROUPINGS. (a) At least once every 10 years, the board shall conduct a review of the institutional groupings under the board's higher education accountability system, including a review of the criteria for and definitions assigned to those groupings.

(b) The board shall include within the board's higher education accountability system any career schools and colleges in this state that offer degree programs. Regardless of whether the board is conducting a periodic review of institutional groupings as required by Subsection (a), the board shall determine whether to create one or more separate institutional groupings for entities to which this subsection applies. In implementing this subsection, the board shall:

(1) consult with affected career schools and colleges regarding the imposition of reporting requirements on those entities; and

(2) adopt rules that clearly define the types and amounts of information to be reported to the board.

(c) In advance of each regular session of the legislature, the board shall report to each standing legislative committee with primary jurisdiction over higher education regarding any entities to which Subsection (b) applies that do not participate in the board's higher education accountability system as provided by that subsection.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 7, eff. September 1, 2009.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 1, eff. September 1, 2011.

Sec. 61.0906. TRACKING SYSTEM FOR MEDICAL TRAINING AND PRACTICE CHOICES. (a) The board by rule shall establish a system under which the board acquires and maintains data regarding the initial residency program choices made by graduates of medical schools in this state and the initial practice choices made by persons completing medical residency programs in this state. The tracking system must:

(1) use any data reasonably available to the board, including data maintained by or accessible to medical schools or residency programs in this state; and

(2) with respect to a person who completes a medical residency program in this state, collect relevant information for the two-year period following completion of that program.

(b) For purposes of Subsection (a)(2), relevant information includes:

(1) whether and for how long physicians who complete medical residency programs in this state work in primary care in this state and which medical specialties they report as their primary medical practice; and

(2) the locations of the practices established by those persons.

Added by Acts 2015, 84th Leg., R.S., Ch. 594 (S.B. 295), Sec. 1, eff. September 1, 2015.

For expiration of this section, see Subsection (e).

Sec. 61.0907. REPORT PROJECTING WORKFORCE NEEDS. (a) The board, in conjunction with the Texas Workforce Commission and in consultation with any other state agency as requested by the board or the commission, shall collect relevant information and make five-year projections concerning:

(1) the workforce needs of this state; and

(2) the educational attainment and training of persons projected to enter the state workforce.

(b) Based on the projections made under Subsection (a), the board shall identify the types and levels of education, training, and skills that are needed to meet the state's future workforce needs and shall make recommendations concerning the expansion of existing programs or the development of new programs at public and private postsecondary educational institutions in this state as necessary to

meet the projected workforce needs.

(c) A postsecondary educational institution may use the recommendations made under Subsection (b) in planning for degree programs, coursework offerings, and training programs.

(d) Not later than February 1, 2015, the board shall prepare and submit electronically to each standing legislative committee with primary jurisdiction over higher education or workforce development, each public and private postsecondary educational institution in this state, and the Texas Education Agency a report of the information collected and analyzed under this section, including recommendations of the board for programming at postsecondary educational institutions. The board may provide subsequent updates to the report as the board considers necessary.

(e) This section expires August 31, 2017.

Added by Acts 2013, 83rd Leg., R.S., Ch. 299 (H.B. 1296), Sec. 2, eff. June 14, 2013.

Sec. 61.0908. DESIGNATION OF LIAISON OFFICER TO ASSIST STUDENTS FORMERLY IN FOSTER CARE. The board shall designate at least one employee of the board to act as a liaison officer for current and incoming students at institutions of higher education who were formerly in the conservatorship of the Department of Family and Protective Services. The liaison officer shall assist in coordinating college readiness and student success efforts relating to those students.

Added by Acts 2015, 84th Leg., R.S., Ch. 822 (H.B. 3748), Sec. 3, eff. June 17, 2015.

Sec. 61.0909. MEMORANDUM OF UNDERSTANDING REGARDING EXCHANGE OF INFORMATION FOR STUDENTS FORMERLY IN FOSTER CARE. (a) In this section, "department" means the Department of Family and Protective Services.

(b) The board and the department shall enter into a memorandum of understanding regarding the exchange of information as appropriate to facilitate the department's evaluation of educational outcomes of students at institutions of higher education who were formerly in the conservatorship of the department. The memorandum of understanding

must require:

(1) the department to provide the board each year with demographic information regarding individual students enrolled at institutions of higher education who were formerly in the conservatorship of the department following an adversarial hearing under Section 262.201, Family Code; and

(2) the board, in a manner consistent with federal law, to provide the department with aggregate information regarding educational outcomes of students for whom the board received demographic information under Subdivision (1).

(c) For purposes of Subsection (b)(2), information regarding educational outcomes includes information relating to student academic achievement, graduation rates, attendance, and other educational outcomes as determined by the board and the department.

(d) The department may authorize the board to provide education research centers established under Section 1.005 with demographic information regarding individual students received by the board in accordance with Subsection (b)(1), as appropriate to allow the centers to perform additional analysis regarding educational outcomes of students in foster care. Any use of information regarding individual students provided to a center under this subsection must be approved by the department.

(e) Nothing in this section may be construed to:

(1) require the board or the department to collect or maintain additional information regarding students formerly in the conservatorship of the department; or

(2) allow the release of information regarding an individual student in a manner not permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or another state or federal law.

Added by Acts 2015, 84th Leg., R.S., Ch. 822 (H.B. 3748), Sec. 3, eff. June 17, 2015.

SUBCHAPTER D. CONTRACTS WITH BAYLOR COLLEGE OF MEDICINE AND BAYLOR UNIVERSITY COLLEGE OF DENTISTRY

Sec. 61.091. DEFINITIONS. In this subchapter:

(1) "Bona fide Texas resident" means a person defined as a "resident student" in Subchapter B, Chapter 54 of this code, and

rules, regulations, and interpretations promulgated under that subchapter by the board or the Commission on Higher Education.

(2) "Established public medical schools" means The University of Texas Medical Branch and Southwestern Medical School.

(3) "Undergraduate medical student" means a person enrolled for a regular schedule of courses in pursuit of a Doctor of Medicine degree.

(4) "Scholastic year of disbursement" means the period of time commencing on September 1 of each calendar year and terminating on August 31 of the next succeeding calendar year. The first scholastic year of disbursement commences on September 1, 1970, and terminates on August 31, 1971.

(5) "Average annual state tax support per undergraduate medical student enrolled at the established public medical schools" means an amount calculated by dividing the net general revenue appropriations to the established public medical schools for the fiscal year next preceding the scholastic year of disbursement by the total number of undergraduate medical students enrolled in those schools on October 15 of the fiscal year.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.092. CONTRACTS WITH BAYLOR COLLEGE OF MEDICINE. (a) The board may contract with Baylor College of Medicine for the administration, direction, and performance of all services and the provision, maintenance, operation, and repair of all buildings, facilities, structures, equipment, and materials necessary or proper to the education, training, preparation, or instruction of bona fide Texas resident undergraduate medical students.

(b) Funds received by Baylor College of Medicine under Subchapter A or B, Chapter 63, may be used only to support programs that benefit medical research, health education, or treatment programs at the institution.

(c) If Baylor College of Medicine elects to administer the fund established for the institution under Subchapter B, Chapter 63, Baylor College of Medicine and the board must enter into a contract that requires Baylor College of Medicine to administer the fund in the same manner and subject to the same regulations, including

disclosure requirements, as would apply to the comptroller if the comptroller were administering a fund under Subchapter B, Chapter 63.

(d) This subchapter may not be construed to empower the board to limit, alter, modify, or in any other manner change or approve, or negotiate for changes in or approval of, the administration, direction, and performance of these services or the provision, maintenance, operation, and repair of buildings, facilities, structures, equipment, or materials.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1999, 76th Leg., ch. 1402, Sec. 2, eff. Aug. 30, 1999.

Sec. 61.093. DISBURSEMENTS. (a) In the exercise of the authority described in Section 61.092 of this code, the board may disburse to Baylor College of Medicine, during each scholastic year of disbursement, an amount equal to the average annual state tax support per undergraduate medical student at the established public medical schools, multiplied by the number of bona fide Texas resident undergraduate medical students enrolled at Baylor College of Medicine. However, the board may never disburse an amount exceeding the amount appropriated by the legislature for this purpose.

(b) Subject to the limitations described in Subsection (a) of this section, the board may establish, by contract with Baylor College of Medicine, the method by which the disbursement shall be accomplished, and may prescribe reasonable rules and regulations necessary to ascertain the average annual state tax support per undergraduate medical student at the established public medical schools.

(c) Money appropriated for payment of contracts under the authority of Section 61.092 shall be paid to Baylor College of Medicine as follows:

(1) 40 percent of the yearly entitlement shall be paid in two equal installments to be made on or before the 25th day of September and October; and

(2) 60 percent of the yearly entitlement shall be paid in six equal installments to be made on or before the 25th day of November, December, January, February, March, and April.

(d) The amount of any installment required by this section may

be modified to provide the Baylor College of Medicine and the Baylor College of Dentistry with the proper amount to which each college may be entitled by law and to correct errors in the allocation or distribution of funds. If an installment under this section is required to be equal to other installments, the amount of other installments may be adjusted to provide for that equality. A payment under this section is not invalid because it is not equal to other installments.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 10, art. 1, Sec. 5, eff. Sept. 1, 1984; Acts 2003, 78th Leg., ch. 820, Sec. 21, eff. Sept. 1, 2003.

Sec. 61.095. RESTRICTIONS. The rights, powers, and authority granted in this subchapter shall not be subject to restriction, limitation, obligation, or requirement provided in Section 61.058 of this code or Articles 665 through 678m, inclusive, of Vernon's Texas Civil Statutes, notwithstanding any other provision in this subchapter.

Acts 1971, 62nd Leg., p. 3072, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 61.097. CONTRACTS WITH RESPECT TO RESIDENT PHYSICIANS. (a) The board shall contract with Baylor College of Medicine for the administration, direction, and performance of services necessary or proper to the education, training, development, and preparation of resident physicians for a career in medicine.

(b) In the exercise of the authority under Subsection (a), the board shall disburse to Baylor College of Medicine the money appropriated by the legislature to the board for that purpose. The money disbursed to Baylor College of Medicine under this section shall be spent by the school exclusively for the education, training, development, and preparation of resident physicians for a career in medicine.

Added by Acts 1981, 67th Leg., p. 3248, ch. 855, Sec. 2, eff. Aug. 31, 1981.

Amended by:
Acts 2009, 81st Leg., R.S., Ch. 44 (H.B. 3456), Sec. 1, eff. May 19, 2009.

SUBCHAPTER F. TUITION EQUALIZATION GRANTS

Sec. 61.221. TUITION EQUALIZATION GRANTS AUTHORIZED. In order to provide the maximum possible utilization of existing educational resources and facilities within this state, both public and private, the coordinating board is authorized to provide tuition equalization grants to Texas residents enrolled in any approved private Texas college or university, based on student financial need, but not to exceed a grant amount of more than that specified in the appropriation by the legislature or as provided by Section 61.227.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 2001, 77th Leg., ch. 144, Sec. 1, eff. Sept. 1, 2001.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 1, eff. June 17, 2011.

Sec. 61.222. APPROVED INSTITUTIONS. (a) The coordinating board shall approve only those private or independent colleges or universities that are private or independent institutions of higher education as defined by Section 61.003 or are located within this state and meet the same program standards and accreditation as public institutions of higher education as determined by the board.

(b) The coordinating board may temporarily approve a private or independent institution of higher education as defined by Section 61.003 that previously qualified under Subsection (a) but no longer holds the same accreditation as public institutions of higher education. To qualify under this subsection, an institution must be:

(1) accredited by an accreditor recognized by the board;

(2) actively working toward the same accreditation as public institutions of higher education;

(3) participating in the federal financial aid program under 20 U.S.C. Section 1070a; and

(4) a "part B institution" as defined by 20 U.S.C. Section

1061(2) and listed in 34 C.F.R. Section 608.2.

(c) The coordinating board may grant temporary approval for a period of two years and may renew the approval once.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 2001, 77th Leg., ch. 144, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1341 (S.B. 976), Sec. 1, eff. June 14, 2013.

Sec. 61.223. NONDISCRIMINATION REGULATIONS. The coordinating board shall make such regulations as may be necessary to insure compliance with the Civil Rights Act of 1964, Title VI (Public Law 88-352), in regard to nondiscrimination in admissions or employment.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973.

Sec. 61.224. APPLICATION OF GENERAL APPROPRIATIONS ACT RIDERS. Those riders in the General Appropriations Act that apply to expenditure of state funds at state-supported colleges and universities shall also apply to expenditure of state funds at any college or university attended by a student receiving aid under this subchapter.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 1, eff. June 17, 2011.

Sec. 61.2251. ELIGIBILITY FOR GRANT; PERSONS INITIALLY AWARDED GRANTS DURING OR AFTER 2005-2006 ACADEMIC YEAR. (a) This section does not apply to a person who initially received a tuition equalization grant before the 2005-2006 academic year.

(b) To be eligible for a tuition equalization grant in the first academic year in which the person receives the grant, a person

must:

(1) be a Texas resident as defined under Subchapter B, Chapter 54, and meet, at a minimum, the resident requirements defined by law for Texas resident tuition in fully state-supported institutions of higher education;

(2) be enrolled in at least three-fourths of a full course load conforming to an individual degree plan in an approved college or university;

(3) be required to pay more tuition than is required at a public college or university and be charged no less than the regular tuition required of all students enrolled at the institution;

(4) establish financial need in accordance with procedures and regulations of the coordinating board;

(5) not be a recipient of any form of athletic scholarship while receiving a tuition equalization grant;

(6) make satisfactory academic progress toward a degree or certificate as determined by the institution at which the person is enrolled; and

(7) have complied with other requirements adopted by the coordinating board under this subchapter.

(c) After qualifying for a tuition equalization grant under Subsection (b), a person may receive a tuition equalization grant in a subsequent academic year in which the person is enrolled at an approved institution only if the person:

(1) meets the requirements of Subsection (b), including, as of the end of the full academic year in which the person initially receives a tuition equalization grant, making satisfactory academic progress toward a degree or certificate as determined by the institution at which the person is enrolled;

(2) as of the end of each subsequent academic year in which the person receives a tuition equalization grant, has completed at least:

(A) 24 semester credit hours in the person's most recent full academic year, if the person is enrolled in an undergraduate degree or certificate program; or

(B) 18 semester credit hours in the person's most recent full academic year, if the person is enrolled in a graduate or professional degree program;

(3) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on coursework previously

attempted at public or private institutions of higher education; and

(4) has completed at least 75 percent of the semester credit hours attempted in the person's most recent full academic year.

(d) Notwithstanding Subsections (b) and (c), a person's eligibility for a tuition equalization grant ends on:

(1) the fifth anniversary of the initial award of a tuition equalization grant to the person, if the person is enrolled in an undergraduate degree or certificate program of four years or less; or

(2) the sixth anniversary of the initial award of a tuition equalization grant to the person, if the person is enrolled in an undergraduate degree program of more than four years.

(e) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a tuition equalization grant, in the event of a hardship or for other good cause shown, to receive a tuition equalization grant if the person does not:

(1) make satisfactory academic progress as required under Subsection (b)(6) or (c)(1);

(2) complete the semester credit hours required by Subsection (c)(2) or (4);

(3) maintain the grade point average required by Subsection (c)(3); or

(4) complete the person's certificate or degree program within the period prescribed by Subsection (d).

Added by Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 15, eff. June 18, 2005.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 200 (H.B. 4476), Sec. 1, eff. May 27, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 3, eff. June 17, 2011.

Sec. 61.2252. REESTABLISHING ELIGIBILITY FOR GRANT. If a person who receives an initial tuition equalization grant after the 2004-2005 academic year fails to meet any of the applicable requirements of this subchapter after the completion of any semester or term, the person may not receive a tuition equalization grant during the next semester or term in which the person enrolls. The

person may become eligible to receive a tuition equalization grant in a subsequent semester or term if the person:

(1) completes a semester or term during which the student is not eligible for a tuition equalization grant; and

(2) meets all the applicable requirements of this subchapter.

Added by Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 50, eff. September 1, 2005.
Redesignated from Education Code, Section 61.2251 by Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 4, eff. June 17, 2011.

Sec. 61.226. APPLICATION OF LAWS TO RECEIVING INSTITUTIONS. Any college or university receiving any benefit under the provisions of this subchapter, either directly or indirectly, shall be subject to all present or future laws enacted by the legislature.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973.

Sec. 61.227. PAYMENT OF GRANT; AMOUNT. (a) On determination of a person's financial need, the institution at which the student is enrolled shall certify the amount of the tuition equalization grant based on financial need but not to exceed a grant amount of more than that specified in the appropriation by the legislature, or more than the difference between the tuition at the private institution attended and the tuition at public colleges and universities.

(b) The proper amount of the tuition equalization grant shall be paid to the student through the college or university in which the student is enrolled.

(c) In no event shall a tuition equalization grant paid pursuant to this subchapter in behalf of any student during any one fiscal year exceed an amount equal to 50 percent of the average state appropriation in the biennium preceding the biennium in which the grant is made for a full-time student or the equivalent at public senior colleges and universities, as determined by the board.

(d) Notwithstanding any other law, a student enrolled in a private or independent institution of higher education may not receive a tuition equalization grant under this subchapter and a

TEXAS grant under Subchapter M, Chapter 56, for the same semester or other term, regardless of whether the student is otherwise eligible for both grants during that semester or term. A student who but for this subsection would be awarded both a tuition equalization grant and a TEXAS grant for the same semester or other term is entitled to receive only the grant of the greater amount.

(e) Notwithstanding any restrictions provided by Subsection (c) on the amount of a grant, a tuition equalization grant for an academic period for an undergraduate student who establishes exceptional financial need in accordance with the procedures and rules of the coordinating board may be certified by the institution at which the undergraduate student is enrolled in an amount not to exceed 150 percent of the amount of the grant that the student would otherwise have been awarded for that period under the other provisions of this section.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 1979, 66th Leg., p. 93, ch. 56, Sec. 2, eff. Aug. 27, 1979; Acts 2001, 77th Leg., ch. 144, Sec. 2, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 1181 (S.B. 1227), Sec. 51, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1230 (H.B. 1172), Sec. 16, eff. June 18, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 5, eff. June 17, 2011.

Sec. 61.228. IMPLEMENTATION OF GRANT PROGRAM. This subchapter applies to freshmen (first year) students beginning in the fall semester of 1971; to freshmen and sophomores in 1972; to freshmen, sophomores, and juniors in 1973; and to all students attending approved private institutions in 1974 and thereafter.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973.

Sec. 61.229. PROMULGATION AND DISTRIBUTION OF REGULATIONS. (a) The coordinating board may make reasonable regulations, consistent

with the purposes and policies of this subchapter, to enforce the requirements, conditions, and limitations expressed in this subchapter.

(b) The coordinating board shall make such regulations as may be necessary to comply with the provisions of Article I, Section 7, Article III, Section 51, and other parts of the Texas Constitution.

(c) The coordinating board shall distribute copies of all regulations adopted pursuant to this subchapter to each eligible institution.

Added by Acts 1973, 63rd Leg., p. 78, ch. 51, Sec. 1, eff. Aug. 27, 1973.

Sec. 61.230. ANNUAL REPORT. The coordinating board shall include in its annual report to the legislature on financial aid in this state a breakdown of tuition equalization grant recipients by ethnicity indicating the percentage of each ethnic group that received tuition equalization grant money at each institution.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.22, eff. Sept. 1, 1989.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 824 (H.B. 2907), Sec. 6, eff. June 17, 2011.

SUBCHAPTER G. REGULATION OF PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTIONS

Sec. 61.301. PURPOSE. It is the policy and purpose of the State of Texas to prevent deception of the public resulting from the conferring and use of fraudulent or substandard college and university degrees; it is also the purpose of this subchapter to regulate the use of academic terminology in naming or otherwise designating educational institutions, the advertising, solicitation or representation by educational institutions or their agents, and the maintenance and preservation of essential academic records. Because degrees and equivalent indicators of educational attainment are used by employers in judging the training of prospective employees, by public and private professional groups in determining qualifications for admission to and continuance of practice, and by

the general public in assessing the competence of persons engaged in a wide range of activities necessary to the general welfare, regulation by law of the evidences of college and university educational attainment is in the public interest. To the same end the protection of legitimate institutions and of those holding degrees from them is also in the public interest.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975.

Sec. 61.302. DEFINITIONS. In this subchapter:

(1) "Degree" means any title or designation, mark, abbreviation, appellation, or series of letters or words, including associate, bachelor's, master's, doctor's, and their equivalents, which signifies, purports to, or is generally taken to signify satisfactory completion of the requirements of all or part of a program of study leading to an associate, bachelor's, master's, or doctor's degree or its equivalent.

(2) "Private postsecondary educational institution" or "institution" means an educational institution which:

(A) is not an institution of higher education as defined by Section 61.003;

(B) is incorporated under the laws of this state, maintains a place of business in this state, has a representative present in this state, or solicits business in this state; and

(C) furnishes or offers to furnish courses of instruction in person, by electronic media, or by correspondence leading to a degree or providing credits alleged to be applicable to a degree.

(3) "Agent" means a person employed by or representing a private postsecondary educational institution who solicits students for enrollment in the institution.

(4) "Commissioner" means the Commissioner of Higher Education.

(5) "Board" means the Texas Higher Education Coordinating Board.

(6) "Person" means any individual, firm, partnership, association, corporation, or other private entity or combination thereof.

(7) "Program of study" means any course or grouping of courses which are alleged to entitle a student to a degree or to credits alleged to be applicable to a degree.

(8) "Recognized accrediting agency" means an association or organization so designated by rule of the board for the purposes of this subchapter.

(9) "Educational or training establishment" means an enterprise offering a course of instruction, education, or training that the establishment does not represent to be applicable to a degree.

(10) "Representative" includes a recruiter, agent, tutor, counselor, instructor, and other instructional and support personnel.

(11) "Fraudulent or substandard degree" means:

(A) a degree conferred by a private postsecondary educational institution or other person that, at the time the degree was conferred, was operating in this state in violation of this subchapter;

(B) if the degree is not approved through the review process described by Section 61.3021, a degree conferred by a private educational institution or other person that, at the time the degree was conferred, was not eligible to receive a certificate of authority under this subchapter and was operating in another state:

(i) in violation of a law regulating the conferral of degrees in that state or in the state in which the degree recipient was residing; or

(ii) without accreditation by a recognized accrediting agency; or

(C) if conferred by a private educational institution or other person not described by Paragraph (A) or (B), including a private educational institution or other person that, at the time the degree was conferred, was not eligible to receive a certificate of authority under this subchapter and was operating outside the United States, a degree that the board, through the review process described by Section 61.3021, determines is not the equivalent of an accredited or authorized degree as described by that section.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1981, 67th Leg., p. 2729, ch. 745, Sec. 1, eff. June 16, 1981; Acts 1985, 69th Leg., ch. 76, Sec. 1, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 5, eff. Sept. 1, 1993;

Acts 1997, 75th Leg., ch. 232, Sec. 1, eff. Sept. 1, 1997.
Amended by:
Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 1, eff. September 1, 2005.

Sec. 61.3021. REVIEW OF DEGREE NOT OTHERWISE REGULATED BY SUBCHAPTER. (a) The board by rule shall establish a process for reviewing and approving a degree conferred by a person described by Section 61.302(11)(B) or (C). The review process must include a determination by the board whether the degree is the equivalent of a degree granted by a private postsecondary educational institution or other person in accordance with the person's accreditation by a recognized accrediting agency or with the person's certificate of authority under this subchapter.

(b) The board may charge an applicant for a review under this section a fee in an amount the board determines will cover the cost of conducting the review.

Added by Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 2, eff. September 1, 2005.

Sec. 61.303. EXEMPTIONS. (a) The provisions of this subchapter do not in any way apply to an institution which is fully accredited by a recognized accrediting agency, or an institution or degree program that has received approval by a state agency authorizing the institution's graduates to take a professional or vocational state licensing examination administered by that agency. The granting of permission by a state agency to a graduate of an institution to take a licensing examination does not by itself constitute approval of the institution or degree program required for an exemption under this subsection.

(b) The exemptions provided by Subsection (a) apply only to the degree level for which an institution is accredited, and if an institution offers to award a degree at a level for which it is not accredited, the exemption does not apply.

(c) An exempt institution or person may be issued a certificate of authorization to grant degrees.

(d) An exempt institution or person would continue in that

status only so long as it maintained accreditation by a recognized accrediting agency or otherwise met the provisions of Subsection (a).

(e) The board shall provide for due process and procedures for revoking the exemption status of an institution or person.

(f) A private postsecondary educational institution may not establish or operate a branch campus, extension center, or other off-campus unit in Texas except as provided by this subsection or the rules of the board. This subsection does not apply to a private or independent institution of higher education as defined by Section 61.003.

(g) Deleted by Acts 1997, 75th Leg., ch. 232, Sec. 2, eff. Sept. 1, 1997.

(h) Expired.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1981, 67th Leg., p. 2729, ch. 745, Sec. 2, eff. June 16, 1981; Acts 1985, 69th Leg., ch. 76, Sec. 2, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 6, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 232, Sec. 2, eff. Sept. 1, 1997.

Sec. 61.304. REQUISITE AUTHORITY TO GRANT DEGREES AND OFFER COURSES; OFFENSES. (a) A person may not grant or award a degree or offer to grant or award a degree on behalf of a private postsecondary educational institution unless the institution has been issued a certificate of authority to grant the degree by the board in accordance with the provisions of this subchapter.

(b) A person may not represent that credits earned or granted by that person or institution are applicable for credit toward a degree to be granted by some other person or institution except under conditions and in a manner specified and approved by the board.

(c) The board is empowered to specify and regulate the manner, condition, and language used by an institution or person or agents thereof in making known that the person or institution holds a certificate of authority and the interpretation of the significance of such certificate.

(d) A person commits an offense if the person:

(1) grants or awards a degree or offers to grant or award a degree in violation of this section;

(2) represents in violation of this section that a credit

earned or granted by the person can be applied toward a degree offered by another person;

(3) grants or offers to grant a credit for which a representation is made as described by Subdivision (2); or

(4) solicits another person to seek a degree or to earn a credit the actor knows is offered in violation of this section.

(e) An offense under Subsection (d) is a Class A misdemeanor.

(f) In addition to any other venue authorized by law, venue for the prosecution of an offense under Subsection (d) is in the county in which an element of the offense occurs or in Travis County.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1985, 69th Leg., ch. 76, Sec. 3, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 7, eff. Sept. 1, 1993.

Amended by:

Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 3, eff. September 1, 2005.

Sec. 61.305. APPLICATION FOR CERTIFICATE OF AUTHORITY. (a) A private postsecondary educational institution that has been in operation for not less than two years may apply to the board for a certificate of authority to grant a degree in a specified program of study on application forms provided by the board.

(b) The application form shall contain the name and address of the institution; purpose of the institution; names of the sponsors or owners of the institution; regulations, rules, constitutions, bylaws, or other regulations established for the government and operation of the institution; the names and addresses of the chief administrative officer, the principal administrators, and each member of the board of trustees or other governing board; the names of members of the faculty who will, in fact, teach in the program of study, with the highest degree held by each; a full description of the degree or degrees to be awarded and the course or courses of study prerequisite thereto; a description of the facilities and equipment utilized by the institution; and any additional information which the board may request.

(c) The application must be accompanied by an initial fee set by the board in an amount not to exceed the average cost of reviewing

the application, including the cost of necessary consultants.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1981, 67th Leg., p. 2729, ch. 745, Sec. 3, eff. June 16, 1981; Acts 1985, 69th Leg., ch. 76, Sec. 4, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 8, eff. Sept. 1, 1993.

Sec. 61.306. ISSUANCE OF CERTIFICATE. (a) The board may 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 standards established by the board for certification.

(b) A certificate of authority to grant a degree or degrees is valid for a period of two years from the date of issuance.

(c) The board may not issue a certificate of authority for a private postsecondary institution to grant a professional degree or to represent that credits earned in this state are applicable toward a degree if the institution is chartered in a foreign country or has its principal office or primary educational program in a foreign country. In this subsection, "professional degree" includes a Doctor of Medicine (M.D.), Doctor of Osteopathy (D.O.), Doctor of Dental Surgery (D.D.S.), Doctor of Veterinary Medicine (D.V.M.), Juris Doctor (J.D.), and Bachelor of Laws (LL.B.).

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1985, 69th Leg., ch. 76, Sec. 7, eff. Sept. 1, 1985.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 47, eff. September 1, 2013.

Sec. 61.307. AMENDMENTS TO APPLICATIONS. (a) The chief administrative officers of each institution which has been issued a certificate of authority shall immediately notify the board of any change in administrative personnel, faculty, or facilities at the institution or any other changes of a nature specified by the board.

(b) An institution which wishes to amend an existing program of study to award a new or different degree during the period of time covered by a current certificate may file an application for

amendment of the certificate with the board. The application shall be accompanied by a fee set by the board to cover the cost of program evaluation. If the board finds that the new program of study meets the required standards, the board may amend the institution's certificate accordingly.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1997, 75th Leg., ch. 232, Sec. 3, eff. Sept. 1, 1997.

Sec. 61.308. RENEWAL OF CERTIFICATE. (a) A private postsecondary educational institution which desires to renew its certificate of authority shall apply to the board at least 180 days prior to the expiration of the current certificate.

(b) The application for renewal shall be made on forms provided by the board and shall be accompanied by a renewal fee set by the board in an amount not to exceed the average cost of reviewing the application, including the cost of necessary consultants.

(c) The board shall renew the certificate if it finds that the institution has maintained all requisite standards and has complied with all rules and regulations promulgated by the board.

(d) A private postsecondary educational institution may be granted successive certificates of authority for a period not to exceed the number of years provided by rule of the board. The board rules must recognize that certification by the state is intended to safeguard the public interest until an institution has developed the strength to satisfy appropriate accreditation standards and it is intended that an institution advance from certification status to fully accredited status in due course.

(e) If, after a good-faith effort, an institution cannot achieve accreditation within the period of time prescribed by the board, the institution may appeal for extension of eligibility for certification because of having been denied accreditation due to policies of the institution based on religious beliefs or other good and sufficient cause as defined by rule of the board. The board shall consider the application of any accreditation standard that prohibited accreditation of the institution on the basis of religious policies practiced by the institution as a prima facie justification for extending the eligibility for certification if all other

standards of the board are satisfied.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1981, 67th Leg., p. 2729, ch. 745, Sec. 4, eff. June 16, 1981; Acts 1993, 73rd Leg., ch. 516, Sec. 9, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 232, Sec. 4, eff. Sept. 1, 1997.

Sec. 61.309. REVOCATION OF CERTIFICATE OF AUTHORITY. The board may revoke a certificate of authority to grant degrees at any time if it finds that:

(1) any statement contained in an application for a certificate is untrue;

(2) the institution has failed to maintain the faculty, facilities, equipment, and programs of study on the basis of which the certificate was issued;

(3) advertising utilized on behalf of the institution is deceptive or misleading; or

(4) the institution has violated any rule or regulation promulgated by the board under the authority of this subchapter.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975.

Sec. 61.310. APPEAL. An institution whose application for an original, amended, or renewal certificate of authority to grant degrees is denied by the board is entitled to written notice of the reasons for the denial and may request a hearing under Chapter 2001, Government Code. The hearing shall be held within 120 days after written request is received by the board.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1981, 67th Leg., p. 2730, ch. 745, Sec. 5, eff. June 16, 1981; Acts 1995, 74th Leg., ch. 76, Sec. 5.95(49), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 232, Sec. 5, eff. Sept. 1, 1997.

Sec. 61.311. RULES AND REGULATIONS. (a) The board shall

promulgate standards, rules, and regulations governing the administration of this subchapter.

(b) The board may delegate to the commissioner such authority and responsibility conferred on the board by this subchapter as the board deems appropriate for the effective administration of this subchapter.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1997, 75th Leg., ch. 232, Sec. 6, eff. Sept. 1, 1997.

Sec. 61.312. HONORARY DEGREES; OFFENSES. (a) No person may award or offer to award an honorary degree on behalf of a private postsecondary educational institution subject to the provisions of this subchapter unless the institution has been issued a certificate of authority to award such a degree. The honorary degree shall plainly state on its face that it is honorary.

(b) A person commits an offense if the person:

(1) grants or offers to grant an honorary degree in violation of this section; or

(2) solicits another person to seek or accept an honorary degree the actor knows is offered in violation of this section.

(c) An offense under Subsection (b) is a Class A misdemeanor.

(d) In addition to any other venue authorized by law, venue for the prosecution of an offense under Subsection (b) is in the county in which an element of the offense occurs or in Travis County.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1993, 73rd Leg., ch. 516, Sec. 10, eff. Sept. 1, 1993.
Amended by:

Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 4, eff. September 1, 2005.

Sec. 61.313. USE OF PROTECTED TERM IN NAME OF INSTITUTION; OFFENSES. (a) Unless the institution has been issued a certificate of authority under this subchapter, a person may not:

(1) use the term "college," "university," "seminary," "school of medicine," "medical school," "health science center,"

"school of law," "law school," or "law center" in the official name or title of a nonexempt private postsecondary educational institution; or

(2) describe an institution using a term listed in Subdivision (1) or a term having a similar meaning.

(b) An institution not exempt from this subchapter that has not been issued a certificate of authority, but is otherwise legally operating, and that has in its official name or title a term protected under Subsection (a) shall remove the protected term from the name or title not later than September 1, 1999.

(c) A person may not use the term "college," "university," "seminary," "school of medicine," "medical school," "health science center," "school of law," "law school," or "law center" in the official name or title of an educational or training establishment.

(d) This section does not apply to an institution of higher education or a private institution of higher education as defined by Section 61.003.

(e) This section does not apply to a person who on September 1, 1997, used the term "college" or "university" in the official name or title of a private postsecondary educational institution that was established before September 1, 1975. A person covered by this subsection is not required to remove the term "college" or "university" from the name or title of the institution established before September 1, 1975.

(f) A person covered by Subsection (e) may use the term "college" in the official name or title of another private postsecondary educational institution in this state if:

(1) the person's business name on September 1, 1995, included the term "college"; and

(2) the other institution offers the same or similar educational programs and is located in the same county as the institution established before September 1, 1975.

(g) A person covered by Subsection (e) may use the term "college" in the official name or title of another private postsecondary educational institution in this state if:

(1) the person operated at least four private postsecondary educational institutions in this state on September 1, 1985, for which the person was permitted to use the term "college" in the official name or title; and

(2) the other institution offers the same or similar

educational programs as the institutions described by Subdivision (1) and has enrolled students in educational programs continuously since before September 1, 1995.

(h) A person commits an offense if the person:

(1) uses a term in violation of this section; or

(2) solicits another person to seek a degree or to earn a credit the actor knows is offered by an institution or establishment that is using a term in violation of this section.

(i) An offense under Subsection (h) is a Class A misdemeanor.

(j) In addition to any other venue authorized by law, venue for the prosecution of an offense under Subsection (h) is in the county in which an element of the offense occurs or in Travis County.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1985, 69th Leg., ch. 76, Sec. 5, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 11, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 232, Sec. 7, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 284, Sec. 1, eff. May 29, 1999; Acts 2003, 78th Leg., ch. 820, Sec. 22, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 5, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 6, eff. September 1, 2005.

Sec. 61.314. ADVISORY COUNCIL ON PRIVATE POSTSECONDARY EDUCATIONAL INSTITUTIONS. (a) The board shall appoint an advisory council on private postsecondary educational institutions consisting of six members with experience in the field of higher education, three of whom must be representatives of private institutions of higher education as defined by Section 61.003 in the State of Texas which are exempt from the provisions of this subchapter. Council members serve for terms of two years from the date of their appointment and are entitled to reimbursement for actual expenses incurred in carrying out the work of the council.

(b) The council shall advise the board on standards and procedures to be used in carrying out the provisions of this subchapter.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June

19, 1975. Amended by Acts 1993, 73rd Leg., ch. 516, Sec. 12, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 232, Sec. 8, eff. Sept. 1, 1997.

Sec. 61.315. AGENTS AND RECORDS. The authorized or certified institutions may be required to furnish a list of their agents to the board, and to maintain records of students enrolled, credits awarded, and degrees awarded in a manner specified by the board.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975.

Sec. 61.316. ADMINISTRATIVE PENALTIES. (a) If a person violates a provision of this subchapter, the commissioner may assess an administrative penalty against the person as provided by this section. The commissioner may adopt rules relating to the imposition of administrative penalties under this section.

(b) Any person who confers or offers to confer a degree on behalf of a private postsecondary educational institution subject to the provisions of this subchapter which has not been issued a certificate of authority to grant degrees or who represents that credits earned or granted by that person or institution are applicable for credit toward a degree to be granted by another person or institution except under conditions and in a manner specified and approved by the board shall be assessed an administrative penalty of not less than $1,000 or more than $5,000. Each degree conferred without authority constitutes a separate offense. Any person who confers or offers to confer a degree on behalf of a private postsecondary educational institution subject to the provisions of this subchapter which has not been issued a certificate of authority to grant degrees or who represents that credits earned or granted by that person or institution are applicable for credit toward a degree to be granted by another person or institution except under conditions and in a manner specified and approved by the board shall be assessed an administrative penalty of not less than $1,000 or more than $5,000. Each degree conferred without authority constitutes a separate offense.

(c) Any person who establishes a private postsecondary

educational institution that is not exempt from this subchapter and uses a term protected under this subchapter in the official name of the institution without first having been issued a certificate of authority for the institution under this subchapter or any person who establishes an educational or training establishment and uses a term protected under this subchapter in the official name or title of the establishment shall be assessed an administrative penalty of not less than $1,000 or more than $3,000.

(d) Any agent who solicits students for enrollment in a private postsecondary educational institution subject to the provisions of this subchapter without a certificate of registration shall be assessed an administrative penalty of not less than $500 or more than $1,000. Each student solicited without authority constitutes a separate offense.

(e) Any operations which are found after due process to be in violation of this subchapter shall be terminated.

(f) An institution that is assessed an administrative penalty under this section is entitled to written notice of the reasons for the penalty. An institution may appeal an administrative penalty in the manner provided by Chapter 2001, Government Code.

Added by Acts 1975, 64th Leg., p. 1867, ch. 587, Sec. 1, eff. June 19, 1975. Amended by Acts 1985, 69th Leg., ch. 76, Sec. 6, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 516, Sec. 13, eff. Sept. 1, 1993. Redesignated from Education Code Sec. 61.317 and amended by Acts 1997, 75th Leg., ch. 232, Sec. 9, eff. Sept. 1, 1997.

Sec. 61.318. INJUNCTIONS. (a) The commissioner may report information concerning a possible violation of this subchapter to the attorney general. The attorney general shall make the necessary investigations and shall bring suit to enjoin any violation of this subchapter.

(b) An action for an injunction under this section shall be brought in a district court in Travis County.

Added by Acts 1997, 75th Leg., ch. 232, Sec. 10, eff. Sept. 1, 1997.

Sec. 61.319. CIVIL PENALTY. (a) A person who violates this subchapter or a rule adopted under this subchapter is liable for a

civil penalty in addition to any injunctive relief or any other remedy. A civil penalty may not exceed $1,000 a day for each violation.

(b) The attorney general, at the request of the board, shall bring a civil action to collect a civil penalty under this section.

Added by Acts 1997, 75th Leg., ch. 232, Sec. 10, eff. Sept. 1, 1997.

Sec. 61.320. APPLICATION OF DECEPTIVE TRADE PRACTICES ACT. (a) A person who violates this subchapter commits a false, misleading, or deceptive act or practice within the meaning of Section 17.46, Business & Commerce Code.

(b) A public or private right or remedy under Chapter 17, Business & Commerce Code, may be used to enforce this subchapter.

Added by Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 7, eff. September 1, 2005.

Sec. 61.321. INFORMATION PROVIDED TO PROTECT PUBLIC FROM FRAUDULENT, SUBSTANDARD, OR FICTITIOUS DEGREES. To protect the public from private postsecondary educational institutions or other persons that confer or offer to confer fraudulent or substandard degrees and from persons that use or hold fraudulent or substandard degrees or that use or claim to hold fictitious degrees, the board shall disseminate the following information through the board's Internet website:

(1) to the extent known by the board, the accreditation status or the status regarding authorization or approval under this subchapter, as applicable, of each private postsecondary educational institution or other person that is regulated by this subchapter or for which a determination is made under Section 61.3021, including:

(A) the name of each educational institution accredited, authorized, or approved to offer or grant degrees in this state;

(B) the name of each educational institution whose degrees the board has determined may not be legally used in this state; and

(C) the name of each educational institution that the board has determined to be operating in this state in violation of

this subchapter; and

(2) any other information considered by the commissioner to be useful to protect the public from fraudulent, substandard, or fictitious degrees.

Added by Acts 2005, 79th Leg., Ch. 1039 (H.B. 1173), Sec. 7, eff. September 1, 2005.

SUBCHAPTER H. REGULATION OF PUBLIC INSTITUTIONS OF HIGHER EDUCATION ESTABLISHED OUTSIDE THE BOUNDARIES OF THE STATE OF TEXAS

Sec. 61.401. DEFINITIONS. In this subchapter:

(1) "Public institution of higher education" includes any senior college, university, community college, technical institute, or junior college or the equivalent which is controlled by a public body organized outside the boundaries of the State of Texas.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

Added by Acts 1975, 64th Leg., p. 1843, ch. 573, Sec. 1, eff. June 19, 1975.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 124 (S.B. 1470), Sec. 2, eff. May 23, 2015.

Sec. 61.402. REQUISITE APPROVAL. (a) Public institutions of higher education established outside the boundaries of the State of Texas must have the approval of the coordinating board before offering a course or a grouping of courses within the State of Texas.

(b) Notwithstanding Subsection (a), a public institution of higher education established outside the boundaries of the State of Texas may offer a course within this state without the approval of the coordinating board if the course is provided in accordance with a state authorization reciprocity agreement established under Section 61.05121.

Added by Acts 1975, 64th Leg., p. 1843, ch. 573, Sec. 1, eff. June 19, 1975.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 124 (S.B. 1470), Sec. 3, eff. May

23, 2015.

Sec. 61.403. RULES AND REGULATIONS. The coordinating board shall prepare rules and regulations which, when properly followed, may qualify a public institution of higher education established outside the boundaries of the State of Texas to offer a course or a grouping of courses within the State of Texas.

Added by Acts 1975, 64th Leg., p. 1843, ch. 573, Sec. 1, eff. June 19, 1975.

Sec. 61.404. PROCEDURES IN CASE OF VIOLATION. If the coordinating board obtains evidence that a public institution of higher education established outside the boundaries of the State of Texas is in apparent violation of this subchapter or of rules and regulations adopted pursuant to this subchapter, the coordinating board shall take appropriate action to terminate its operation within the boundaries of the State of Texas regardless of whether the institution participates in a state authorization reciprocity agreement established under Section 61.05121.

Added by Acts 1975, 64th Leg., p. 1843, ch. 573, Sec. 1, eff. June 19, 1975.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 124 (S.B. 1470), Sec. 4, eff. May 23, 2015.

Sec. 61.405. ADVISORY COMMITTEES. The coordinating board may appoint such advisory committees as deemed useful for the effective administration of this subchapter.

Added by Acts 1975, 64th Leg., p. 1843, ch. 573, Sec. 1, eff. June 19, 1975.

SUBCHAPTER I. CONTRACTS FOR MEDICAL RESIDENCY PROGRAMS

Sec. 61.501. DEFINITIONS. As used in this subchapter:

(1) "Medical school" means the medical school at The

University of Texas Health Science Center at Houston, the medical school at The University of Texas Southwestern Medical Center, the medical school at The University of Texas Health Science Center at San Antonio, The University of Texas Medical Branch at Galveston, the medical school at The University of Texas at Austin, the medical school at The University of Texas Rio Grande Valley, the medical education program of The University of Texas Health Science Center at Tyler, the medical school at the Texas Tech University Health Sciences Center, the medical school at the Texas Tech University Health Sciences Center at El Paso, the Baylor College of Medicine, the college of osteopathic medicine at the University of North Texas Health Science Center at Fort Worth, or the medical school at the Texas A&M University Health Science Center.

(2) "Approved family practice residency training program" means a graduate medical education program operated by a medical school, licensed hospitals, or nonprofit corporations which has been approved for training physicians in family practice and for the receipt of state funds for that purpose by the board after receiving the recommendation of the Family Practice Residency Advisory Committee.

Added by Acts 1977, 65th Leg., p. 109, ch. 53, Sec. 2, eff. Aug. 29, 1977. Amended by Acts 1993, 73rd Leg., ch. 408, Sec. 10, eff. Aug. 30, 1993.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 12, eff. May 18, 2013.

Acts 2015, 84th Leg., R.S., Ch. 28 (S.B. 1466), Sec. 1, eff. May 15, 2015.

Sec. 61.502. CONTRACTS. The board may contract with a medical school, licensed hospitals, or nonprofit corporations for the purpose of establishing and operating an approved Family Practice Residency Training Program and may compensate the medical school, licensed hospitals, or nonprofit corporations on a formula approved by the board based upon the number of resident physicians in the training program.

Added by Acts 1977, 65th Leg., p. 109, ch. 53, Sec. 2, eff. Aug. 29, 1977.

Sec. 61.503. RULES AND REGULATIONS. The board shall adopt rules and regulations to implement this subchapter, including rules providing for:

(1) prior consultation on the annual budget with the board;

(2) a postaudit in a manner acceptable to the state auditor of expenditures related to the residency training program of a medical school, licensed hospitals, or nonprofit corporations with which the board has contracted; and

(3) distribution of family physicians and improvement of medical care in underserved urban and rural areas of the state and, insofar as possible and prudent, encouraging the permanent location in underserved areas of family physicians trained in these programs.

Added by Acts 1977, 65th Leg., p. 109, ch. 53, Sec. 2, eff. Aug. 29, 1977.

Sec. 61.504. DISBURSEMENTS. (a) Pursuant to a contract, the board may disburse through the designated project director to a medical school, licensed hospitals, or nonprofit corporations funds for the purpose of the graduate training of physicians in an approved family practice residency training program. The project director shall be the chairman of the Department of Family Practice in a medical school or the program director of an approved family practice residency training program operated by licensed hospitals or nonprofit corporations. The project director shall, in accordance with such rules as the board may adopt, make timely reports directly to the board concerning the development and progress of the family practice training program.

(b) The board may establish by contract the method or manner of the disbursement to the project director.

Added by Acts 1977, 65th Leg., p. 109, ch. 53, Sec. 2, eff. Aug. 29, 1977.

Sec. 61.505. ADVISORY COMMITTEE. (a) The Family Practice Residency Advisory Committee is created and shall consist of 12 members. One member shall be a licensed physician appointed by the

Texas Osteopathic Medical Association; two members shall be licensed physicians appointed by the Association of Directors of Family Practice Training Programs; two members shall be administrators of hospitals in which an approved family practice residency training program operates and shall be appointed by the Texas Hospital Association; one member shall be a licensed physician appointed by the Texas Medical Association; two members shall be licensed physicians appointed by the Texas Academy of Family Physicians; three members of the public shall be appointed to the committee by the governor; and by virtue of his office, the president of the Texas Academy of Family Physicians shall be a member of the committee.

(b) The terms of office of each member, excluding the term of office of the president of the Texas Academy of Family Physicians, shall be for three years. Each member shall serve until his replacement has been appointed to the committee.

(c) The members of the committee shall not be compensated for their service, but shall be reimbursed by the board for actual expenses incurred in the performance of duties as members of the committee.

(d) The committee shall meet at least annually and so often as requested by the board or called into meeting by the chairman.

(e) The chairman shall be elected by the members of the committee for one year.

(f) The committee shall:

(1) review for the board applications for approval and funding of family practice residency training programs and related support programs;

(2) make recommendations to the board relating to:

(A) the standards and criteria for approval of residency training and related support programs; and

(B) the effectiveness of the programs the board administers that provide incentives to physicians to practice in underserved areas of this state; and

(3) perform such other duties as may be directed by the board.

Added by Acts 1977, 65th Leg., p. 109, ch. 53, Sec. 2, eff. Aug. 29, 1977. Amended by Acts 1983, 68th Leg., p. 882, ch. 203, Sec. 1, eff. May 24, 1983; Acts 1989, 71st Leg., ch. 1084, Sec. 1.24, eff. Sept.

1, 1989.

Sec. 61.506. FAMILY PRACTICE RESIDENCY TRAINING PILOT PROGRAMS. (a) The Family Practice Residency Advisory Committee shall work to enhance approved family practice residency programs and to establish not less than three or more than five pilot programs to provide a major source of indigent health care and to train family practice resident physicians.

(b) Each of the pilot programs must provide services to an economically depressed or rural medically underserved area of the state. One pilot program must be located in an urban area, one pilot program must be located in a rural area, and the remaining pilot program or programs must be located in the border region as defined by Section 481.001, Government Code.

(c) An approved family practice residency program that wants to participate in or sponsor a pilot program must make a proposal to the advisory committee.

(d) The advisory committee shall review all proposals submitted under Subsection (c) of this section and shall recommend to the board approved family practice residency programs to participate in or sponsor pilot programs.

(e) The board shall select approved family practice residency programs to participate in or sponsor pilot programs on the basis of each program's commitment to indigent health care and to training family practice resident physicians.

(f) The advisory committee shall use financial reports, audits, and performance evaluations currently required under this subchapter or by board rule to assess annually the financial feasibility and effective performance of the pilot programs. The advisory committee may require additional reports as necessary.

(g) The advisory committee shall send copies of its annual assessment of the pilot programs to the comptroller and the state auditor for review.

(h) If the advisory committee determines that a pilot program is not financially feasible or that it does not perform effectively, the advisory committee shall recommend to the board discontinuation of funding for the pilot program.

Added by Acts 1993, 73rd Leg., ch. 665, Sec. 1, eff. Aug. 30, 1993.

Amended by Acts 1995, 74th Leg., ch. 349, Sec. 2, eff. Sept. 1, 1995.

SUBCHAPTER J. REPAYMENT OF CERTAIN PHYSICIAN EDUCATION LOANS

Sec. 61.531. REPAYMENT AUTHORIZED. (a) The coordinating board may provide, using funds appropriated for that purpose and in accordance with this subchapter and rules of the board, assistance in the repayment of student loans for physicians who apply and qualify for the assistance.

(b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 285, Sec. 17, eff. September 1, 2009.

(c) Repealed by Acts 2009, 81st Leg., R.S., Ch. 285, Sec. 17, eff. September 1, 2009.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1995, 74th Leg., ch. 349, Sec. 3, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1420, Sec. 21.002(5), eff. Sept. 1, 2001. Amended by:

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 17, eff. September 1, 2009.

Sec. 61.532. ELIGIBILITY. (a) To be eligible to receive repayment assistance, a physician must:

(1) apply to the coordinating board;

(2) at the time of application, be licensed to practice medicine under Subtitle B, Title 3, Occupations Code;

(3) have completed one, two, three, or four consecutive years of practice:

(A) in a health professional shortage area designated by the Department of State Health Services; or

(B) in accordance with Subsection (b), after funds have been fully allocated for the program year to physicians qualifying under Paragraph (A); and

(4) provide health care services to:

(A) recipients under the medical assistance program authorized by Chapter 32, Human Resources Code;

(B) enrollees under the child health plan program authorized by Chapter 62, Health and Safety Code; or

(C) persons committed to a secure correctional facility

operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice.

(b) A physician may complete one or more years of practice required by Subsection (a)(3) in a location other than a health professional shortage area designated by the Department of State Health Services if, during the applicable year or years, the physician provides health care services to a designated number of patients who are recipients under the medical assistance program authorized by Chapter 32, Human Resources Code, or the Texas Women's Health Program according to criteria established by the board in consultation with the Health and Human Services Commission. The Health and Human Services Commission shall verify a physician's compliance with this subsection, and the board and the commission shall enter into a memorandum of understanding for that purpose.

(c) The board annually shall solicit and collect information regarding the specific number of patients described by Subsection (a)(4)(A) who are treated by each physician receiving loan repayment assistance under this subchapter.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1993, 73rd Leg., ch. 585, Sec. 1, eff. June 13, 1993; Acts 1995, 74th Leg., ch. 349, Sec. 4, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 820, Sec. 23, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 1, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 17, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 295 (H.B. 1908), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 4, eff. September 1, 2013.

Sec. 61.533. LIMITATION. (a) A physician may receive repayment assistance grants for not more than four years.

(b) Repayment assistance grants paid in relation to services described by Section 61.532(4)(C) are limited to the first 10

physicians who establish eligibility for those grants each year.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 2, eff. September 1, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 295 (H.B. 1908), Sec. 2, eff. June 17, 2011.

Sec. 61.534. ELIGIBLE LOANS. (a) The coordinating board may provide repayment assistance for the repayment of any student loan for education at an institution of higher education, including loans for undergraduate education, received by a physician through any lender.

(b) The coordinating board may not provide repayment assistance for a student loan that is in default at the time of the physician's application.

(c) Each fiscal biennium, the coordinating board shall attempt to allocate all funds appropriated to it for the purpose of providing repayment assistance under this subchapter.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985.
Amended by Acts 1989, 71st Leg., ch. 1027, Sec. 13, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1084, Sec. 1.26, eff. Sept. 1, 1989.

Sec. 61.535. REPAYMENT. (a) The coordinating board shall deliver any repayment made under this subchapter in a lump sum payable:

(1) to both the physician and the lender or other holder of the affected loan; or

(2) directly to the lender or other holder of the loan on the physician's behalf.

(b) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 581, Sec. 1, eff. June 17, 2011.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985.
Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.27, eff. Sept. 1, 1989.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 3, eff. September 1, 2009.
Acts 2011, 82nd Leg., R.S., Ch. 581 (H.B. 3579), Sec. 1, eff. June 17, 2011.

Sec. 61.536. ADVISORY COMMITTEES. The coordinating board may appoint advisory committees from outside the board's membership to assist the board in performing its duties under this subchapter.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985.
Amended by Acts 1989, 71st Leg., ch. 1027, Sec. 14, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1084, Sec. 1.28, eff. Sept. 1, 1989.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 4, eff. September 1, 2009.

Sec. 61.5361. ACCEPTANCE OF FUNDS. The coordinating board may accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.28, eff. Sept. 1, 1989.

Sec. 61.537. RULES. (a) The coordinating board shall adopt rules necessary for the administration of this subchapter.
(b) The coordinating board shall distribute to each medical unit and professional association copies of the rules adopted under this section and pertinent information in this subchapter.

Added by Acts 1985, 69th Leg., ch. 517, Sec. 1, eff. Sept. 1, 1985.
Amended by Acts 1993, 73rd Leg., ch. 585, Sec. 2, eff. June 13, 1993; Acts 1995, 74th Leg., ch. 349, Sec. 5, eff. Sept. 1, 1995.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 5, eff. September 1, 2009.

Sec. 61.538. AMOUNT OF REPAYMENT ASSISTANCE. (a) A physician

may receive repayment assistance under this subchapter in the amount determined by board rule, not to exceed the following amounts for each year for which the physician establishes eligibility for the assistance:

(1) for the first year, $25,000;

(2) for the second year, $35,000;

(3) for the third year, $45,000; and

(4) for the fourth year, $55,000.

(b) The total amount of repayment assistance distributed by the board may not exceed the total amount of money available in the physician education loan repayment program account.

(c) The total amount of repayment assistance made under this subchapter to an individual physician may not exceed $160,000.

Added by Acts 1993, 73rd Leg., ch. 585, Sec. 3, eff. June 13, 1993.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 6, eff. September 1, 2009.

Sec. 61.5391. PHYSICIAN EDUCATION LOAN REPAYMENT PROGRAM ACCOUNT. (a) The physician education loan repayment program account is an account in the general revenue fund. The account is composed of:

(1) gifts and grants contributed to the account;

(2) earnings on the principal of the account; and

(3) other amounts deposited to the credit of the account, including:

(A) money deposited under Section 61.5392;

(B) legislative appropriations; and

(C) money deposited under Section 155.2415, Tax Code.

(b) Money in the account may not be appropriated for any purpose except:

(1) to provide loan repayment assistance to eligible physicians under this subchapter; or

(2) to provide loan repayment assistance under Subchapter JJ if reallocated under Section 61.9826.

(c) Money deposited to the credit of the account under Section 61.5392 may be used only to provide loan repayment assistance to physicians who establish eligibility for the assistance under Section

61.532(a)(4)(A) or (b).

Added by Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 8, eff. September 1, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 4, eff. September 1, 2013.
Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 5, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 10, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.002(4), eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1245 (H.B. 2396), Sec. 1, eff. June 20, 2015.

Sec. 61.5392. FEDERAL MATCHING FUNDS. (a) For the purposes of this subchapter, the Health and Human Services Commission shall seek any federal matching funds that are available for the purposes of this section.

(b) Any amount received under Subsection (a) shall be transferred to the comptroller to be deposited in the physician education loan repayment program account established under Section 61.5391. Section 403.095, Government Code, does not apply to any amount deposited under this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1015 (H.B. 2550), Sec. 6, eff. September 1, 2013.

Sec. 61.540. LOAN REPAYMENT ASSISTANCE UNDER FORMER LAW; SAVING PROVISION. (a) This subsection applies only to a person who entered into a written agreement to perform service as a physician in exchange for loan repayment assistance under this subchapter before September 1, 2003. The agreement continues in effect and this subchapter, as it existed when the person entered into the agreement, is continued in effect for purposes of that agreement until the person satisfies all the conditions of the agreement or repays all amounts due under the agreement if the person does not satisfy the conditions of the agreement.

(b) A person receiving loan repayment assistance under this subchapter immediately before the effective date of the amendments made to this subchapter by the 81st Legislature, Regular Session, 2009, may continue to receive loan repayment assistance under this subchapter, as this subchapter applied to the person immediately before the effective date of those amendments, until the person is no longer eligible for loan repayment assistance under this subchapter, as this subchapter existed on that date, and the former law is continued in effect for that purpose.

(c) A person to whom this section applies is not eligible to receive repayment assistance under another provision of this subchapter.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 24, eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 285 (H.B. 2154), Sec. 9, eff. September 1, 2009.

SUBCHAPTER K. REPAYMENT OF CERTAIN MENTAL HEALTH PROFESSIONAL EDUCATION LOANS

Sec. 61.601. DEFINITION. In this subchapter, "mental health professional" means:

(1) a licensed physician who is:

(A) a graduate of an accredited psychiatric residency training program; or

(B) certified in psychiatry by:

(i) the American Board of Psychiatry and Neurology; or

(ii) the American Osteopathic Board of Neurology and Psychiatry;

(2) a psychologist, as defined by Section 501.002, Occupations Code;

(3) a licensed professional counselor, as defined by Section 503.002, Occupations Code;

(4) an advanced practice registered nurse, as defined by Section 301.152, Occupations Code, who holds a nationally recognized board certification in psychiatric or mental health nursing; and

(5) a licensed clinical social worker, as defined by Section 505.002, Occupations Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.602. REPAYMENT AUTHORIZED. If the legislature appropriates funds for purposes of this subchapter, the board shall establish a program to provide, in accordance with this subchapter and rules of the board, assistance in the repayment of student loans for mental health professionals who apply and qualify for the assistance.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.603. ELIGIBILITY. (a) To be eligible to receive repayment assistance under this subchapter, a mental health professional must:

(1) apply to the board;

(2) have completed one, two, three, four, or five consecutive years of practice in a mental health professional shortage area designated by the Department of State Health Services; and

(3) provide mental health services in this state to:

(A) recipients under the medical assistance program authorized by Chapter 32, Human Resources Code;

(B) enrollees under the child health plan program authorized by Chapter 62, Health and Safety Code; or

(C) persons committed to a secure correctional facility operated by or under contract with the Texas Juvenile Justice Department or persons confined in a secure correctional facility operated by or under contract with any division of the Texas Department of Criminal Justice.

(b) In addition to satisfying the requirements under Subsection (a), for a licensed physician to be eligible to receive repayment assistance under this subchapter after the physician's third consecutive year of practice described under Subsection (a)(2), the physician must be certified in psychiatry by:

(1) the American Board of Psychiatry and Neurology; or

(2) the American Osteopathic Board of Neurology and

Psychiatry.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.604. LIMITATIONS. (a) A mental health professional may receive repayment assistance under this subchapter for not more than five years.

(b) Not more than 10 percent of the number of repayment assistance grants paid under this subchapter each year may be awarded to mental health professionals providing mental health services described by Section 61.603(a)(3)(C).

(c) Not more than 30 percent of the number of repayment assistance grants paid under this subchapter each year may be awarded to mental health professionals in any one of the professions listed in Section 61.601.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.605. ELIGIBLE LOANS. (a) The board may provide repayment assistance under this subchapter for the repayment of any student loan for education at an institution of higher education, a private or independent institution of higher education, or a public or private out-of-state institution of higher education accredited by a recognized accrediting agency, including loans for undergraduate education, received by an eligible person through any lender.

(b) The board may not provide repayment assistance for a student loan that is in default at the time of the person's application.

(c) In each state fiscal biennium, the board shall attempt to allocate all funds appropriated to the board for the purpose of providing loan repayment assistance under this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.606. REPAYMENT. (a) The board shall deliver any

repayment under this subchapter in a lump sum payable:

(1) to both the lender or other holder of the loan and the mental health professional; or

(2) directly to the lender or other holder of the loan on the mental health professional's behalf.

(b) A repayment under this subchapter may be applied to any amount due in connection with the loan.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.607. AMOUNT OF REPAYMENT ASSISTANCE. (a) A mental health professional may receive repayment assistance under this subchapter for each year the mental health professional establishes eligibility for the assistance in an amount determined by applying the following applicable percentage to the maximum total amount of assistance allowed for the mental health professional under Subsection (b):

(1) for the first year, 10 percent;

(2) for the second year, 15 percent;

(3) for the third year, 20 percent;

(4) for the fourth year, 25 percent; and

(5) for the fifth year, 30 percent.

(b) The total amount of repayment assistance received by a mental health professional under this subchapter may not exceed:

(1) $160,000, for assistance received by a licensed physician;

(2) $80,000, for assistance received by:

(A) a psychologist;

(B) a licensed clinical social worker, if the social worker has received a doctoral degree related to social work; or

(C) a licensed professional counselor, if the counselor has received a doctoral degree related to counseling;

(3) $60,000, for assistance received by an advanced practice registered nurse; and

(4) $40,000, for assistance received by a licensed clinical social worker or a licensed professional counselor who is not described by Subdivision (2).

(c) The total amount of repayment assistance provided under

this subchapter may not exceed the sum of:

(1) the total amount of gifts and grants accepted by the board for the repayment assistance;

(2) legislative appropriations for the repayment assistance; and

(3) other funds available to the board for the repayment assistance.

(d) The board may adjust in an equitable manner the distribution amounts that mental health professionals would otherwise receive under Subsection (a) for a year as necessary to comply with Subsection (c).

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.608. RULES. (a) The board shall adopt rules necessary to administer this subchapter.

(b) The board shall distribute to each institution of higher education or private or independent institution of higher education and to any appropriate state agency and professional association copies of the rules adopted under this section and other pertinent information relating to this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

Sec. 61.609. SOLICITATION AND ACCEPTANCE OF FUNDS. The board may solicit and accept gifts and grants from any public or private source for the purposes of this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 322 (S.B. 239), Sec. 1, eff. September 1, 2015.

SUBCHAPTER L. FINANCIAL AID FOR PROFESSIONAL NURSING STUDENTS AND VOCATIONAL NURSING STUDENTS AND LOAN REPAYMENT PROGRAM FOR CERTAIN NURSES

Sec. 61.651. DEFINITIONS. In this subchapter:

(1) "Professional nursing student" means a student enrolled

in an institution of higher education or a private or independent institution of higher education in a course of study leading to an initial or an advanced degree in professional nursing.

(2) "Vocational nursing student" means a student enrolled in a nonprofit school or program that is preparing the student for licensure as a licensed vocational nurse.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989. Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 5, eff. Sept. 1, 2001.

Sec. 61.652. SCHOLARSHIP PROGRAM. The Texas Higher Education Coordinating Board shall establish and administer, using funds appropriated for that purpose and in accordance with this subchapter and board rules, a scholarship program for professional nursing students and vocational nursing students.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989.

Sec. 61.653. MATCHING FUND PROGRAM. The board shall establish and administer, using funds appropriated for that purpose and in accordance with this subchapter and board rules, a matching fund program under which a person may sponsor a professional nursing student or a vocational nursing student by contributing to the costs of the student's education and having that contribution matched in whole or in part by state funds appropriated for that purpose.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989. Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 6, eff. Sept. 1, 2001.

Sec. 61.654. LOAN REPAYMENT PROGRAM. The board shall establish and administer, using funds appropriated for that purpose and in accordance with this subchapter and board rules, an educational loan repayment program for registered nurses and licensed vocational nurses.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989.

Sec. 61.655. PURPOSE; ELIGIBILITY. (a) A scholarship program, matching fund program, or loan repayment program established under this subchapter shall be established and administered in a manner that the board determines best promotes the health care and educational needs of this state.

(b) The board may establish multiple categories of persons to receive scholarships, matching funds, and loan repayments. The board may include faculty from professional nursing programs with master's degrees or doctorates among the categories of persons authorized to receive loan repayments.

(c) Each year funds are available, the board shall establish the categories of persons eligible to receive scholarships, matching funds, and loan repayments and the criteria for selecting persons to be assisted under each category. The criteria may include:

(1) scholastic ability and performance;

(2) financial need;

(3) the geographical area in which the person is likely to practice;

(4) whether the person receives Aid to Families with Dependent Children or participates in another public welfare program;

(5) employment by a state agency;

(6) employment on a nursing school faculty or a person's intention to seek employment on a nursing school faculty;

(7) whether the person is practicing in a geographical area, a practice setting, or an area of practice with an acute nursing shortage or is likely to practice in such an area;

(8) the type of certificate or academic degree held or pursued; or

(9) any additional factors the board considers relevant to promoting the health care and educational needs of the state.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989. Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 7, eff. Sept. 1, 2001.

Sec. 61.656. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter.

(b) The board shall adopt rules relating to the establishment of the scholarship program under Section 61.652 of this code, including rules providing eligibility criteria and the maximum amount of any scholarship, and rules relating to the establishment and administration of the loan repayment program under Section 61.654 of this code, including rules providing eligibility criteria and the maximum amount of loan repayment available.

(c) The board shall adopt rules relating to the establishment and administration of the matching fund program under Section 61.653, including rules providing:

(1) eligibility criteria for sponsors and for students;

(2) the minimum and maximum sponsor contributions that will be matched;

(3) conflict resolution procedures for resolving disputes between the sponsor and the student; and

(4) a standard agreement for use by the sponsor and the student

(d) The board shall distribute information about the scholarship program, matching fund program, and loan repayment program established under this subchapter to:

(1) employers of registered nurses or licensed vocational nurses;

(2) associations of employers;

(3) schools and educational programs for registered nurses or licensed vocational nurses; and

(4) professional associations of registered nurses or licensed vocational nurses.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989. Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 8, eff. Sept. 1, 2001.

Sec. 61.657. ADVISORY COMMITTEES. (a) The board shall appoint a 10-member advisory committee to advise the board concerning assistance provided under this subchapter to professional nursing students. The advisory committee consists of:

(1) a chair named by the board;

(2) one representative named by the Texas Nurses Association;

(3) one representative named by the Texas Organization of Nurse Executives;

(4) one representative named by the Texas Board of Nursing;

(5) a head of each of the three types of professional nursing educational programs, named by the deans and directors of nursing programs in this state;

(6) a representative of graduate nursing education named by the deans and directors of nursing programs in this state;

(7) one representative named by the Texas Health Care Association; and

(8) one representative named by the Texas Association of Homes for the Aging.

(b) The board shall appoint an eight-member advisory committee to advise the board concerning assistance provided under this subchapter to vocational nursing students. The advisory committee consists of:

(1) a chair named by the board;

(2) one representative named by the Licensed Vocational Nurses Association of Texas;

(3) one representative named by the Texas Organization of Nurse Executives;

(4) one representative named by the Texas Board of Nursing;

(5) two representatives of vocational nursing educational programs named by the Texas Association of Vocational Nurse Educators;

(6) one representative named by the Texas Health Care Association; and

(7) one representative named by the Texas Association of Homes for the Aging.

(c) The costs of participation on an advisory committee of a member representing a particular organization or agency shall be borne by that member or the organization or agency the member represents.

(d) In addition to any other duties assigned by the board, each advisory committee shall specifically advise the board on:

(1) how the scholarship, matching fund, and loan repayment programs provided for under this subchapter should be established and administered to best promote the health care and educational needs of this state;

(2) any priorities of emphasis among the scholarship,

matching fund, and loan repayment programs;

(3) the amount of money needed to adequately fund the scholarship, matching fund, and loan repayment programs; and

(4) any priorities among the factors identified by Section 61.655(b) of this code.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989.
Amended by Acts 2003, 78th Leg., ch. 553, Sec. 2.002, eff. Feb. 1, 2004.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 51, eff. September 1, 2007.

Sec. 61.658. FUNDING. (a) In addition to funds appropriated by the legislature, the board may accept gifts, grants, and donations of real or personal property from any individual, group, association, or corporation or the United States, subject to limitations or conditions set by law, for the purposes of this subchapter.

(b) The board may structure the scholarship program, the matching fund program, and the loan repayment program established under this subchapter to secure funds available under federal matching programs.

Added by Acts 1989, 71st Leg., ch. 1262, Sec. 2, eff. June 18, 1989.
Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 9, eff. Sept. 1, 2001.

Sec. 61.659. ADMINISTRATIVE COSTS. A reasonable amount, not to exceed 10 percent, of the funds appropriated by the legislature to fund the programs established under this subchapter, may be used by the board to pay administrative costs of operating the programs.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 10, eff. Sept. 1, 2001.

SUBCHAPTER M. REPAYMENT OF CERTAIN TEACHER AND FACULTY EDUCATION LOANS

Sec. 61.701. REPAYMENT AUTHORIZED. The board may provide, in accordance with this subchapter and board rules, assistance in the

repayment of student loans for persons who apply and qualify for the assistance.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 627, Sec. 2, eff. Sept. 1, 1993; Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999.

Sec. 61.702. ELIGIBILITY FOR CLASSROOM TEACHER REPAYMENT ASSISTANCE. (a) To be eligible to receive repayment assistance for classroom teachers, a person must apply to the board and must:

(1) have completed at least one year of employment as a full-time classroom teacher at the preschool, primary, or secondary level in a public school in this state in an area or field of acute teacher shortage as designated by the commissioner of education; and

(2) be employed as a full-time classroom teacher at the preschool, primary, or secondary level in a public school in this state in an area or field described by Subdivision (1).

(b) A person is not eligible for repayment assistance for classroom teachers under this subchapter if the person has received a Teach for Texas grant or other financial assistance under Subchapter O, Chapter 56, or under former Section 56.309.

(c) The board shall give priority in granting repayment assistance for classroom teachers to a person who received repayment assistance for classroom teachers for the preceding school year. The priority terminates if the person does not apply for or is not eligible for that assistance. In extraordinary circumstances, the board may allow a person to maintain the priority after one or more years in which the person is unable to teach as a classroom teacher.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1261, Sec. 8, eff. June 15, 2001.

Sec. 61.7021. ELIGIBILITY FOR BORDER INSTITUTION FACULTY REPAYMENT ASSISTANCE. To be eligible to receive repayment assistance for border institution faculty, a person must apply to the board and must:

(1) have received a doctoral degree not earlier than September 1, 1994, from a public or private institution of higher education accredited as required by the board; and

(2) be employed as a full-time faculty member with instructional duties in an institution of higher education located in a county that borders the United Mexican States.

Added by Acts 2001, 77th Leg., ch. 1261, Sec. 8, eff. June 15, 2001.

Sec. 61.703. LIMITATION. A person may not receive repayment assistance grants for more than 10 years.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999.

Sec. 61.704. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any student loan for education at a public or private institution of higher education, including loans for undergraduate and graduate education, received by a person through any lender.

(b) The board may not provide repayment assistance for a student loan that is in default at the time of the person's application.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999.

Sec. 61.705. REPAYMENT. (a) The board shall deliver any repayment made under this subchapter in a lump sum payable to the lender and the person, in accordance with federal law.

(b) A repayment made under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

(c) The minimum amount of repayment assistance that may be awarded in one year to a person who qualifies for the assistance under Section 61.702 is the lesser of:

(1) $1,000; or

(2) the amount of principal and accrued interest that is due on eligible loans in that year.

(d) A person may not receive repayment assistance for classroom teachers under this subchapter in a total amount that exceeds $5,000, and may not receive that repayment assistance for more than five years.

(e) The minimum amount of repayment assistance that may be awarded in one year to a person who qualifies for the assistance under Section 61.7021 is 50 percent of the amount of principal and accrued interest that is due on eligible loans that year.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 627, Sec. 3, eff. Sept. 1, 1993; Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1261, Sec. 9, eff. June 15, 2001.

Sec. 61.706. ADVISORY COMMITTEES. The board may appoint advisory committees from outside the board's membership to assist the board in performing its duties under this subchapter.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999.

Sec. 61.707. ACCEPTANCE OF FUNDS. The board may solicit and accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999.

Sec. 61.708. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter, including a rule that sets a maximum amount of repayment assistance that may be received in one year by a person who qualifies for the assistance under Section 61.7021.

(b) The board shall distribute a copy of the rules adopted

under this section and pertinent information in this subchapter to:

(1) each institution of higher education that offers a teacher education program;

(2) the personnel office at each institution of higher education located in a county that borders the United Mexican States;

(3) any other appropriate state agency; and

(4) any appropriate professional association.

Added by Acts 1989, 71st Leg., ch. 1084, Sec. 1.30, eff. Sept. 1, 1989. Amended by Acts 1999, 76th Leg., ch. 1590, Sec. 10, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 1261, Sec. 10, eff. June 15, 2001.

SUBCHAPTER O. CONTRACTS WITH TEXAS CHIROPRACTIC COLLEGE AND PARKER COLLEGE OF CHIROPRACTIC

Sec. 61.771. DEFINITIONS. In this subchapter:

(1) "Texas resident" means a person entitled to pay resident tuition under Subchapter B, Chapter 54, of this code.

(2) "Undergraduate chiropractic student" means a person enrolled at an institution of higher education for a regular schedule of courses in pursuit of a Doctor of Chiropractic degree.

Added by Acts 1993, 73rd Leg., ch. 146, Sec. 1, eff. Aug. 30, 1993.

Sec. 61.772. CONTRACTS WITH TEXAS CHIROPRACTIC COLLEGE AND PARKER COLLEGE OF CHIROPRACTIC. The board may contract with Texas Chiropractic College and Parker College of Chiropractic for the preparation or instruction of Texas resident undergraduate chiropractic students as doctors of chiropractic.

Added by Acts 1993, 73rd Leg., ch. 146, Sec. 1, eff. Aug. 30, 1993. Amended by Acts 1997, 75th Leg., ch. 86, Sec. 1, eff. May 15, 1997.

Sec. 61.773. ADOPTION AND DISTRIBUTION OF RULES. (a) The board may adopt rules to administer this subchapter.

(b) The board shall distribute to each state medical school copies of all rules adopted under this subchapter.

Added by Acts 1993, 73rd Leg., ch. 146, Sec. 1, eff. Aug. 30, 1993.

SUBCHAPTER P-1. ENGINEERING RECRUITMENT PROGRAMS

Sec. 61.791. ENGINEERING SUMMER PROGRAM. (a) The board shall establish and administer, using funds appropriated for that purpose, a one-week summer program to take place on the campus of each general academic teaching institution or private or independent institution of higher education that offers an engineering degree program. The summer program must be designed for middle and high school students and to expose those students to math, science, and engineering concepts that a student in an engineering degree program may encounter.

(b) The board by rule shall establish the requirements for admission to a summer program established under this section. In adopting rules under this subsection, the board must consider the demographics of the state and adopt rules that encourage the program to enroll students in the program that reflect the demographics of the state. The governing board of each institution to which this section applies shall cooperate with the board in administering this section.

Redesignated from Education Code, Subchapter Q, Chapter 61 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(10), eff. September 1, 2011.

Sec. 61.792. ENGINEERING SCHOLARSHIP PROGRAM. (a) The board shall establish and administer, using funds appropriated for that purpose, scholarships for students pursuing a degree in engineering at a general academic teaching institution or a private or independent institution of higher education.

(b) To qualify for a scholarship under this section, a student must:

(1) have graduated with a grade point average in the top 20 percent of the student's high school graduating class;

(2) have graduated from high school with a grade point average of at least 3.5 on a four-point scale or the equivalent in mathematics and science courses offered under the foundation high school program under Section 28.025; and

(3) maintain an overall grade point average of at least 3.0 on a four-point scale at the general academic teaching institution or the private or independent institution of higher education in which the student is enrolled.

(c) The board shall adopt rules as necessary for the administration of this section, including rules providing for the determination of the amount of each scholarship.

Redesignated from Education Code, Subchapter Q, Chapter 61 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(10), eff. September 1, 2011.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 70(a), eff. June 10, 2013.

Sec. 61.793. FUNDING. The board shall administer this subchapter using available appropriations and gifts, grants, and donations made for the purposes of this subchapter.

Redesignated from Education Code, Subchapter Q, Chapter 61 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(10), eff. September 1, 2011.

SUBCHAPTER Q. TEXAS PARTNERSHIP AND SCHOLARSHIP PROGRAM

Sec. 61.806. AWARD OF FINANCIAL ASSISTANCE; PARTNERSHIP PROGRAM.

(c) An eligible entity must make application to the board to receive financial assistance under this subchapter. An application must demonstrate that the program contains the following elements:

(1) involvement of public school officials, teachers, and school counselors in identifying and selecting students in elementary school for participation in the partnership program during the elementary and secondary school grades;

(2) criteria for the selection of program participants that include consideration of:

(A) whether the student has a high risk of dropping out of school as measured by academic performance, attendance, discipline problems, and other factors affecting school performance, including

teenage pregnancy or parenting, substance abuse, child abuse or neglect, or limited English proficiency; and

(B) whether the student is a low-income student as defined by board rule;

(3) academic and counseling support services for program participants;

(4) involvement of parents and community volunteers to the extent possible; and

(5) an evaluation component that includes follow-up relating to the academic performance of program participants during secondary school and the program participants' plans concerning college attendance.

(d) If financial assistance is awarded to an eligible entity that is not a school district, the application must include a description of the frequency and manner of involvement of the public schools and school personnel, especially teachers and school counselors, with the partnership program.

Redesignated from Education Code, Subchapter P, Chapter 61 by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 27.001(9), eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 38, eff. June 14, 2013.

SUBCHAPTER S. TRANSFER OF CREDIT

Sec. 61.821. DEFINITIONS. In this subchapter:

(1) "Core curriculum" means the curriculum in liberal arts, humanities, and sciences and political, social, and cultural history that all undergraduate students of an institution of higher education are required to complete before receiving an academic undergraduate degree.

(2) "Field of study curriculum" means a set of courses that will satisfy the lower division requirements for a bachelor's degree in a specific academic area at a general academic teaching institution.

(3) "Faculty member" means a person who is employed full-time by an institution of higher education as a member of the faculty whose primary duties include teaching, research, academic service, or

administration. However, the term does not include a person holding faculty rank who spends a majority of the person's time for the institution engaged in managerial or supervisory activities, including a chancellor, vice chancellor, president, vice president, provost, associate or assistant provost, or dean.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997. Amended by Acts 1999, 76th Leg., ch. 1584, Sec. 1, eff. June 19, 1999.

Sec. 61.822. TRANSFER OF CREDITS; CORE CURRICULUM. (a) The board shall encourage the transferability of lower division course credit among institutions of higher education.

(a-1) The board, with the assistance of advisory committees composed of representatives of institutions of higher education, shall develop a recommended core curriculum of at least 42 semester credit hours, including a statement of the content, component areas, and objectives of the core curriculum. At least a majority of the members of any advisory committee named under this section shall be faculty members of an institution of higher education. An institution shall consult with the faculty of the institution before nominating or recommending a person to the board as the institution's representative on an advisory committee.

(b) Each institution of higher education shall adopt a core curriculum of no less than 42 semester credit hours, including specific courses comprising the curriculum. The core curriculum shall be consistent with the common course numbering system approved by the board and with the statement, recommendations, and rules issued by the board. An institution may have a core curriculum of other than 42 semester credit hours only if approved by the board.

(c) If a student successfully completes the 42-hour core curriculum at an institution of higher education, that block of courses may be transferred to any other institution of higher education and must be substituted for the receiving institution's core curriculum. A student shall receive academic credit for each of the courses transferred and may not be required to take additional core curriculum courses at the receiving institution unless the board has approved a larger core curriculum at the institution.

(d) A student who transfers from one institution of higher

education to another without completing the core curriculum of the sending institution shall receive academic credit from the receiving institution for each of the courses that the student has successfully completed in the core curriculum of the sending institution. Following receipt of credit for these courses, the student may be required to satisfy further course requirements in the core curriculum of the receiving institution.

(e) The governing board of a general academic teaching institution that offers a joint baccalaureate degree program under a contract with a foreign college or university may, in consultation with the foreign college or university, identify and approve courses offered by the foreign college or university that are equivalent to, and may substitute for, courses in the core curriculum of a student enrolled in the joint degree program who is considered to be primarily a student of the general academic teaching institution.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997. Amended by Acts 1999, 76th Leg., ch. 1584, Sec. 2, eff. June 19, 1999; Acts 2003, 78th Leg., ch. 820, Sec. 25, eff. Sept. 1, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 539 (S.B. 1051), Sec. 3, eff. June 16, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 48, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 49, eff. September 1, 2013.

Sec. 61.823. FIELD OF STUDY CURRICULUM. (a) The board, with the assistance of advisory committees composed of representatives of institutions of higher education, shall develop field of study curricula. Each advisory committee shall be equitably composed of representatives of institutions of higher education. Each university system or institution of higher education which offers a degree program for which a field of study curriculum is proposed shall be offered participation on the advisory committee for that particular field of study. At least a majority of the members of any advisory committee named under this section shall be faculty members of an institution of higher education. An institution shall consult with the faculty of the institution before nominating or recommending a

person to the board as the institution's representative on an advisory committee.

(b) If a student successfully completes a field of study curriculum developed by the board, that block of courses may be transferred to a general academic teaching institution and must be substituted for that institution's lower division requirements for the degree program for the field of study into which the student transfers, and the student shall receive full academic credit toward the degree program for the block of courses transferred.

(c) A student who transfers from one institution of higher education to another without completing the field of study curriculum of the sending institution shall receive academic credit from the receiving institution for each of the courses that the student has successfully completed in the field of study curriculum of the sending institution. Following receipt of credit for these courses, the student may be required to satisfy further course requirements in the field of study curriculum of the receiving institution.

(d) In developing field of study curricula, the board shall pursue a management strategy that maximizes efficiency, including a management strategy that provides for the decentralization of advisory committees to enable concurrent development of curricula for different fields of study.

(e) The board, with the assistance of an appropriate advisory committee, shall periodically review each field of study curriculum to ensure alignment with student interest and academic and industry needs.

(f) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(21), eff. June 17, 2011.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997. Amended by Acts 1999, 76th Leg., ch. 1584, Sec. 3, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 841, Sec. 1, eff. June 14, 2001. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(21), eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 320 (H.B. 2628), Sec. 1, eff. September 1, 2015.

Sec. 61.8235. CAREER AND TECHNICAL EDUCATION PROGRAM OF STUDY

CURRICULA. (a) The board, with the assistance of institutions of higher education, career and technical education experts, and college and career readiness experts, shall establish alignment between the college and career readiness standards and the knowledge, skills, and abilities students are expected to demonstrate in career and technical education by establishing programs of study that:

(1) incorporate rigorous college and career readiness standards, including career and technical education standards that address both academic and technical content;

(2) support attainment of employability and career readiness skills;

(3) progress in content specificity by beginning with all aspects of an industry or career cluster and leading to more occupationally specific instruction or by preparing students for ongoing postsecondary career preparation;

(4) incorporate multiple entry and exit points with portable demonstrations of technical or career competency, which may include credit transfer agreements or industry-recognized certifications; and

(5) culminate in the attainment of:

(A) an industry-recognized certification, credential, or license;

(B) a registered apprenticeship or credit-bearing postsecondary certificate; or

(C) an associate or baccalaureate degree.

(b) The board, with the assistance of advisory committees composed of representatives of secondary education, postsecondary education, business and industry, other state agencies or licensing bodies, and other career and technical education experts, shall develop career and technical education program of study curricula. Each advisory committee shall have at least one representative from each identified group. The advisory committees shall identify the knowledge, skills, and abilities required to prepare students for high-skill, high-wage jobs in high-demand occupations.

(c) In developing program of study curricula under Subsection (b), the board shall pursue a management strategy that maximizes efficiency, including a management strategy that provides for the decentralization of advisory committees to enable concurrent development of curricula for different programs of study.

(d) The board may partner with the Texas Education Agency, the

Texas Workforce Commission, and other state agencies to develop programs of study under this section.

(e) A program of study established under this section must:

(1) focus on the current and future needs of employers in this state;

(2) clearly define career pathways with logical entry and exit points for students;

(3) indicate the types of careers and the names of certifications or licenses aligned to the program of study;

(4) provide for students who begin a program of study at a public junior college, public state college, or public technical institute to transfer to another public junior college, public state college, or public technical institute without having to repeat classes or incur significant interruption of their ability to progress through the program of study;

(5) be designed to meet the needs of business and industry with a high degree of commonality across the state;

(6) align with the college and career readiness standards; and

(7) be revised on a reoccurring schedule, not to exceed once every five years, to ensure the programs of study remain current and relevant to the needs of business and industry.

(f) A student enrolled in a board-established program of study who transfers from a public junior college, public state college, or public technical institute to another public junior college, public state college, or public technical institute that offers a similar program, regardless of whether the institution has adopted the board-established program of study, shall receive academic credit from the institution to which the student transferred for each of the courses that the student has successfully completed in the program of study curriculum. Unless otherwise required by the Commission on Colleges of the Southern Association of Colleges and Schools, the student may complete the program of study at the institution to which the student transferred by completing only the remaining number of semester credit hours the student would need to complete the program of study at the institution from which the student transferred.

(g) The board, the Texas Education Agency, and the Texas Workforce Commission may adopt rules as necessary for the administration of this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 320 (H.B. 2628), Sec. 2, eff. September 1, 2015.

Sec. 61.824. INSTITUTIONAL EVALUATIONS. Each institution shall review and evaluate the institution's core curriculum and applicable field of study curricula at intervals specified by the board and shall report the results of that review to the board.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.825. BOARD EVALUATIONS. The board shall develop criteria to evaluate the transfer practices of each institution of higher education and shall evaluate the transfer practices of each institution based on those criteria.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.826. DISPUTE RESOLUTION. (a) The board by rule shall adopt procedures to be followed by:

(1) institutions of higher education in resolving disputes concerning the transfer of lower division course credit; and

(2) the commissioner of higher education or the commissioner's designee in making a final determination concerning transfer of the course credit if the transfer is in dispute.

(b) Each institution of higher education shall publish in its course catalogs the procedures adopted by the board under Subsection (a).

(c) If an institution of higher education does not accept course credit earned by a student at another institution of higher education, that institution shall give written notice to the student and the other institution that the transfer of the course credit is denied. The two institutions and the student shall attempt to resolve the transfer of the course credit in accordance with board rules. If the transfer dispute is not resolved to the satisfaction of the student or the institution at which the credit was earned within 45 days after the date the student received written notice of the denial, the institution that denies the transfer of the course credit shall notify the commissioner of higher education of its

denial and the reasons for the denial.

(d) The commissioner of higher education or the commissioner's designee shall make the final determination about a dispute concerning the transfer of course credit and give written notice of the determination to the involved student and institutions.

(e) The board shall collect data on the types of transfer disputes that are reported and the disposition of each case that is considered by the commissioner of higher education or the commissioner's designee.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.827. RULES. The board is authorized to adopt rules implementing the provisions of this subchapter.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.828. CONCURRENTLY ENROLLED STUDENTS. A student concurrently enrolled at more than one institution of higher education shall follow the core curriculum or the field of study curriculum of the institution in which the student is classified as a degree-seeking student.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.829. EFFECT ON OTHER POLICIES. This subchapter does not affect the authority of an institution of higher education to adopt its own admission standards in compliance with this title or its own grading policies.

Added by Acts 1997, 75th Leg., ch. 1016, Sec. 1, eff. June 19, 1997.

Sec. 61.830. PUBLICATION OF GUIDELINES ADDRESSING TRANSFER PRACTICES. In its course catalogs and on its website, each institution of higher education shall publish guidelines addressing the practices of the institution regarding the transfer of course credit. In the guidelines, the institution must identify a course by

using the common course numbering system approved by the board.

Added by Acts 2001, 77th Leg., ch. 841, Sec. 2, eff. June 14, 2001. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 26, eff. Sept. 1, 2003.

Sec. 61.831. PURPOSE OF SUBCHAPTER. The purpose of this subchapter is to develop a seamless system of higher education with respect to student transfers between institutions of higher education, including student transfers from public junior colleges to general academic teaching institutions.

Added by Acts 2001, 77th Leg., ch. 841, Sec. 2, eff. June 14, 2001.

Sec. 61.832. COMMON COURSE NUMBERING SYSTEM. (a) The board shall approve a common course numbering system for lower-division courses to facilitate the transfer of those courses among institutions of higher education by promoting consistency in course designation and identification.

(b) The board may approve only a common course numbering system already in common use in this state by institutions of higher education.

(c) The board shall cooperate with institutions of higher education in any additional development or alteration of the common course numbering system, including the taxonomy to be used, and in the development of rules for the administration and applicability of the system.

(d) An institution of higher education shall include in its course listings the applicable course numbers from the common course numbering system approved by the board under this section. For good cause, the board may grant to an institution of higher education an exemption from the requirements of this subsection.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 27, eff. Sept. 1, 2003.

Sec. 61.833. CREDIT TRANSFER FOR ASSOCIATE DEGREE. (a) In this section,

(1) "lower-division institution of higher education" means

a public junior college, public state college, or public technical institute; and

(2) "reverse transfer data sharing platform" means:

(A) the National Student Clearinghouse; or

(B) a similar national electronic data sharing and exchange platform operated by an agent of the institution that meets nationally accepted standards, conventions, and practices.

(b) Subsection (c) applies to a student enrolled in a general academic teaching institution who:

(1) transferred to the institution from or previously attended a lower-division institution of higher education;

(2) earned at least 30 credit hours for course work successfully completed at the lower-division institution of higher education;

(3) has earned a cumulative total of at least 66 credit hours for course work successfully completed; and

(4) has not submitted a signed consent form by the method described in Section 51.9715(a).

(c) As soon as practicable after a student who is enrolled in a general academic teaching institution has met the criteria established by Subsection (b)(3), the institution by e-mail or other reasonable method shall request authorization from the student for the institution to release the student's academic course, grade, and credit information to each lower-division institution of higher education that the student previously attended or to a reverse transfer data sharing platform for the purpose of determining whether the student has earned the credits required for an associate degree awarded by a lower-division institution of higher education. On receipt of a student's authorization under this subsection, the general academic teaching institution shall release the student's academic course, grade, and credit information to the lower-division institution of higher education or to a reverse transfer data sharing platform.

(c-1) After a student who has submitted a signed consent form by the method described in Section 51.9715(a) completes a semester or term at a general academic teaching institution, the institution by the method described in Section 51.9715(b) shall release the student's academic course, grade, and credit information to a lower-division institution of higher education that the student previously attended for the purpose of determining whether the student has

earned the credits required for an associate degree awarded by the lower-division institution of higher education.

(d) After receiving student information from a general academic teaching institution under Subsection (c) or Subsection (c-1), a lower-division institution of higher education shall review the information and, if the lower-division institution of higher education determines the student has earned the credits required to receive an associate degree awarded by the lower-division institution of higher education, may award the student the degree.

(e) Nothing in this section affects the ability of a lower-division institution of higher education to determine the course work required to earn an associate degree awarded by that institution.

(f) Annually, each lower-division institution of higher education shall produce a report recording the number of degrees awarded by the institution in the previous academic year under this section. An institution shall:

(1) make the report publicly available; and

(2) submit the information to a reverse transfer data sharing platform.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1038 (H.B. 3025), Sec. 2, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 529 (S.B. 498), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 635 (S.B. 1714), Sec. 2, eff. June 16, 2015.

SUBCHAPTER T. TECH-PREP EDUCATION

Sec. 61.851. DEFINITIONS. In this subchapter:

(1) "Articulation agreement" means a written commitment between the participants in a tech-prep consortium to a program designed to provide students with a nonduplicative sequence of progressive achievement leading to degrees or certificates in a tech-prep education program.

(2) "Junior college" means an institution of higher education that awards associate degrees as provided by Chapter 130.

(3) "Tech-prep consortium" means a regional collaboration of school districts, institutions of higher education, businesses,

labor organizations, and other participants to work together to effectively implement a regional tech-prep program.

(4) "Technical college" means a campus of the Texas State Technical College System established under Chapter 135.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.

Sec. 61.852. TECH-PREP PROGRAM. (a) A tech-prep program is a program of study that:

(1) combines at least two years of secondary education with at least two years of postsecondary education in a nonduplicative, sequential course of study based on the foundation high school program adopted by the State Board of Education under Section 28.025;

(2) integrates academic instruction and vocational and technical instruction;

(3) uses work-based and worksite learning where available and appropriate;

(4) provides technical preparation in a career field such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, health occupations, business, or applied economics;

(5) builds student competence in mathematics, science, reading, writing, communications, economics, and workplace skills through applied, contextual academics and integrated instruction in a coherent sequence of courses;

(6) leads to an associate degree, two-year postsecondary certificate, or postsecondary two-year apprenticeship with provisions, to the extent applicable, for students to continue toward completion of a baccalaureate degree; and

(7) leads to placement in appropriate employment or to further education.

(b) Notwithstanding Subsection (a)(1), a tech-prep consortium is encouraged to include four years of secondary education in a tech-prep program.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 71(a), eff. June 10, 2013.

Sec. 61.853. REGIONAL TECH-PREP CONSORTIA: GOVERNING BOARD; DIRECTOR; FISCAL AGENT. (a) Each regional tech-prep consortium is governed by a governing board composed of private sector and public sector leaders in the ratio agreed to by the participants in the consortium. A consortium at local option may consolidate governing board members and staff with an eligible local entity to achieve administrative efficiencies and operational coordination. The combined entity shall maintain a proper separation of funds and comply with all applicable legal requirements involving the use of separate funds.

(b) The governing board shall determine the policies of the tech-prep consortium in accordance with the consortium's written bylaws. The bylaws must specify the major relationships, decision-making and operational processes, and other significant policies of the consortium, including the procedures for filling vacancies on the governing board.

(c) According to the terms of a written agreement between a governing board and the fiscal agent, a consortium director shall be selected.

(d) The governing board shall select a community college, junior college, technical college, university, regional education service center, independent school district, or other eligible entity to act as the tech-prep consortium's fiscal agent and to provide human resource and business office services for the consortium. The fiscal agent serves under the terms of a written agreement between the governing board and the fiscal agent.

(e) An entity established after January 1, 2005, may not be a tech-prep consortium for purposes of this subchapter unless the entity is established or otherwise formed after that date as a result of an action taken under Subsection (f)(1) or (2).

(f) In accordance with rules adopted by the board, if a tech-prep consortium fails to meet standards established under Section 61.858, that consortium:

(1) may be consolidated with an existing consortium to serve the regions formerly served by both consortia; or

(2) may be abolished and a new consortium may be established to serve the region formerly served by the abolished consortium and to meet the goals of the abolished consortium's tech-prep program.

(g) In adopting rules for purposes of Subsection (f), the board

shall specifically describe:

(1) the type of failure to meet standards that may result in an action being taken under Subsection (f)(1) or (2), including whether an action may result only from a severe or repeated deviation from a standard or from the failure to meet one or more particular standards; and

(2) which action authorized under Subsection (f) may be taken for each type of failure to meet standards.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.
Amended by:
Acts 2005, 79th Leg., Ch. 441 (S.B. 1809), Sec. 1, eff. September 1, 2005.

Sec. 61.854. TECH-PREP CONSORTIUM ALLOTMENT. (a) In each fiscal year, the board, as the agent of the Texas Education Agency, shall allot the federal tech-prep implementation money this state receives to the regional tech-prep consortia for regional administration according to regionally developed plans designed to meet federal, state, and regional goals. The board shall allot the money to tech-prep consortia in accordance with a formula adopted by the board, after a public hearing and in consultation with interested state entities and local consortia, that addresses the differing needs of the consortia due to urban or rural populations, special populations, number of tech-prep programs and students, and other factors determined by the board.

(b) An eligible tech-prep consortium that desires assistance under this section must submit an application to the board on a form prescribed by the board for that purpose. The form must address the formula adopted by the board under Subsection (a).

(c) If a tech-prep consortium has a completed application on file under Subsection (b), the board shall make a payment in the amount of the consortium's allotment under Subsection (a) to the consortium's fiscal agent.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.

Sec. 61.855. GRANTS FOR TECH-PREP EDUCATION. (a) From amounts made available under Section 61.854, the board, in accordance with

this subchapter and with a formula adopted by the board, shall award grants to tech-prep consortia for tech-prep programs described by Subsection (d).

(b) To be eligible for a grant, a tech-prep consortium must be composed of:

(1) a local educational agency, intermediate educational agency, area vocational and technical education school serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

(2) one of the following institutions of higher education:

(A) a nonprofit institution of higher education that offers:

(i) a two-year associate degree program or a two-year certificate program and that is qualified as a junior college or technical college to award associate degrees under Chapter 130 or 135, including an institution receiving assistance under the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. Section 1801 et seq.) and its subsequent amendments as a tribally controlled postsecondary vocational or technical institution; or

(ii) a two-year apprenticeship program that follows secondary instruction, if the nonprofit institution of higher education is not prohibited from receiving assistance under Part B, Title IV, of the Higher Education Act of 1965 (20 U.S.C. Section 1071 et seq.) and its subsequent amendments as provided by Section 435(a) of that Act (20 U.S.C. Section 1085(a)) and its subsequent amendments; or

(B) a proprietary institution of higher education that offers a two-year associate degree program and that:

(i) is qualified as an institution of higher education under Section 102 of the Higher Education Act of 1965 (20 U.S.C. Section 1002) and its subsequent amendments; and

(ii) is not subject to a default management agreement plan required by the United States secretary of education.

(c) In addition to entities described by Subsection (b), a tech-prep consortium may include:

(1) an institution of higher education that awards a baccalaureate degree; and

(2) employers or labor organizations.

(d) A tech-prep program must:

(1) be implemented under an articulation agreement between

the participants in the consortium;

(2) consist of two to four years of secondary school preceding graduation and:

(A) two or more years of higher education; or

(B) two or more years of apprenticeship following secondary instruction;

(3) have a common core of required proficiency based on the foundation high school program adopted by the State Board of Education under Section 28.025, with proficiencies in mathematics, science, reading, writing, communications, and technologies designed to lead to an associate's degree or postsecondary certificate in a specific career field;

(4) include the development of tech-prep program curricula for both secondary and postsecondary participants in the consortium that:

(A) meets academic standards developed by the state;

(B) links secondary schools and two-year postsecondary institutions, and, if practicable, four-year institutions of higher education through nonduplicative sequences of courses in career fields, including the investigation of opportunities for tech-prep students to enroll concurrently in secondary and postsecondary course work;

(C) uses, if appropriate and available, work-based or worksite learning in conjunction with business and all aspects of an industry; and

(D) uses educational technology and distance learning, as appropriate, to involve each consortium participant more fully in the development and operation of programs;

(5) include in-service training for teachers that:

(A) is designed to train vocational and technical teachers to effectively implement tech-prep programs;

(B) provides for joint training for teachers in the tech-prep consortium;

(C) is designed to ensure that teachers and administrators stay current with the needs, expectations, and methods of business and of all aspects of an industry;

(D) focuses on training postsecondary education faculty in the use of contextual and applied curricula and instruction; and

(E) provides training in the use and application of technology;

(6) include training programs for school counselors designed to enable school counselors to more effectively:

(A) provide information to students regarding tech-prep programs;

(B) support student progress in completing tech-prep programs;

(C) provide information on related employment opportunities;

(D) ensure that tech-prep students are placed in appropriate employment; and

(E) stay current with the needs, expectations, and methods of business and of all aspects of an industry;

(7) provide equal access to the full range of tech-prep programs for individuals who are members of special populations, including by the development of tech-prep program services appropriate to the needs of special populations; and

(8) provide for preparatory services that assist participants in tech-prep programs.

(e) A tech-prep consortium that receives a grant under this section must use the money awarded to develop and operate a tech-prep program described in Subsection (d).

(f) A tech-prep program may:

(1) provide for the acquisition of tech-prep program equipment;

(2) acquire technical assistance from state or local entities that have designed, established, and operated tech-prep programs that have effectively used educational technology and distance learning to deliver curricula and services and to develop an articulation agreement; and

(3) establish articulation agreements with institutions of higher education, labor organizations, or businesses located in or out of the region served by the tech-prep consortium, especially with regard to using distance learning and educational technology to provide for the delivery of services and programs.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 72(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 443 (S.B. 715), Sec. 39, eff.

June 14, 2013.

Sec. 61.856. GRANT APPLICATION. (a) Each regional tech-prep consortium that desires to obtain a grant under this subchapter must submit an application to the board at the time and in the manner the board prescribes.

(b) An application under this section must:

(1) contain a five-year plan for the development and implementation of tech-prep programs;

(2) show that the application has been approved by the tech-prep consortium's governing board; and

(3) show that the entity selected as the consortium's fiscal agent has agreed to serve in that capacity.

(c) The board shall approve the application if the application meets the requirements of this section and Section 61.854(b).

(d) The board shall give special consideration to an application for a tech-prep program that:

(1) provides for effective employment placement activities for students or for the transfer of students to baccalaureate degree programs;

(2) is developed in consultation with business, industry, institutions of higher education, and labor organizations;

(3) effectively addresses the issues of school dropout prevention, returning to school after dropping out, and the needs of special populations;

(4) provides education and training in areas or skills in which there are significant workforce shortages, including the information technology industry; and

(5) demonstrates how tech-prep programs may help students achieve high academic and employability competencies.

(e) In awarding grants under this subchapter, the board shall ensure an equitable distribution of assistance between urban and regional consortium participants.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.

Sec. 61.857. REPORT; REVIEW OF FIVE-YEAR PLAN. (a) Each regional tech-prep consortium that receives a grant under this

subchapter shall annually prepare and submit to the board a written report on the effectiveness of the tech-prep programs for which the consortium received assistance. The report must include a description of the manner in which the consortium awarded any subgrants in the region served by the consortium.

(b) After the second year of the five-year plan required under Section 61.856(b)(1), the consortium shall review the plan and make any changes necessary.

Added by Acts 1999, 76th Leg., ch. 1422, Sec. 2, eff. Sept. 1, 1999.

Sec. 61.858. TECH-PREP CONSORTIUM EVALUATION. (a) The board shall develop and implement a statewide system to evaluate each tech-prep consortium. The evaluation must include:

(1) an assessment of the consortium's performance during the past year in comparison to the goals and objectives stated in the five-year plan contained in the consortium's grant application to the board under Section 61.856;

(2) an identification of any concerns the board has regarding the consortium's performance; and

(3) recommendations for improvement by the consortium in the next year.

(b) The board shall evaluate each tech-prep consortium annually. At least once every four years, or more frequently as provided by board rule, the annual evaluation shall be conducted on-site.

(c) Not later than November 1 of each year, the board shall provide a written report to each tech-prep consortium with the results of the evaluation. The report must:

(1) contain the findings, concerns, and recommendations resulting from the evaluation required under Subsections (a) and (b);

(2) communicate to the consortium the results of the board's evaluation, specifically including the elements required by Subsection (a);

(3) identify areas in which the consortium has made improvement or should take steps to improve its performance; and

(4) identify best practices of tech-prep consortia.

Added by Acts 2005, 79th Leg., Ch. 441 (S.B. 1809), Sec. 2, eff. September 1, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 446 (S.B. 1410), Sec. 2, eff. September 1, 2011.

SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, may award a grant in an amount not to exceed $1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The commissioner of higher education, the commissioner of education, the comptroller, and the Texas Workforce Commission shall jointly determine what is considered a high-demand occupation for purposes of this subchapter.

(b) An institution of higher education shall work in partnership with at least one independent school district and a business entity in developing a course for purposes of this section.

(c) A course developed for purposes of this section must:

(1) provide content that enables a student to develop the relevant and critical skills needed to be prepared for employment or additional training in a high-demand occupation;

(2) incorporate college and career readiness skills as part of the curriculum;

(3) be offered for dual credit; and

(4) satisfy a mathematics or science requirement under the foundation high school program as determined under Section 28.025.

(d) An institution of higher education shall periodically review and revise the curriculum for a course developed for purposes of this section to accommodate changes in industry standards for the high-demand occupation.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 73(a), eff. June 10, 2013.

Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, shall establish application criteria for a grant under this subchapter and in making an award shall give priority to courses that:

(1) will prepare students for high-demand, high-wage, and high-skill occupations and further postsecondary study;

(2) may be transferred as college credit to multiple institutions of higher education; and

(3) are developed as part of a sequence of courses that includes statewide availability of the instructional materials and training for the courses at a nominal cost to public educational institutions in this state.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

Sec. 61.863. USE OF FUNDS. An institution of higher education may use funds awarded under this section to develop, in connection with a course described by Section 61.861:

(1) curriculum;

(2) assessments;

(3) instructional materials, including technology-based supplemental materials; or

(4) professional development programs for secondary grade-level teachers teaching a course described by Section 61.861.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

Sec. 61.864. REVIEW OF COURSES. Courses for which a grant is awarded under this subchapter shall be reviewed by the commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, once every four years to determine whether the course:

(1) is being used by public educational institutions in this state;

(2) prepares high school students with the skills necessary for employment in the high-demand occupation and further

postsecondary study; and

(3) satisfies a mathematics or science requirement for the foundation high school program as determined under Section 28.025.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 74(a), eff. June 10, 2013.

Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An institution of higher education awarded a grant under this subchapter must obtain from one or more business entities in the industry for which students taking courses developed under Section 61.861 are training, in a total amount equal to the amount of the state grant:

(1) gifts, grants, or donations of funds; or

(2) contributions of property that may be used in providing the courses.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any state fiscal biennium, the total amount of grants awarded under this subchapter may not exceed $10 million.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher education shall administer this section using available appropriations and gifts, grants, and donations made for the purposes of this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 63, eff. June 19, 2009.

SUBCHAPTER V. REPAYMENT OF CERTAIN DENTAL EDUCATION LOANS

Sec. 61.901. REPAYMENT AUTHORIZED. The board may provide, using funds appropriated for that purpose and in accordance with this subchapter and rules of the board, assistance in the repayment of student loans for dentists who apply and qualify for the assistance.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.902. ELIGIBILITY. (a) To be eligible to receive repayment assistance, a dentist must apply to the board and have completed at least one year of dental practice in an area of the state that is underserved with respect to dental care.

(b) The board by rule may provide for repayment assistance on a pro rata basis for dentists in part-time practice described by Subsection (a).

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.904. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any student loan for education at a public or private institution of higher education, including loans for undergraduate education, received by a dentist through any lender.

(b) The board may withhold repayment assistance for a student loan that is in default at the time of the dentist's application.

(c) Each fiscal biennium, the board shall attempt to allocate all funds appropriated to it for the purpose of providing repayment assistance under this subchapter.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1470, Sec. 6.01, eff. Sept. 1, 2001.

Sec. 61.905. REPAYMENT. (a) The coordinating board shall deliver any repayment made under this subchapter in a lump sum payable to the lender and the dentist, in accordance with any applicable federal law.

(b) A repayment made under this subchapter may be applied to

any amount due in connection with the loan.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.906. ADVISORY COMMITTEES. The board may:

(1) appoint advisory committees from outside the board's membership to assist the board in performing its duties under this subchapter; and

(2) request the assistance of the Oral Health Services Advisory Committee in performing those duties.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.907. ACCEPTANCE OF FUNDS. The board may accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.908. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter, including a rule that sets a maximum amount of repayment assistance that may be received by a dentist in one year. The board may consult with the Oral Health Services Advisory Committee to assist the board in establishing priorities among eligible dentists for repayment assistance, taking into account the degree of an area's shortage of dental services, geographic locations, whether the dentist is or will be providing service in an underserved area with respect to dental services, and other criteria the board considers appropriate.

(b) The coordinating board shall distribute to each dental school in this state and to appropriate state agencies and professional associations copies of the rules adopted under this section and other pertinent information relating to this subchapter.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.909. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The total amount of repayment assistance distributed by the board under this

subchapter may not exceed the total amount of gifts and grants accepted by the board for repayment assistance, dental school tuition set aside under Section 61.910, legislative appropriations for repayment assistance, and other funds available to the board for purposes of this subchapter.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

Sec. 61.910. DENTAL SCHOOL TUITION SET ASIDE FOR CERTAIN LOAN REPAYMENTS. (a) The governing board of each dental school of an institution of higher education shall set aside two percent of tuition charges for resident students enrolled in a degree program for training dentists.

(b) The amount set aside shall be transferred to the comptroller of public accounts to be maintained in the state treasury for the sole purpose of repayment of student loans of dentists under this subchapter. Section 403.095(b), Government Code, does not apply to the amount set aside by this section.

Added by Acts 1999, 76th Leg., ch. 1480, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER X. REPAYMENT OF CERTAIN LAW SCHOOL EDUCATION LOANS: ATTORNEY OF NONPROFIT ORGANIZATION SERVING INDIGENT PERSONS

Sec. 61.951. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board shall provide, in accordance with this subchapter and board rules, assistance in the repayment of law school education loans for attorneys who apply and qualify for the assistance.

(b) The provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.952. ELIGIBILITY. To be eligible to receive repayment assistance, an attorney must:

(1) apply to the board;

(2) be a full-time employee of the eligible organization; and

(3) be currently practicing in this state as an attorney

employed by an organization that:

(A) qualifies for an exemption from federal income taxes under Section 501(c)(3), Internal Revenue Code of 1986, as amended, that is prohibited from providing representation in a class-action lawsuit; and

(B) receives funds for providing legal services to indigent individuals from:

(i) the Interest on Lawyers' Trust Accounts program administered by the Texas Equal Access to Justice Foundation; or

(ii) the basic civil legal services account under Section 51.943, Government Code.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.953. LIMITATIONS. (a) An attorney may receive repayment assistance grants for each of not more than 10 years.

(b) The amount of loan repayment assistance received by an attorney under this subchapter may not exceed 50 percent of the total amount of the attorney's outstanding law school loans, including scheduled interest payments that would become due if the loan is not prepaid, when the attorney enters into the agreement.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.954. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any education loan received by the attorney through any lender for education at a school of law authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state.

(b) The board may not provide repayment assistance for an education loan that is in default at the time of the attorney's application.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.955. REPAYMENT. (a) The board shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the attorney and in accordance with any applicable

federal law.

(b) Loan repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

(c) Any repayment assistance shall be reasonably related to the amount of time an attorney is employed by the eligible organization.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.956. ADVISORY COMMITTEE. The board may appoint an advisory committee to assist the board in performing the board's duties under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.957. ACCEPTANCE OF GIFTS. The board may solicit and accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

Sec. 61.958. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter, including a rule that sets a maximum amount of repayment assistance that an attorney may receive in one year.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information in this subchapter to:

(1) each school of law authorized by the board to award a degree described by Section 61.954(a);

(2) any appropriate state agency; and

(3) any appropriate professional association.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 1, eff. Sept. 1, 2001.

SUBCHAPTER Y. REPAYMENT OF CERTAIN LAW SCHOOL EDUCATION LOANS: ASSISTANT DISTRICT OR COUNTY ATTORNEY

Sec. 61.9601. DEFINITION. In this subchapter, "rural county"

means a county with a population of 50,000 or less.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9602. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board shall provide, using funds appropriated for that purpose and in accordance with this subchapter and board rules, assistance in the repayment of law school education loans for attorneys who apply and qualify for the assistance.

(b) The provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9603. ELIGIBILITY. To be eligible to receive repayment assistance, an attorney must:

(1) apply to the board;

(2) be currently employed as an attorney by a district or county attorney's office that serves a rural county; and

(3) enter into an agreement to remain employed by the district or county attorney's office as provided by Section 61.9605.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9604. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any education loan received by the attorney through any lender for education at a school of law authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state.

(b) The board may not provide repayment assistance for an education loan that is in default at the time of the attorney's application.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9605. AGREEMENT. (a) To qualify for loan repayment assistance under this subchapter, a person must enter into a written

agreement with the board as provided by this section. The agreement must specify the conditions the person must satisfy to receive repayment assistance.

(b) The agreement must require the person to be employed for a period of five years with a district or county attorney's office that serves a rural county. Only employment with that district or county attorney's office as an attorney after the date the person enters into the agreement may be used to satisfy the employment requirement under the agreement.

(c) The agreement must provide that the repayment assistance the person receives before the person has been employed for five years as required by the agreement constitutes a loan until the person completes the five years of employment and satisfies any other applicable conditions of the agreement. The agreement must require the person to sign a promissory note acknowledging the conditional nature of the repayment assistance received and promising to repay the amount of that assistance received plus applicable interest and reasonable collection costs if the person does not satisfy the applicable conditions. The board shall determine the terms of the promissory note. To the extent practicable, the terms must be the same as those applicable to state or federally guaranteed student loans made at the same time. All amounts collected in repayment of a loan under this subsection, including interest, but excluding collection costs paid by the board to another person to collect or assist in collecting the amount, shall be deposited to the credit of the trust fund established by Section 61.9608.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9606. REPAYMENT. (a) Except as provided by Section 61.9609(a), the board shall provide repayment assistance under this subchapter in the following amounts:

(1) 60 percent of each payment due on an attorney's eligible loans during the first 12-month period after the attorney enters into the agreement under Section 61.9605;

(2) 80 percent of each payment due on an attorney's eligible loans during the second 12-month period after the attorney enters into the agreement; and

(3) 100 percent of each payment due on an attorney's

eligible loans during the third 12-month period after the attorney enters into the agreement.

(b) The board shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the attorney and in accordance with any applicable federal law.

(c) Loan repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9607. ADVISORY COMMITTEE. The board may appoint an advisory committee from outside the board's membership to assist the board in performing the board's duties under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9608. FUNDING. (a) The loan repayment assistance program established by this subchapter is funded from the rural district and county attorney student loan assistance trust fund. The trust fund is established outside the treasury and is administered by the comptroller. Money in the trust fund may be spent without appropriation and only to fund the program. Interest and income from the assets of the trust fund shall be credited to and deposited in the trust fund.

(b) The board may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this subchapter and shall deposit money accepted under this subsection to the credit of the trust fund.

(c) The legislature may appropriate money to the trust fund.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

Sec. 61.9609. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter, including a rule that sets the maximum amount of loan repayment assistance that an attorney may receive in one year.

(b) The board shall distribute a copy of the rules adopted

under this section and pertinent information in this subchapter to:

(1) each school of law authorized by the board to award a degree described by Section 61.9604(a); and

(2) any appropriate district or county attorneys.

Added by Acts 2001, 77th Leg., ch. 1320, Sec. 2, eff. Sept. 1, 2001.

SUBCHAPTER Z. PROFESSIONAL NURSING SHORTAGE REDUCTION PROGRAM

Sec. 61.9621. DEFINITION. In this subchapter, "professional nursing program" means an educational program offered by a public or private institution of higher education for preparing students for initial licensure as registered nurses.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.921 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1042 (H.B. 4471), Sec. 1, eff. June 19, 2009.

Sec. 61.9622. PROGRAM. A professional nursing shortage reduction program is established. The board shall administer the professional nursing shortage reduction program to make grants to professional nursing programs and other entities involved with a professional nursing program in the preparation of students for initial licensure as registered nurses in order to increase the number and types of registered nurses to meet the needs for registered nurses in the state.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.922 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), eff. Sept. 1, 2003.

Sec. 61.9623. GRANTS. (a) A grant from the professional nursing shortage reduction program to a professional nursing program or other entity involved with a professional nursing program in the preparation of students for initial licensure as registered nurses must be:

(1) expended exclusively on costs related to:

(A) enrolling additional students;

(B) nursing faculty enhancement in accordance with Section 61.96231;

(C) encouraging innovation in the recruitment and retention of students, including the recruitment and retention of Spanish-speaking and bilingual students; or

(D) identifying, developing, or implementing innovative methods to make the most effective use of limited professional nursing program faculty, instructional or clinical space, and other resources, including:

(i) sharing curriculum and administrative or instructional personnel, facilities, and responsibilities between two or more professional nursing programs located in the same region of this state; and

(ii) using preceptors or part-time faculty to provide clinical instruction in order to address the need for qualified faculty to accommodate increased student enrollment in the professional nursing program;

(2) contingent on the professional nursing program's having been approved as a professional nursing program by the board or the Texas Board of Nursing, as appropriate;

(3) contingent on the professional nursing program's not being on probation with the Texas Board of Nursing or other accrediting body; and

(4) if granted to increase enrollments, contingent on the professional nursing program's ability to enroll additional students, including having the necessary classroom space and clinical slots.

(b) Funds not expended on the costs described by Subsection (a)(1) shall be returned to the board.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.923 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 674 (S.B. 132), Sec. 3, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 360 (S.B. 289), Sec. 1, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 52, eff.

September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1042 (H.B. 4471), Sec. 2, eff. June 19, 2009.

Sec. 61.96231. NURSING FACULTY ENHANCEMENT GRANTS. (a) Under the professional nursing shortage reduction program, the board may award nursing faculty enhancement grants to professional nursing programs to assist the programs in the education, recruitment, and retention of a sufficient number of faculty members to enable the programs to enroll a sufficient number of students to meet the state's need for registered nurses.

(b) A grant awarded under this section may be used only for the purposes specified by Subsection (a), including providing salary supplements and enhancements and reducing the number of hours a faculty member must teach.

(c) In awarding a grant under this section, the board may require matching funds from a professional nursing program or may give preference in awarding a grant to a program providing matching funds.

(d) The board may appoint an advisory committee to advise the board on successful strategies, in addition to the grants awarded under this section, for educating, recruiting, and retaining qualified professional nursing program faculty members who hold master's or doctoral degrees.

Added by Acts 2005, 79th Leg., Ch. 674 (S.B. 132), Sec. 4, eff. June 17, 2005.

Sec. 61.96232. GRANTS TO INCREASE NUMBER OF GRADUATES: APPLICATION PROCESS. (a) The board by rule shall establish a process under which a public or private institution of higher education that offers a professional nursing program may apply for a grant under this subchapter and the commissioner of higher education, contingent on appropriations of money for the grants, selects one or more applicants to receive a grant based on criteria established by board rule. The criteria must include the institution's agreement that the institution's professional nursing program will enroll additional students or graduate additional students prepared for

initial licensure as registered nurses.

(b) The process established under Subsection (a) may authorize the commissioner of higher education to accept a joint application from multiple institutions that agree to cooperate on a regional or joint basis for their professional nursing programs to enroll additional students or graduate additional students prepared for initial licensure as registered nurses.

(c) The application for a grant under this section must require the institution applying for a grant to:

(1) state the number of additional students that the institution's professional nursing program intends to enroll or graduate;

(2) identify benchmarks for determining adequate progress toward enrolling or graduating those additional students;

(3) state the amount of grant money requested; and

(4) describe a proposed payment schedule for distribution of the grant money to the institution seeking the grant.

(d) The commissioner of higher education may negotiate changes to the application before approving the application.

(e) If a professional nursing program fails to enroll or graduate the number of additional students stated in the approved application or does not meet a benchmark identified in the approved application, the commissioner of higher education may:

(1) require the institution offering the professional nursing program to return any unearned grant money awarded to the program under this subchapter;

(2) withhold future grant awards that would otherwise be made under this subchapter in accordance with the approved application;

(3) renegotiate the terms of the approved application; or

(4) rescind approval of the application.

(f) The board may appoint an advisory committee to advise the commissioner of higher education and the board on implementation of this section. The board may assign to the committee the responsibility for evaluating applications and recommending to the commissioner applications for approval.

Added by Acts 2009, 81st Leg., R.S., Ch. 1042 (H.B. 4471), Sec. 3, eff. June 19, 2009.

Sec. 61.96233. NEW PROFESSIONAL NURSING PROGRAMS. (a) The board shall adopt rules for permitting newly established professional nursing programs to participate in and receive grant awards under the program established under this subchapter.

(b) The rules the board adopts under Subsection (a) must include:

(1) a process for ensuring that newly established professional nursing programs are treated equitably with established programs in the award of grants under this subchapter; and

(2) a method for calculating increases in enrollment or graduates if grants are awarded based on such increases.

Added by Acts 2009, 81st Leg., R.S., Ch. 1042 (H.B. 4471), Sec. 3, eff. June 19, 2009.

Sec. 61.9624. ADMINISTRATION. The board shall adopt rules for the administration of the professional nursing shortage reduction program. The board shall grant funds under Sections 61.9623(a)(1)(A) and (D) in an equitable manner among the various types of professional nursing programs. The board shall grant funds under Section 61.6923(a)(1)(C) in a manner that best promotes innovation in the recruitment and retention of nursing students, including the recruitment and retention of Spanish-speaking and bilingual students.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.924 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), 3(10), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 674 (S.B. 132), Sec. 5, eff. June 17, 2005.

Sec. 61.9625. GRANTS, GIFTS, AND DONATIONS. In addition to funds appropriated by the legislature, the board may solicit, receive, and spend grants, gifts, and donations from public or private sources for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.925 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), eff. Sept. 1, 2003.

Sec. 61.9626. ANNUAL REPORT. (a) Each institution of higher education that has a professional nursing program shall submit an annual report to the board detailing its strategy for increasing the number of students that graduate from the program prepared for licensure as registered nurses. The report must include:

(1) the capacity of the program, either alone or in cooperation with one or more other programs, to graduate more students prepared for licensure as registered nurses; and

(2) the resources allocated to increase the number of students that graduate from the program prepared for licensure as registered nurses.

(b) The board may adopt rules to implement this section.

Added by Acts 2001, 77th Leg., ch. 1489, Sec. 3, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.926 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(42), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 674 (S.B. 132), Sec. 6, eff. June 17, 2005.

Sec. 61.9627. DISBURSEMENT AND ACCOUNTING OF APPROPRIATED FUNDS. (a) The board shall adopt procedures for assuring that money appropriated by the legislature specifically to fund enrollment growth in a professional nursing program is:

(1) distributed in a timely manner, including the forfeiture and reallocation of money if an institution fails to provide in a timely manner the information required for the money to be disbursed and if that failure prevents the timely disbursement of money to other institutions; and

(2) expended on the professional nursing program by institutions receiving the money.

(b) The procedures adopted under Subsection (a) must require each professional nursing program receiving money to file a report annually with the board accounting for all money received.

Added by Acts 2003, 78th Leg., ch. 728, Sec. 1, eff. June 20, 2003.

Sec. 61.9628. ADMINISTRATIVE COSTS. A reasonable amount, not to exceed five percent, of the money appropriated by the legislature to increase enrollments in professional nursing programs may be used by the board to pay administrative costs of implementing this subchapter or administering the money.

Added by Acts 2003, 78th Leg., ch. 728, Sec. 1, eff. June 20, 2003.

Sec. 61.9629. CONTINUED ELIGIBILITY OF PROGRAMS TO RECEIVE GRANTS. Notwithstanding Section 61.9621, a professional nursing program offered by an entity other than a public or private or independent institution of higher education that was eligible to receive grants from a program under this subchapter before September 1, 2009, remains eligible to receive a grant from such a program if the entity meets all criteria for a grant other than the criterion of being a program offered by an institution of higher education.

Added by Acts 2009, 81st Leg., R.S., Ch. 1042 (H.B. 4471), Sec. 3, eff. June 19, 2009.

SUBCHAPTER AA. DENTAL HYGIENISTS STUDENT LOAN REPAYMENT PROGRAM

Sec. 61.9651. REPAYMENT AUTHORIZED. The board may provide, using funds appropriated for that purpose and in accordance with this subchapter and rules of the board, assistance in the repayment of student loans for dental hygienists who apply and qualify for the assistance.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9401 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9652. ELIGIBILITY. To be eligible to receive repayment assistance, a dental hygienist must:

(1) apply to the board;

(2) have graduated from a dental hygiene degree or certificate program at an institution of higher education; and

(3) have practiced dental hygiene under a license issued under Chapter 256, Occupations Code, for at least one year in an area

of the state that is underserved with respect to dental hygiene services.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9402 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9653. LIMITATION. A dental hygienist may receive repayment assistance grants for each of not more than five years.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9403 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9654. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any student loan received by a dental hygienist through any lender for the costs of attendance at an institution of higher education while enrolled in any course work before the person received a degree or certificate in dental hygiene or while enrolled in a dental hygiene program.

(b) The board may not provide repayment assistance for a student loan that is in default at the time of the dental hygienist's application.

(c) Each state fiscal biennium, the board shall attempt to allocate all funds appropriated to it for the purpose of providing repayment assistance under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9404 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9655. REPAYMENT. (a) The coordinating board shall deliver any repayment made under this subchapter in a lump sum payable to the lender and the dental hygienist, in accordance with any applicable federal law.

(b) A repayment made under this subchapter may be applied to any amount due in connection with the loan.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9405 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9656. ADVISORY COMMITTEES. The board may:

(1) appoint advisory committees to assist the board in performing its duties under this subchapter; and

(2) request the assistance of the Oral Health Services Advisory Committee in performing those duties.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9406 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9657. ACCEPTANCE OF GIFTS AND GRANTS. The board may accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9407 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9658. RULES. (a) The board shall adopt rules to administer this subchapter, including a rule that sets a maximum amount of repayment assistance that may be received by a dental hygienist in one year. The board may consult with the Oral Health Services Advisory Committee to assist the board in establishing priorities among eligible dental hygienists for repayment assistance, taking into account the degree of an area's shortage of dental hygiene services, geographic locations, whether the dental hygienist is or will be providing service in an underserved area with respect to dental hygiene services, and other criteria the board considers appropriate.

(b) The coordinating board shall distribute to each dental hygiene school in this state and to appropriate state agencies and professional associations copies of the rules adopted under this section and other pertinent information relating to this subchapter.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9408 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

Sec. 61.9659. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The total amount of repayment assistance distributed by the board under this subchapter may not exceed the total amount of gifts and grants accepted by the board for repayment assistance, tuition set aside under Section 61.9660, legislative appropriations for repayment assistance, and other funds available to the board for purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9409 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), 3((11), eff. Sept. 1, 2003.

Sec. 61.9660. TUITION SET ASIDE FOR CERTAIN LOAN REPAYMENTS. (a) The governing board of each institution of higher education authorized by the board to award a degree or certificate in dental hygiene shall set aside two percent of tuition charges for resident students enrolled in the degree program.

(b) The amount set aside shall be transferred to the comptroller to be maintained in the state treasury for the sole purpose of repayment of student loans of dental hygienists under this subchapter. Section 403.095(b), Government Code, does not apply to the amount set aside under this section.

Added by Acts 2001, 77th Leg., ch. 1035, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.9410 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(43), eff. Sept. 1, 2003.

SUBCHAPTER BB. TEXAS FUND FOR GEOGRAPHY EDUCATION

Sec. 61.9681. PURPOSE. The purpose of this subchapter is to:

(1) create an endowment to support geographic education programs in Texas;

(2) improve the quality of geography education in Texas; and

(3) promote a better understanding of Texas by all of its

residents.

Added by Acts 2001, 77th Leg., ch. 901, Sec. 1, eff. June 14, 2001. Renumbered from Education Code Sec. 61.941 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(44), eff. Sept. 1, 2003.

Sec. 61.9682. DEFINITION. In this subchapter, "fund" means the Texas Fund for Geography Education.

Added by Acts 2001, 77th Leg., ch. 901, Sec. 1, eff. June 14, 2001. Renumbered from Education Code Sec. 61.942 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(44), eff. Sept. 1, 2003.

Sec. 61.9683. FUND; GRANTS. (a) The board may enter into an agreement with the National Geographic Society of Washington, D.C., to operate an endowment fund for purposes of this subchapter to be known as the Texas Fund for Geography Education.

(b) The agreement must include the following conditions:

(1) appropriated money may be deposited to the fund only in an amount equal to matching funds deposited to the fund by the National Geographic Society from other sources;

(2) the National Geographic Society shall provide to the board an annual report describing the fund's investments, earnings, operating procedures, and major programs; and

(3) if the board determines that the public purposes described by Section 61.9681 are not being accomplished, the fund shall be dissolved and the fund balance shall be distributed as follows:

(A) one-half to the general revenue fund; and

(B) the remainder to be returned to the donors of any amount deposited to the fund for the preceding five years in proportion to the amount of the donation, if the donor accepts the return of the donation, and any remainder to the National Geographic Society.

(c) The board may transfer to the National Geographic Society for deposit to the fund any amount appropriated to the board for that purpose.

(d) The National Geographic Society shall award grants from the fund to institutions of higher education and private or independent

institutions of higher education as defined by Section 61.003(15) to promote the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 901, Sec. 1, eff. June 14, 2001. Renumbered from Education Code Sec. 61.943 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(44), 3(13), eff. Sept. 1, 2003.

Sec. 61.9684. GEOGRAPHY EDUCATION ADVISORY COMMITTEE. (a) The board shall appoint an advisory committee consisting of seven persons who have expertise and an interest in geography education to assist the National Geographic Society in awarding grants from the fund under this subchapter.

(b) The advisory committee on behalf of the National Geographic Society shall solicit proposals from institutions of higher education and private or independent institutions of higher education as defined by Section 61.003(15) for use of proceeds from the fund and shall recommend to the society those that best promote the purposes of this subchapter.

(c) The advisory committee is subject to Chapter 2110, Government Code.

Added by Acts 2001, 77th Leg., ch. 901, Sec. 1, eff. June 14, 2001. Renumbered from Education Code Sec. 61.944 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(44), eff. Sept. 1, 2003.

SUBCHAPTER CC. PUBLIC AWARENESS CAMPAIGN PROMOTING HIGHER EDUCATION

Sec. 61.9701. PUBLIC AWARENESS CAMPAIGN. (a) The board shall establish a statewide public awareness campaign to promote the value and availability of higher education.

(b) The campaign must include the provision of information on:

(1) the benefits of obtaining a postsecondary education;

(2) the types of institutions of higher education and degree programs available;

(3) the academic preparation needed to successfully pursue a postsecondary education as determined under Section 28.008 and any other requirements for enrollment at an institution of higher education; and

(4) how to obtain financial aid and what forms of financial aid are available.

Added by Acts 2001, 77th Leg., ch. 148, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.951 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(45), eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1033 (H.B. 2909), Sec. 4, eff. June 17, 2011.

Sec. 61.9702. TARGET AUDIENCE. (a) The campaign established by the board must target primary and secondary school students.

(b) The board shall give priority to reaching primary and secondary school students from groups or backgrounds that are traditionally underrepresented in higher education.

Added by Acts 2001, 77th Leg., ch. 148, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.952 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(45), eff. Sept. 1, 2003.

Sec. 61.9703. COORDINATION WITH OTHER ENTITIES. The board shall coordinate with the Texas Education Agency, the P-16 Council established under Section 61.076, and other appropriate entities, including regional P-16 councils and businesses, to implement the public awareness campaign.

Added by Acts 2001, 77th Leg., ch. 148, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.953 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(45), eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1033 (H.B. 2909), Sec. 5, eff. June 17, 2011.

Sec. 61.9704. FUNDING. The board may use any available revenue, including legislative appropriations, and may solicit and accept gifts, grants, and donations to undertake the campaign.

Added by Acts 2001, 77th Leg., ch. 148, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.954 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(45), eff. Sept. 1, 2003.

Sec. 61.9705. SALE OF PROMOTIONAL ITEMS AND MEDIA AND TRAINING MATERIALS. (a) The board may sell or contract for the sale of promotional items, including clothing, posters, and banners, designed to promote the public awareness campaign. The board may use its Internet website to advertise and sell the items.

(b) The board may sell, contract for the sale of, or otherwise transfer the board's rights in media and training materials developed for the public awareness campaign.

(c) Money received under this section shall be deposited to the credit of the general revenue fund and used only by the board to further the purposes of the campaign.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 31, eff. Sept. 1, 2003. Renumbered from Education Code, Section 61.955 by Acts 2005, 79th Leg., Ch. 728 (H.B. 2018), Sec. 23.001(22), eff. September 1, 2005.

SUBCHAPTER DD. REPAYMENT OF CERTAIN EDUCATION LOANS OWED BY CERTAIN STATE ATTORNEYS

Sec. 61.9721. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board may provide, in accordance with this subchapter and board rules, assistance in the repayment of education loans for attorneys who apply and qualify for the assistance.

(b) The provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.951 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), eff. Sept. 1, 2003.

Sec. 61.9722. ELIGIBILITY. To be eligible to receive repayment assistance, an attorney must:

(1) apply to the board; and

(2) have been employed for at least one year by, and be currently employed by, the office of the attorney general at the time the attorney applies for the assistance.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.952 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), 3(12), eff. Sept. 1, 2003; Acts

2003, 78th Leg., ch. 820, Sec. 30, eff. Sept. 1, 2003.

Sec. 61.9724. MAXIMUM AMOUNT OF REPAYMENT ASSISTANCE. (a) For each year that an attorney serves as an attorney with the office of the attorney general, the attorney may receive repayment assistance under this subchapter in an amount not to exceed $6,000.

(b) An attorney may not receive repayment assistance under this subchapter for more than three years.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.954 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), 3(14), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 820, Sec. 30, eff. Sept. 1, 2003.

Sec. 61.9725. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any education loan received by the attorney through any lender, other than a private individual, for:

(1) education at a school of law authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state; or

(2) undergraduate education at an institution of higher education or an accredited private or independent institution of higher education.

(b) The board may not provide repayment assistance for an education loan that is in default at the time of the attorney's application.

(c) Each state fiscal biennium the board shall attempt to allocate all funds appropriated for the purpose of providing repayment assistance under this subchapter.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.955 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), eff. Sept. 1, 2003.

Sec. 61.9726. REPAYMENT. (a) The board shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the attorney and in accordance with any applicable

federal law.

(b) Repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.956 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), eff. Sept. 1, 2003.

Sec. 61.9727. ASSISTANCE AVAILABLE TO BOARD. The board may:

(1) appoint an advisory committee from outside the board's membership to assist the board in performing the board's duties under this subchapter; and

(2) request the assistance of the State Bar of Texas and the office of the attorney general in performing those duties.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.957 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), eff. Sept. 1, 2003.

Sec. 61.9728. ACCEPTANCE OF FUNDS. The board may solicit and accept gifts, grants, and donations for the purposes of this subchapter.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001. Renumbered from Education Code Sec. 61.958 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), eff. Sept. 1, 2003.

Sec. 61.9729. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information in this subchapter to:

(1) each school of law authorized by the board to award a degree described by Section 61.9725(a)(1);

(2) any appropriate state agency; and

(3) any appropriate professional association.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001.

Renumbered from Education Code Sec. 61.959 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), 3(15), eff. Sept. 1, 2003.

Sec. 61.9730. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The total amount of repayment assistance distributed by the board under this subchapter may not exceed the total amount available for the program under Section 61.9732.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.960 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), 3(16), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1245 (H.B. 2396), Sec. 2, eff. June 20, 2015.

Sec. 61.9732. LIMITATIONS ON FUNDING. The loan repayment program under this subchapter may be funded only from:

(1) gifts, grants, and donations accepted by the board;

(2) legislative appropriations for the program; and

(3) money budgeted for the program by the office of the attorney general from appropriations made to that office.

Added by Acts 2001, 77th Leg., ch. 1403, Sec. 1, eff. Sept. 1, 2001.
Renumbered from Education Code Sec. 61.962 and amended by Acts 2003, 78th Leg., ch. 1275, Sec. 2(46), 3(17), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1245 (H.B. 2396), Sec. 2, eff. June 20, 2015.

SUBCHAPTER EE. TEXAS HOSPITAL-BASED NURSING EDUCATION PARTNERSHIP GRANT PROGRAM

Sec. 61.9751. DEFINITIONS. In this subchapter:

(1) "Hospital-based nursing education partnership" means a partnership that:

(A) consists of one or more hospitals in this state that are not owned, maintained, or operated by the federal or state government or an agency of the federal or state government and one or more nursing education programs in this state; and

(B) serves to increase the number of students enrolled in and graduation rates for each nursing education program in the partnership.

(2) "Nursing education program" means an undergraduate professional nursing program or a graduate professional nursing program as those terms are defined by Section 54.355.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 8, eff. January 1, 2012.

Sec. 61.9752. PROGRAM: ESTABLISHMENT; ADMINISTRATION; PURPOSE. (a) The Texas hospital-based nursing education partnership grant program is established.

(b) The board shall administer the program in accordance with this subchapter and rules adopted under this subchapter.

(c) Under the program, to the extent funds are available under Section 61.9755, the board shall make grants to hospital-based nursing education partnerships to assist those partnerships to meet the state's needs for registered nurses by increasing the number of nursing education program graduates through innovative instruction, through collaboration between hospitals and nursing education programs, and the use of the existing expertise and facilities of those hospitals and programs.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9753. GRANTS: CONDITIONS; LIMITATIONS. (a) The board may make a grant under this subchapter to a hospital-based nursing education partnership only if the board determines that:

(1) the partnership will meet applicable board and Texas Board of Nursing standards for instruction and student competency for

the associate, bachelor of science, or master of science nursing degree granted by each nursing education program participating in the partnership;

(2) each nursing education program participating in the partnership will, as a result of the partnership, enroll in the nursing education program a sufficient number of additional students as established by the board;

(3) the marginal cost to the state of producing a graduate of a nursing education program participating in the partnership will be comparable, as determined under criteria established by board rule, to the marginal cost to the state of producing a graduate of a nursing education program not participating in a partnership;

(4) each hospital participating in a partnership with a nursing education program will provide to students enrolled in the program clinical placements that:

(A) allow the students to take part in providing or to observe, as appropriate, medical services offered by the hospital; and

(B) meet the clinical education needs of the students; and

(5) the partnership will satisfy any other requirement established by board rule.

(b) In establishing the cost-comparison criteria under Subsection (a)(3), the board shall exclude reasonable development and initial implementation costs for the infrastructure necessary to support a hospital-based nursing education partnership.

(c) A grant under this subchapter may be spent only on costs related to the development or operation of a hospital-based nursing education partnership that:

(1) prepares a student to earn an associate or bachelor of science degree in nursing and to achieve initial licensure as a registered nurse, including by providing an accelerated program to prepare a student to earn a bachelor of science degree in nursing;

(2) prepares a student to earn a master of science degree in nursing with a concentration in education; or

(3) provides an articulation program providing for advancement from an associate degree to a bachelor of science degree in nursing or to a master of science degree in nursing with a concentration in education.

(d) A hospital-based nursing education partnership shall return

to the board money granted to the partnership under this subchapter that the partnership does not spend on eligible costs under Subsection (c). As the board determines appropriate to best achieve the purposes of these programs, the board may:

(1) use the money to make grants to other hospital-based nursing education partnerships;

(2) use the money to make grants under the professional nursing shortage reduction program established under Subchapter Z; or

(3) transfer the money to the permanent fund for higher education nursing, allied health, and other health-related programs established under Subchapter C, Chapter 63, for use in making grants under that subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9754. PRIORITY FOR FUNDING. In awarding a grant under this subchapter, the board shall give priority to a hospital-based nursing education partnership that submits a proposal that:

(1) provides for collaborative educational models between one or more participating hospitals and one or more participating nursing education programs that have signed a memorandum of understanding or other written agreement under which the participants agree to comply with standards established by the board, including any standards the board may establish that:

(A) provide for program management that offers a centralized decision-making process allowing for inclusion of each entity participating in the partnership;

(B) provide for access to clinical training positions for students in nursing education programs that are not participating in the partnership; and

(C) specify the details of any requirement relating to a student in a nursing education program participating in the partnership being employed after graduation in a hospital participating in the partnership, including any details relating to the employment of students who do not complete the program, are not offered a nursing position at the hospital, or choose to pursue other

employment;

(2) includes a demonstrable education model to:

(A) increase the number of students enrolled in, the number of students graduating from, and the number of nursing faculty employed by each nursing education program participating in the partnership; and

(B) improve student retention in each nursing education program;

(3) indicates the availability of money to match all or a portion of the grant money, including matching money from a hospital, private or nonprofit entity, or institution of higher education;

(4) provides for completion of a class admitted under this project to be funded by all members of the partnership if the funded project ends before the class graduation date;

(5) can be replicated by other hospital-based nursing education partnerships or nursing education programs; and

(6) includes plans for sustainability of the partnership beyond the grant period.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9755. GRANTS, GIFTS, AND DONATIONS. In addition to money appropriated by the legislature, the board may solicit, receive, and spend grants, gifts, and donations from any public or private source for the purposes of this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9756. RULES. The board shall adopt rules for the administration of the Texas hospital-based nursing education partnership grant program. The rules must include:

(1) provisions relating to applying for a grant under this subchapter; and

(2) standards of accountability to be met by any hospital-based nursing education partnership awarded a grant under this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9757. APPROVAL AS NURSING EDUCATION PILOT PROGRAM. The board and the Texas Board of Nursing shall establish a single application process under which a hospital-based nursing education partnership may apply both for approval as a pilot program under Section 301.1605, Occupations Code, and for a grant under this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

Sec. 61.9758. REPORTING REQUIREMENTS. (a) Each hospital-based nursing education partnership that receives a grant under this subchapter shall submit to the board narrative and financial reports that include information concerning the extent to which during the reporting period the partnership has complied with accountability standards established by the board.

(b) Not later than December 31 of each even-numbered year, the board shall submit a report to the governor, lieutenant governor, and speaker of the house of representatives. The report shall include a list and description of partnerships created under this subchapter, and the number of new nursing student enrollees.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 7.011, eff.

September 1, 2009.

Sec. 61.9759. ADMINISTRATIVE COSTS. A reasonable amount, not to exceed three percent, of any money appropriated for purposes of this subchapter may be used to pay the costs of administering this subchapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 889 (H.B. 2426), Sec. 73, eff. September 1, 2007.
Added by Acts 2007, 80th Leg., R.S., Ch. 936 (H.B. 3443), Sec. 1, eff. June 15, 2007.

SUBCHAPTER FF. TEXAS ARMED SERVICES SCHOLARSHIP PROGRAM

Sec. 61.9771. SCHOLARSHIP PROGRAM; SCHOLARSHIP AMOUNT. (a) The board shall establish and administer, in accordance with this subchapter and board rules, the Texas Armed Services Scholarship Program under which the board provides an annual conditional scholarship to a student who meets the eligibility criteria prescribed by Section 61.9772 and is appointed to receive a scholarship.

(b) The amount of a scholarship under this subchapter in an academic year is the lesser of:

(1) $15,000; or

(2) the amount available for each scholarship from appropriations that may be used for scholarships under this subchapter for that academic year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.

Sec. 61.9772. ELIGIBILITY; NOMINATION AND SELECTION. (a) To receive an initial scholarship under this subchapter, a student must:

(1) be enrolled in a public or private institution of higher education in this state;

(2) enroll in and be a member in good standing of a Reserve Officers' Training Corps (ROTC) program while enrolled in a public or private institution of higher education in this state;

(3) be appointed to receive a scholarship by the governor,

the lieutenant governor, a state senator, or a state representative; and

(4) enter into an agreement with the board under Section 61.9773.

(b) In each year, the governor and the lieutenant governor may each appoint two students and each state senator and each state representative may appoint one student to receive an initial scholarship under this subchapter.

(c) For a student to continue to receive a scholarship awarded under this subchapter, the student must maintain satisfactory academic progress as determined by the institution in which the student is enrolled.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 351 (H.B. 3470), Sec. 1, eff. June 17, 2011.

Sec. 61.9773. AGREEMENT REQUIREMENTS. (a) To receive a scholarship under this subchapter, a student must enter into an agreement with the board as provided by this section. The agreement must require the student to:

(1) complete four years of ROTC training;

(2) graduate not later than six years after the date the student first enrolls in a public or private institution of higher education in this state;

(3) after graduation, enter into:

(A) a four-year commitment to be a member of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine; or

(B) a contract to serve as a commissioned officer in any branch of the armed services of the United States;

(4) meet the physical examination requirements and all other prescreening requirements of the Texas Army National Guard, Texas Air National Guard, Texas State Guard, United States Coast Guard, or United States Merchant Marine or the branch of the armed services with which the student enters into a contract; and

(5) agree to repay the scholarship if the student:

(A) fails to maintain satisfactory academic progress;

(B) withdraws from the scholarship program; or

(C) fails to fulfill a commitment or contract described by Subdivision (3).

(b) The board shall adopt rules to exempt a student from the repayment of a scholarship under an agreement entered into under this section if the student is unable to meet the obligations of the agreement solely as a result of physical inability.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 351 (H.B. 3470), Sec. 2, eff. June 17, 2011.

Sec. 61.9774. RULES. The board shall adopt rules as necessary for the administration of this subchapter, including rules regarding the eligibility criteria and the selection of scholarship recipients.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 351 (H.B. 3470), Sec. 3, eff. June 17, 2011.

Sec. 61.9775. LIMITATIONS ON SCHOLARSHIP. (a) A person may not receive a scholarship under this subchapter after earning a cumulative total of 150 credit hours or after being awarded a baccalaureate degree, whichever occurs first.

(b) A scholarship awarded to a student under this subchapter shall be reduced for an academic year by the amount by which the full amount of the scholarship plus the total amount to be paid to the student for being under contract with one of the branches of the armed services of the United States exceeds the student's total cost of attendance for that academic year at the public or private institution of higher education in which the student is enrolled.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.

Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 351 (H.B. 3470), Sec. 3, eff. June 17, 2011.

Sec. 61.9776. FUNDING. The board shall administer this subchapter using available appropriations and gifts, grants, and donations made for the purposes of this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1326 (H.B. 3452), Sec. 1, eff. September 1, 2009.

SUBCHAPTER GG. TEXAS SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (T-STEM) CHALLENGE SCHOLARSHIP PROGRAM

Sec. 61.9791. DEFINITION. In this subchapter, "STEM program" means a Science, Technology, Engineering, and Mathematics program.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1169 (H.B. 2910), Sec. 2, eff. June 17, 2011.

Sec. 61.9792. SCHOLARSHIP PROGRAM. The board shall establish and administer, in accordance with this subchapter and board rules, the Texas Science, Technology, Engineering, and Mathematics (T-STEM) Challenge Scholarship program under which the board provides a scholarship to a student who meets the eligibility criteria prescribed by Section 61.9793.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1169 (H.B. 2910), Sec. 2, eff. June 17, 2011.

Sec. 61.9793. ELIGIBLE STUDENT. (a) To receive an initial scholarship under this subchapter, a student must:

(1) graduate from high school with a grade point average of at least 3.0 on a four-point scale in mathematics and science courses;

(2) enroll in a STEM program at an eligible institution; and

(3) agree to work no more than 15 hours a week for a

business participating in the STEM program.

(b) To continue to qualify for a scholarship under this subchapter, a student must:

(1) remain enrolled in a STEM program at an eligible institution;

(2) maintain an overall grade point average of at least 3.0 on a four-point scale;

(3) complete at least 80 percent of all semester credit hours attempted for each semester;

(4) complete at least 30 semester credit hours per academic year; and

(5) work no more than 15 hours a week for a business participating in the STEM program.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1169 (H.B. 2910), Sec. 2, eff. June 17, 2011.

Sec. 61.9794. ELIGIBLE INSTITUTION. (a) To qualify as an eligible institution under this subchapter, an institution must:

(1) be a public junior college or public technical institute;

(2) admit at least 50 students into a STEM program each academic year; and

(3) develop partnerships with business and industry to:

(A) identify local employment needs in Science, Technology, Engineering, and Mathematics (STEM) fields; and

(B) provide part-time employment for students enrolled in a STEM program.

(b) To maintain eligibility, each year beginning with the third year following implementation of a scholarship program under this subchapter, an institution must demonstrate to the board that at least 70 percent of the institution's T-STEM Challenge Scholarship recipients, within twelve months of receipt of a scholarship, are:

(1) employed; or

(2) enrolled in courses leading to a certificate, associate, or baccalaureate degree in a Science, Technology, Engineering, and Mathematics (STEM) field.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1169 (H.B. 2910), Sec. 2, eff. June 17, 2011.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 26 (S.B. 1066), Sec. 1, eff. September 1, 2015.

Sec. 61.9795. AMOUNT; FUNDING. (a) Subject to available funding, the board shall award scholarships, with at least 50 percent of the amount awarded from private funds.

(b) An eligible student may receive a scholarship awarded under this subchapter for not more than two academic years.

(c) The board may use any available revenue, including legislative appropriations, and may solicit and accept gifts and grants for purposes of this subchapter.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1169 (H.B. 2910), Sec. 2, eff. June 17, 2011.

SUBCHAPTER HH. TEXAS EMERGENCY AND TRAUMA CARE EDUCATION PARTNERSHIP PROGRAM

Sec. 61.9801. DEFINITIONS. In this subchapter:

(1) "Emergency and trauma care education partnership" means a partnership that:

(A) consists of one or more hospitals in this state and one or more graduate professional nursing or graduate medical education programs in this state; and

(B) serves to increase training opportunities in emergency and trauma care for doctors and registered nurses at participating graduate medical education and graduate professional nursing programs.

(2) "Participating education program" means a graduate professional nursing program as that term is defined by Section 54.221 or a graduate medical education program leading to board certification by the American Board of Medical Specialties that participates in an emergency and trauma care education partnership.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9802. PROGRAM: ESTABLISHMENT; ADMINISTRATION; PURPOSE.

(a) The Texas emergency and trauma care education partnership program is established.

(b) The board shall administer the program in accordance with this subchapter and rules adopted under this subchapter.

(c) Under the program, to the extent funds are available under Section 61.9805, the board shall make grants to emergency and trauma care education partnerships to assist those partnerships to meet the state's needs for doctors and registered nurses with training in emergency and trauma care by offering one-year or two-year fellowships to students enrolled in graduate professional nursing or graduate medical education programs through collaboration between hospitals and graduate professional nursing or graduate medical education programs and the use of the existing expertise and facilities of those hospitals and programs.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9803. GRANTS: CONDITIONS; LIMITATIONS. (a) The board may make a grant under this subchapter to an emergency and trauma care education partnership only if the board determines that:

(1) the partnership will meet applicable standards for instruction and student competency for each program offered by each participating education program;

(2) each participating education program will, as a result of the partnership, enroll in the education program a sufficient number of additional students as established by the board;

(3) each hospital participating in an emergency and trauma care education partnership will provide to students enrolled in a participating education program clinical placements that:

(A) allow the students to take part in providing or to observe, as appropriate, emergency and trauma care services offered by the hospital; and

(B) meet the clinical education needs of the students; and

(4) the partnership will satisfy any other requirement established by board rule.

(b) A grant under this subchapter may be spent only on costs related to the development or operation of an emergency and trauma

care education partnership that prepares a student to complete a graduate professional nursing program with a specialty focus on emergency and trauma care or earn board certification by the American Board of Medical Specialties.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9804. PRIORITY FOR FUNDING. In awarding a grant under this subchapter, the board shall give priority to an emergency and trauma care education partnership that submits a proposal that:

(1) provides for collaborative educational models between one or more participating hospitals and one or more participating education programs that have signed a memorandum of understanding or other written agreement under which the participants agree to comply with standards established by the board, including any standards the board may establish that:

(A) provide for program management that offers a centralized decision-making process allowing for inclusion of each entity participating in the partnership;

(B) provide for access to clinical training positions for students in graduate professional nursing and graduate medical education programs that are not participating in the partnership; and

(C) specify the details of any requirement relating to a student in a participating education program being employed after graduation in a hospital participating in the partnership, including any details relating to the employment of students who do not complete the program, are not offered a position at the hospital, or choose to pursue other employment;

(2) includes a demonstrable education model to:

(A) increase the number of students enrolled in, the number of students graduating from, and the number of faculty employed by each participating education program; and

(B) improve student or resident retention in each participating education program;

(3) indicates the availability of money to match a portion of the grant money, including matching money or in-kind services approved by the board from a hospital, private or nonprofit entity, or institution of higher education;

(4) can be replicated by other emergency and trauma care education partnerships or other graduate professional nursing or graduate medical education programs; and

(5) includes plans for sustainability of the partnership.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9805. GRANTS, GIFTS, AND DONATIONS. In addition to money appropriated by the legislature, the board may solicit, accept, and spend grants, gifts, and donations from any public or private source for the purposes of this subchapter.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9806. RULES. The board shall adopt rules for the administration of the Texas emergency and trauma care education partnership program. The rules must include:

(1) provisions relating to applying for a grant under this subchapter; and

(2) standards of accountability consistent with other graduate professional nursing and graduate medical education programs to be met by any emergency and trauma care education partnership awarded a grant under this subchapter.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

Sec. 61.9807. ADMINISTRATIVE COSTS. A reasonable amount, not to exceed three percent, of any money appropriated for purposes of this subchapter may be used to pay the costs of administering this subchapter.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 7 (S.B. 7), Sec. 9.01, eff. September 28, 2011.

SUBCHAPTER II. REPAYMENT OF CERTAIN SPEECH-LANGUAGE PATHOLOGIST AND AUDIOLOGIST EDUCATION LOANS

Sec. 61.9811. DEFINITIONS. In this subchapter:

(1) "Audiologist" means a person licensed as an audiologist under Chapter 401, Occupations Code.

(2) "Communicative disorders program" means:

(A) a graduate degree program in audiology or speech-language pathology accredited by the Council on Academic Accreditation in Audiology and Speech-Language Pathology; or

(B) an undergraduate degree program that prepares and qualifies students for admission to a graduate degree program described by Paragraph (A).

(3) "Public school" means a public preschool or primary or secondary school in this state.

(4) "Speech-language pathologist" means a person licensed as a speech-language pathologist under Chapter 401, Occupations Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9812. REPAYMENT ASSISTANCE AUTHORIZED. The board shall provide, in accordance with this subchapter and board rules, assistance in the repayment of student loans for speech-language pathologists and audiologists who apply and qualify for assistance.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9813. ELIGIBILITY. (a) To be eligible to receive repayment assistance, a speech-language pathologist or an audiologist must:

(1) apply to the board; and

(2) at the time the speech-language pathologist or audiologist applies for the assistance:

(A) have been employed as a speech-language pathologist or as an audiologist, as applicable, for at least one year by, and be currently employed in that capacity by, a public school; or

(B) have been employed as a faculty member of a communicative disorders program at an institution of higher education

or private or independent institution of higher education for at least one year, and be currently employed in that capacity at such an institution.

(b) The board by rule may provide for repayment assistance on a pro rata basis for speech-language pathologists and audiologists employed part-time by a public school or institution of higher education.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9814. LIMITATION. (a) On qualifying for the assistance, a speech-language pathologist or an audiologist may receive repayment assistance grants for each year of employment, not to exceed five years, by:

(1) a public school; or

(2) a communicative disorders program at an institution of higher education or private or independent institution of higher education.

(b) For each applicable year of employment described by Subsection (a), the total amount of repayment assistance grants received by a speech-language pathologist or an audiologist under this subchapter may not exceed:

(1) $6,000 for an eligible recipient who holds a master's degree but not a doctoral degree; or

(2) $9,000 for an eligible recipient who holds a doctoral degree.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9815. ELIGIBLE LOANS. The board may provide repayment assistance for the repayment of any student loan, as defined by board rule, for education at any public or private institution of higher education in or outside of this state received by an eligible speech-language pathologist or audiologist.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9816. REPAYMENT. (a) The board shall deliver any repayment made under this subchapter in a lump sum payable to:

(1) the lender and the speech-language pathologist or audiologist, in accordance with any applicable federal law; or

(2) the lender or other holder of the loan on behalf of the speech-language pathologist or audiologist.

(b) A repayment made under this subchapter may be applied to the principal amount and accrued interest of the loan.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9817. ADVISORY COMMITTEES. The board may appoint advisory committees to assist the board in administering this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9818. PROGRAM FUNDING. The program may be funded solely from gifts, grants, and donations solicited and accepted by the board for the purposes of this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

Sec. 61.9819. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information regarding this subchapter to:

(1) each appropriate institution of higher education or private or independent institution of higher education;

(2) any appropriate state agency; and

(3) any appropriate professional association.

Added by Acts 2013, 83rd Leg., R.S., Ch. 133 (S.B. 620), Sec. 1, eff. September 1, 2013.

SUBCHAPTER JJ. NURSING FACULTY LOAN REPAYMENT ASSISTANCE PROGRAM

Sec. 61.9821. REPAYMENT AUTHORIZED. The board shall establish and administer a program to provide, in accordance with this subchapter and board rules, assistance in the repayment of student loans for nurses who:

(1) are serving on the faculties of nursing degree programs at institutions of higher education or private or independent institutions of higher education in positions that require an advanced degree in professional nursing; and

(2) apply and qualify for the assistance.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9822. ELIGIBILITY. To be eligible to receive loan repayment assistance under this subchapter, a nurse must:

(1) apply to the board;

(2) at the time of application for repayment assistance have been employed full-time for at least one year as, and be currently employed full-time as, a faculty member of a nursing degree program at an institution of higher education or a private or independent institution of higher education; and

(3) comply with any additional requirements adopted by board rule.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9823. LIMITATIONS. (a) On qualifying for loan

repayment assistance under this subchapter, a nurse may receive repayment assistance for each year of full-time employment as a faculty member of a nursing degree program at an institution of higher education or private or independent institution of higher education, not to exceed five years.

(b) The amount of loan repayment assistance received by a nurse under this subchapter may not exceed $7,000 in any one year.

(c) The total amount of loan repayment assistance provided under this subchapter may not exceed the total amount of gifts and grants accepted by the board for the repayment assistance and other funds available to the board for the repayment assistance, including any money reallocated under Section 61.9826.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9824. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any student loan for education at any public or private institution of higher education, including a loan for undergraduate education, received by an eligible person through any lender.

(b) The board may not provide repayment assistance for a student loan that is in default at the time of the nurse's application.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9825. REPAYMENT. (a) The board shall deliver any repayment under this subchapter in a lump sum:

(1) payable to both the lender or other holder of the loan and the nurse; or

(2) directly to the lender or other holder of the loan on

the nurse's behalf.

(b) A repayment under this subchapter may be applied to any amount due in connection with the loan.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9826. REALLOCATION OF MONEY. (a) In each state fiscal year, the board shall reallocate for loan repayment assistance under this subchapter for a particular year any money in the physician education loan repayment program account established under Section 61.5391 that exceeds the amount necessary in that fiscal year for purposes of repayment assistance under Subchapter J.

(b) Any money reallocated under Subsection (a) in a fiscal year that is not used for loan repayment assistance under this subchapter in that fiscal year is treated as if that unused amount had not been reallocated in that fiscal year.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9827. GIFTS AND GRANTS. The board may solicit and accept gifts and grants from any source for the purposes of this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

Sec. 61.9828. RULES. (a) The board shall adopt rules as

necessary to administer this subchapter.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information regarding this subchapter to:

(1) each institution of higher education and private or independent institution of higher education;

(2) any appropriate state agency; and

(3) any appropriate professional association.

Added by Acts 2013, 83rd Leg., R.S., Ch. 983 (H.B. 2099), Sec. 3, eff. September 1, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(15), eff. September 1, 2015.

SUBCHAPTER KK. MATH AND SCIENCE SCHOLARS LOAN REPAYMENT PROGRAM

Sec. 61.9831. LOAN REPAYMENT ASSISTANCE AUTHORIZED. The board shall provide, in accordance with this subchapter and board rules, assistance in the repayment of eligible student loans for eligible persons who agree to teach mathematics or science for a specified period in schools that receive federal funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 242 (S.B. 686), Sec. 1, eff. September 1, 2015.

Sec. 61.9832. ELIGIBILITY; AGREEMENT REQUIREMENTS. (a) To be eligible to receive loan repayment assistance under this subchapter, a person must:

(1) apply annually for the loan repayment assistance in the manner prescribed by the board;

(2) be a United States citizen;

(3) have completed an undergraduate or graduate program in mathematics or science;

(4) have a cumulative grade point average of at least 3.5

on a four-point scale or the equivalent;

(5) be:

(A) certified under Subchapter B, Chapter 21, to teach mathematics or science in a public school in this state; or

(B) teaching under a probationary teaching certificate;

(6) have been employed for at least one year as a teacher teaching mathematics or science at a public school that receives funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.);

(7) not be in default on any other education loan;

(8) not receive any other state or federal loan repayment assistance, including a Teacher Education Assistance for College and Higher Education (TEACH) Grant or teacher loan forgiveness;

(9) enter into an agreement with the board under Subsection (c); and

(10) comply with any other requirement adopted by the board under this subchapter.

(b) An initial application for loan repayment assistance under this subchapter must include a transcript of the applicant's postsecondary coursework.

(c) To receive loan repayment assistance under this subchapter, a person must enter into an agreement with the board that includes the following provisions:

(1) the person will accept an offer of full-time employment to teach mathematics or science, as applicable based on the person's certification, in a public school that receives funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.);

(2) the person will complete four consecutive years of employment as a full-time classroom teacher in a school described by Subdivision (1) whose primary duty is to teach mathematics or science, as applicable, based on the person's certification;

(3) beginning with the school year immediately following the last of the four consecutive school years described by Subdivision (2), the person will complete four additional consecutive school years teaching in any public school in this state; and

(4) the person acknowledges the conditional nature of the loan repayment assistance.

(d) To satisfy the teaching obligation prescribed by an agreement under this section, a person must teach mathematics or

science courses for not less than an average of four hours each school day.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 242 (S.B. 686), Sec. 2, eff. September 1, 2015.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9833. AWARD. (a) Except as provided by Section 61.9834, the board shall determine the annual amount of loan assistance payments provided under this subchapter in any year to an eligible person, taking into consideration the amount of available funding and other relevant considerations.

(b) The board shall reduce the amount of a single assistance payment or refrain from making a loan assistance payment to an eligible person as necessary to avoid making total payments under this subchapter to the person in an amount greater than the total amount of principal and interest due on the person's eligible loans.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9834. EXCEPTION TO CONSECUTIVE YEARS OF EMPLOYMENT REQUIREMENT. The board shall excuse an otherwise eligible person from a requirement imposed by Section 61.9832 that the employment qualifying the person for loan repayment assistance be performed in consecutive years if the break in employment is a result of the person's:

(1) full-time enrollment in a course of study related to the field of teaching that is approved by the State Board for Educator Certification and provided by an institution of higher education or by a private or independent institution of higher

education in this state;

(2) service on active duty as a member of the armed forces of the United States, including as a member of a reserve or National Guard unit called for active duty;

(3) temporary total disability for a period of not more than 36 months as established by the affidavit of a qualified physician;

(4) inability to secure employment as required by Section 61.9832 for a period not to exceed 12 months, because of care required by a disabled spouse or child;

(5) inability, despite reasonable efforts, to secure, for a single period not to exceed 12 months, employment as required by Section 61.9832; or

(6) satisfaction of the provisions of any other exception adopted by the board for purposes of this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9835. ELIGIBLE LOANS. (a) The board may provide repayment assistance under this subchapter for the repayment of any student loan that:

(1) is for education at a public or private institution of higher education; and

(2) is received by an eligible person through an eligible lender.

(b) If the loan is not a state or federal guaranteed student loan, the note or other writing governing the terms of the loan must require the loan proceeds to be used for expenses incurred by a person in attending a postsecondary educational institution.

(c) The board may not provide loan repayment assistance under this subchapter for a student loan that is in default at the time of the person's application for repayment assistance.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts

2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9836. PAYMENT OF ASSISTANCE. (a) The board shall pay any loan repayment assistance under this subchapter in a lump sum delivered on the eligible person's behalf directly to the holder of the loan.

(b) Loan repayment assistance provided under this subchapter may be applied to any amount due on the loan.

(c) Each fiscal biennium, the board shall attempt to allocate all money available to the board for the purpose of providing loan repayment assistance under this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9837. MATHEMATICS AND SCIENCE TEACHER INVESTMENT FUND. (a) In this section, "fund" means the mathematics and science teacher investment fund.

(b) The fund is a dedicated account in the general revenue fund and consists of:

(1) gifts, grants, and other donations received for the fund;

(2) any amounts appropriated by the legislature for the fund; and

(3) interest and other earnings from the investment of the fund.

(c) The fund may be used only to provide repayment assistance for the repayment of loans eligible under Section 61.9835, including related administrative costs.

(d) The fund is exempt from the application of Sections 403.095 and 404.071, Government Code.

(e) The board may accept grants, gifts, or donations from any public or private entity for the purposes of this subchapter. All money received under this subchapter shall be deposited in the fund.

(f) Repealed by Acts 2015, 84th Leg., R.S., Ch. 242 , Sec. 5, eff. September 1, 2015.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 242 (S.B. 686), Sec. 3, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 242 (S.B. 686), Sec. 5, eff. September 1, 2015.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9838. AMOUNT OF LOAN REPAYMENT ASSISTANCE. (a) The total amount of loan repayment assistance paid by the board under this subchapter may not exceed the total amount of money available in the fund under Section 61.9837.

(b) Not more than 4,000 eligible persons may be provided loan repayment assistance under this subchapter in any school year.

(b-1) This subsection expires January 1, 2020. Notwithstanding Subsection (b), not more than the following number of eligible persons may be provided loan repayment assistance under this subchapter in the specified school year:

(1) in the 2016-2017 school year, not more than 1,000 eligible persons may be provided loan repayment assistance;

(2) in the 2017-2018 school year, not more than 2,000 eligible persons may be provided loan repayment assistance; and

(3) in the 2018-2019 school year, not more than 3,000 eligible persons may be provided loan repayment assistance.

(c) If in any year the amount of money available for loan repayment assistance under this subchapter is insufficient to provide loan repayment assistance to each eligible applicant or if there are more eligible applicants than the number authorized by this section, the board shall establish criteria to determine which eligible applicants will be provided repayment assistance as the board determines appropriate to further the purposes of this subchapter.

(d) Only available money in the mathematics and science teacher investment fund may be used for loan repayment assistance under this

subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9839. REPAYMENT BASED ON CONTINUING EMPLOYMENT. (a) An eligible person may continue to receive loan repayment assistance if the person continues to teach in a public school that receives funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.), after the first four years of teaching service required under Section 61.9832(c)(2).

(b) If an eligible person transfers to a public school that does not receive funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.), after the first four years required for eligibility under Section 61.9832(c)(2), the person may not receive more than 75 percent of the maximum annual amount of the loan repayment assistance as determined by the board.

(c) A person who does not satisfy the applicable conditions of this subchapter after establishing eligibility for an award of loan repayment assistance under this subchapter is no longer eligible to apply for such assistance.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 242 (S.B. 686), Sec. 4, eff. September 1, 2015.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9840. RULES. The board shall adopt rules necessary for the administration of this subchapter, including a rule providing for:

(1) the manner in which a person may apply for loan

repayment assistance; and

(2) a method of awarding assistance under this subchapter that:

(A) gives first priority to applicants who are renewing their applications for loan repayment assistance provided under this subchapter; and

(B) awards any remaining available assistance according to a cumulative ranking system developed by the board based on the number of mathematics and science courses completed by the applicant and the grade received by the applicant for each of those courses.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

Sec. 61.9841. APPLICATION FORM. (a) The board shall by rule adopt a common application form for use by new applicants and renewal applicants.

(b) The form must include a section in which the school district for which the applicant has taught for at least one year verifies the applicant's year of employment.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1229 (S.B. 1720), Sec. 1, eff. June 14, 2013.
Redesignated from Education Code, Subchapter II, Chapter 61 by Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 21.001(16), eff. September 1, 2015.

CHAPTER 62. CONSTITUTIONAL AND STATUTORY FUNDS TO SUPPORT INSTITUTIONS OF HIGHER EDUCATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 62.001. SHORT TITLE. This chapter may be cited as "The Excellence in Higher Education Act" of 1985.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985.

Sec. 62.002. PURPOSE. Through equitable allocation of the annual appropriation mandated by Article VII, Section 17(a), of the Constitution of Texas, the purpose of this chapter is to provide to the governing boards of the institutions and agencies of higher education eligible to participate in the distribution of funds pursuant to Article VII, Section 17, of the Constitution of Texas, the means to create and maintain a degree of excellence at the respective institutions and agencies of higher education that is above and apart from the normal appropriative formulas established by the Coordinating Board, Texas College and University System.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985.

Sec. 62.003. DEFINITIONS. In this chapter:

(1) Except as otherwise provided by Subchapters C, D, E, F, and G, "eligible institution" means the eligible agencies and institutions of higher education listed in Article VII, Section 17(b), of the Constitution of Texas, and any institution or agency of higher education that is later made eligible to participate in the disbursement of funds pursuant to Article VII, Section 17(c), of the Constitution of Texas.

(2) "Governing board" means the board of regents or other state governmental body to which an eligible agency or institution is assigned for governance by the Texas Constitution or by the laws of the State of Texas.

(3) "Coordinating board" means the Texas Higher Education Coordinating Board.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985.
Amended by Acts 1995, 74th Leg., ch. 1045, Sec. 1, eff. June 17, 1995.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 9, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1268 (H.B. 870), Sec. 1, eff. June 14, 2013.

SUBCHAPTER B. AMOUNTS ALLOCATED BY EQUITABLE ALLOCATION FORMULA

Sec. 62.021. ALLOCATIONS.

(a-1) In each state fiscal year beginning with the state fiscal year ending August 31, 2017, an eligible institution is entitled to receive an amount allocated in accordance with this subsection from the funds appropriated for that year by Section 17(a), Article VII, Texas Constitution. The comptroller shall distribute funds allocated under this subsection only on presentation of a claim and issuance of a warrant in accordance with Section 403.071, Government Code. An eligible institution may not present a claim to be paid from any funds allocated under this subsection before the delivery of goods or services described in Section 17, Article VII, Texas Constitution, except for the payment of principal or interest on bonds or notes or for a payment for a book or other published library material as authorized by Section 2155.386, Government Code. The allocation of funds under this subsection is made in accordance with an equitable formula consisting of the following elements: space deficit, facilities condition, institutional complexity, and a separate allocation for the Texas State Technical College System. The annual amounts allocated by the formula are as follows:

(1) $5,061,412 to Midwestern State University;

(2) to the following component institutions of the University of North Texas System:

(A) $37,562,056 to the University of North Texas;

(B) $17,091,856 to the University of North Texas Health Science Center at Fort Worth; and

(C) $2,113,004 to the University of North Texas at Dallas, $203,390 of which must be used for the University of North Texas at Dallas College of Law;

(3) $11,636,163 to Stephen F. Austin State University;

(4) to the following component institutions of the Texas State University System:

(A) $14,101,882 to Lamar University;

(B) $2,580,521 to the Lamar Institute of Technology;

(C) $1,694,343 to Lamar State College--Orange;

(D) $2,157,784 to Lamar State College--Port Arthur;

(E) $17,329,858 to Sam Houston State University;

(F) $37,162,755 to Texas State University;

(G) $2,135,523 to Sul Ross State University; and

(H) $410,738 to Sul Ross State University-Rio Grande College;

(5) $11,659,843 to Texas Southern University;

(6) to the following component institutions of the Texas Tech University System:

(A) $49,225,809 to Texas Tech University;

(B) $23,372,396 to Texas Tech University Health Sciences Center;

(C) $5,320,102 to Angelo State University; and

(D) $6,234,075 to Texas Tech University Health Sciences Center--El Paso;

(7) $14,846,558 to Texas Woman's University;

(8) to the following component institutions of the University of Houston System:

(A) $52,770,054 to the University of Houston;

(B) $4,275,861 to the University of Houston--Victoria;

(C) $8,005,116 to the University of Houston--Clear Lake; and

(D) $11,752,877 to the University of Houston--Downtown;

(9) to the following component institutions of The Texas A&M University System:

(A) $11,136,344 to Texas A&M University--Corpus Christi;

(B) $6,709,910 to Texas A&M International University;

(C) $8,966,056 to Texas A&M University--Kingsville;

(D) $7,164,408 to West Texas A&M University;

(E) $10,786,313 to Texas A&M University--Commerce; and

(F) $1,823,883 to Texas A&M University--Texarkana; and

(10) $8,662,500 to the Texas State Technical College System Administration and the following component campuses, but not its extension centers or programs:

(A) Texas State Technical College-Harlingen;

(B) Texas State Technical College--Marshall;

(C) Texas State Technical College--West Texas; and

(D) Texas State Technical College--Waco.

(a-2) Notwithstanding Subsections (a) and (a-1), if Section 62.024 is not amended by the 84th Legislature, Regular Session, 2015, to increase the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, Subsection (a) of this section applies in each state fiscal year beginning with the state fiscal year ending August 31, 2016, and Subsection (a-1) of this section has no effect.

(e) Whereas the University of North Texas at Dallas was created as an institution of higher education by Chapter 25 (S.B. 576), Acts of the 77th Legislature, Regular Session, 2001, which was approved by a vote of more than two-thirds of the membership of each house of the legislature, and was certified by the coordinating board to operate as a general academic teaching institution in April 2009, the University of North Texas at Dallas is entitled to participate in the funding provided by Section 17, Article VII, Texas Constitution. Whereas the University of North Texas at Dallas College of Law, which was previously designated by Chapter 1213 (S.B. 956), Acts of the 81st Legislature, Regular Session, 2009, as an institution of higher education until such time the University of North Texas at Dallas had been in operation as a general academic teaching institution for a period of five years, now operates as a professional school within the University of North Texas at Dallas as a result of the expiration of that period, the allocation to the University of North Texas at Dallas under this section includes an amount attributable to the University of North Texas at Dallas College of Law as part of the university.

(a) In the state fiscal year ending August 31, 2016, an eligible institution is entitled to receive an amount allocated in accordance with this section from the funds appropriated for that year by Section 17(a), Article VII, Texas Constitution. The comptroller shall distribute funds allocated under this subsection only on presentation of a claim and issuance of a warrant in accordance with Section 403.071, Government Code. An eligible institution may not present a claim to be paid from any funds allocated under this subsection before the delivery of goods or services described in Section 17, Article VII, Texas Constitution, except for the payment of principal or interest on bonds or notes or for a payment for a book or other published library material as authorized by Section 2155.386, Government Code. The allocation of funds under this subsection is made in accordance with an equitable formula consisting of the following elements: space deficit, facilities condition, institutional complexity, and a separate allocation for the Texas State Technical College System. The annual amounts allocated by the formula are as follows:

(1) $3,374,275 to Midwestern State University;

(2) to the following component institutions of the University of North Texas System:

(A) $25,041,370 to the University of North Texas;

(B) $11,394,570 to the University of North Texas Health Science Center at Fort Worth; and

(C) $1,408,669 to the University of North Texas at Dallas, $135,593 of which must be used for the University of North Texas at Dallas College of Law;

(3) $7,757,442 to Stephen F. Austin State University;

(4) to the following component institutions of the Texas State University System:

(A) $9,401,255 to Lamar University;

(B) $1,720,347 to the Lamar Institute of Technology;

(C) $1,129,562 to Lamar State College--Orange;

(D) $1,438,523 to Lamar State College--Port Arthur;

(E) $11,553,239 to Sam Houston State University;

(F) $24,775,170 to Texas State University;

(G) $1,423,682 to Sul Ross State University; and

(H) $273,825 to Sul Ross State University-Rio Grande College;

(5) $7,773,229 to Texas Southern University;

(6) to the following component institutions of the Texas Tech University System:

(A) $32,817,206 to Texas Tech University;

(B) $15,581,597 to Texas Tech University Health Sciences Center;

(C) $3,546,735 to Angelo State University; and

(D) $4,156,050 to Texas Tech University Health Sciences Center--El Paso;

(7) $9,897,706 to Texas Woman's University;

(8) to the following component institutions of the University of Houston System:

(A) $35,180,036 to the University of Houston;

(B) $2,850,574 to the University of Houston--Victoria;

(C) $5,336,744 to the University of Houston--Clear Lake; and

(D) $7,835,252 to the University of Houston--Downtown;

(9) to the following component institutions of The Texas A&M University System:

(A) $7,424,229 to Texas A&M University--Corpus Christi;

(B) $4,473,273 to Texas A&M International University;

(C) $5,977,371 to Texas A&M University--Kingsville;

(D) $4,776,272 to West Texas A&M University;

(E) $7,190,875 to Texas A&M University--Commerce; and

(F) $1,215,922 to Texas A&M University--Texarkana; and

(10) $5,775,000 to the Texas State Technical College System Administration and the following component campuses, but not its extension centers or programs:

(A) Texas State Technical College-Harlingen;

(B) Texas State Technical College--Marshall;

(C) Texas State Technical College--West Texas; and

(D) Texas State Technical College--Waco.

(e-1) Whereas the Texas Tech University Health Sciences Center at El Paso was created as a separate institution of higher education by an Act of the 83rd Legislature, Regular Session, 2013, which was approved by a vote of more than two-thirds of the membership of each house of the legislature, the Texas Tech University Health Sciences Center at El Paso is entitled to participate in the funding provided by Section 17, Article VII, Texas Constitution, beginning with the annual appropriation for the state fiscal year beginning September 1, 2015, and the Texas Tech University Health Sciences Center at El Paso shall be included in the allocation made for each 10-year allocation period under Section 17(d), Article VII, Texas Constitution, beginning with the allocation made in 2015.

(e-2) Whereas The University of Texas--Pan American and The University of Texas at Brownsville were consolidated into a general academic teaching institution that is excluded from participation in the funding provided by Section 17, Article VII, Texas Constitution, by Chapter 726 (S.B. 24), Acts of the 83rd Legislature, Regular Session, 2013, which was approved by a vote of more than two-thirds of the membership of each house of the legislature, The University of Texas--Pan American and The University of Texas at Brownsville are omitted from the allocation of funds under this section.

(b) Each governing board participating in the distribution of funds as described in this section may expend the funds without limitation, and as the governing board may decide in its sole discretion, for any and all purposes described in Article VII, Section 17, of the Constitution of Texas; provided, however, that for new construction, major repair and rehabilitation projects, and land acquisition projects, those funds may not be expended without the prior approval of the legislature or the approval, review, or endorsement, as applicable, of the coordinating board; and provided

further that review and approval of major repair and rehabilitation shall apply only to projects in excess of $600,000.

(c) Each governing board participating in the distribution of funds as described in this section may issue bonds and notes as authorized in Article VII, Section 17, of the Constitution of Texas. For purposes of this chapter, the governing board of Texas Tech University may issue bonds and notes as authorized in Article VII, Section 17, of the Constitution of Texas, on behalf of both Texas Tech University and Texas Tech University Health Sciences Center, and the annual appropriations of both institutions may be combined and pledged by the governing body of Texas Tech University in support of such bonds and notes.

(d) All funds appropriated by Article VII, Section 17, of the Constitution of Texas, but not expended during the fiscal year of appropriation, shall be carried forward and reappropriated for each of the succeeding fiscal years until expended by the governing boards of eligible institutions for the purposes described in Article VII, Section 17, of the Constitution of Texas.

(f) Pursuant to the annual allocation amounts shown in Subsections (a) and (a-1) for each year of the remaining 10-year allocation period established under Section 17(d), Article VII, Texas Constitution, that ends in 2015, the comptroller shall distribute to the Lamar Institute of Technology a portion of the total annual appropriation under Section 17(a), Article VII, Texas Constitution.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985. Amended by Acts 1987, 70th Leg., ch. 1070, Sec. 5, eff. May 15, 1988; Acts 1989, 71st Leg., ch. 1084, Sec. 1.31; Acts 1991, 72nd Leg., ch. 105, Sec. 3, eff. Aug. 26, 1991; Acts 1991, 72nd Leg., ch. 305, Sec. 3, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 260, Sec. 12, eff. Sept. 1, 1993; Acts 1993, 73rd Leg., ch. 408, Sec. 11, eff. Aug. 30, 1993; Acts 1995, 74th Leg., ch. 1045, Sec. 2, eff. June 17, 1995; Acts 1995, 74th Leg., ch. 1061, Sec. 9, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 129, Sec. 1, eff. May 19, 1997; Acts 1999, 76th Leg., ch. 1363, Sec. 2, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1467, Sec. 1.03, eff. June 19, 1999; Acts 1999, 76th Leg., ch. 1508, Sec. 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 238, Sec. 2, eff. May 22, 2001; Acts 2001, 77th Leg., ch. 1212, Sec. 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 386, Sec. 8, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 1306 (H.B. 3001), Sec. 1, eff. September 1, 2005.

Acts 2005, 79th Leg., Ch. 1306 (H.B. 3001), Sec. 4, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 11, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 10, eff. June 17, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 11, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 13, eff. May 18, 2013.

Acts 2015, 84th Leg., R.S., Ch. 952 (S.B. 1191), Sec. 1, eff. August 31, 2015.

Sec. 62.022. ALLOCATION FORMULA. (a) Prior to the convening of the regular session of the Texas Legislature immediately preceding each 10-year period for which Section 17(d), Article VII, Texas Constitution, prescribes an allocation of the money appropriated by Section 17(a), Article VII, Texas Constitution, the coordinating board shall conduct, with the full participation of the eligible institutions, a study and present recommendations to the Legislative Budget Board and the standing committees of the house of representatives and the senate having jurisdiction over legislation related to higher education as to the allocation of the money appropriated by Section 17(a) for the following 10-year allocation period established by Section 17(d).

(b) Prior to the convening of the regular session of the Texas Legislature immediately preceding the sixth year of each 10-year allocation period established by Section 17(d), Article VII, Texas Constitution, the coordinating board shall conduct, with the full participation of the eligible institutions, a study and present recommendations to the Legislative Budget Board and the standing committees of the house of representatives and the senate having cognizance over legislation related to higher education as to whether and, if so, how, the equitable allocation formula established for that 10-year period should be adjusted for the last five years of the 10-year period. The coordinating board shall include in the study a

survey of educational and general building quality, if the legislature provides funds for the survey.

(c) The legislature shall approve, modify and approve, or reject the recommendations of the coordinating board under Subsection (a) or (b).

(d) If, prior to the first day of the sixth year of a 10-year allocation period established by Section 17(d), Article VII, Texas Constitution, the Texas Legislature fails to act on a recommendation for adjustment in the equitable allocation formula, the 10-year allocation provided for in Section 62.021(a) shall continue until the end of the 10-year period.

(e) No adjustment shall be made in the allocation formula that will prevent payment of both the principal and interest on outstanding bonds and notes sold pursuant to Section 17(e), Article VII, Texas Constitution.

(f) A review of the allocation formula conducted by the coordinating board under this section shall include:

(1) a comparison of the deferred maintenance needs of an institution of higher education and the extent to which the constitutionally dedicated funds were used to meet those needs; and

(2) an evaluation of the effectiveness of the allocation formula concerning deferred maintenance needs of those institutions.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985. Amended by Acts 1989, 71st Leg., ch. 1084, Sec. 1.33, eff. Sept. 1, 1989; Acts 1995, 74th Leg., ch. 1045, Sec. 3, eff. June 17, 1995; Acts 1999, 76th Leg., ch. 1467, Sec. 1.05, eff. June 19, 1999.

Sec. 62.023. SEVERABILITY. If any provision of this chapter or the application thereof under any circumstance is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.

Added by Acts 1985, 69th Leg., ch. 225, Sec. 1, eff. June 3, 1985.

Sec. 62.024. AMOUNT OF ALLOCATION INCREASED. In accordance with Section 17(a), Article VII, Texas Constitution, for each state

fiscal year beginning with the state fiscal year ending August 31, 2017, the amount of the annual constitutional appropriation under that subsection is increased to $393.75 million. Before the state fiscal year ending August 31, 2017, the amount of the annual constitutional appropriation under that subsection is $262.5 million.

Added by Acts 1993, 73rd Leg., ch. 537, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 1306 (H.B. 3001), Sec. 2, eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 11, eff. June 17, 2009.

Acts 2015, 84th Leg., R.S., Ch. 952 (S.B. 1191), Sec. 2, eff. August 31, 2015.

Sec. 62.027. EFFECT OF LEGISLATION. (a) The constitutional amendment proposed by S.J.R. No. 13, 73rd Legislature, Regular Session, 1993, and approved by the voters at an election held on November 2, 1993, amended Section 17(a), Article VII, Texas Constitution, to permit the legislature by two-thirds vote of the membership of each house to increase the amount of the appropriation made under that section for each five-year period.

(b) Chapter 537, Acts of the 73rd Legislature, Regular Session, 1993, added Section 62.024 to this subchapter in order to increase the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution.

(c) The increase provided by the amendment to Section 62.024 enacted by the 84th Legislature, Regular Session, 2015, in the amount of the appropriation made under Section 17(a), Article VII, Texas Constitution, for each state fiscal year beginning with the state fiscal year ending August 31, 2017, constitutes the increase in accordance with Section 17(a) that the legislature considers appropriate for the five-year period beginning September 1, 2015.

Added by Acts 1995, 74th Leg., ch. 1045, Sec. 4, eff. June 17, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 1306 (H.B. 3001), Sec. 3, eff. September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 952 (S.B. 1191), Sec. 3, eff. August 31, 2015.

SUBCHAPTER C. TEXAS RESEARCH UNIVERSITY FUND

Sec. 62.051. DEFINITIONS. In this subchapter:

(1) "Eligible institution" means an institution of higher education that is designated as a research university under the coordinating board's accountability system and, for any three consecutive state fiscal years beginning on or after September 1, 2010, made total annual research expenditures in an average annual amount of not less than $450 million.

(2) "Fund" means the Texas research university fund.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 50, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 2, eff. September 1, 2015.

Sec. 62.052. PURPOSE. The purpose of this subchapter is to provide funding to eligible research universities to support faculty to ensure excellence in instruction and research.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 50, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 3, eff. September 1, 2015.

Sec. 62.053. FUND. (a) The Texas research university fund consists of money appropriated by the legislature to eligible institutions for the purposes of this subchapter.

(a-1) In each state fiscal year, amounts shall be appropriated to eligible institutions based on the average amount of total

research funds expended by each institution per year for the three preceding state fiscal years.

(b) For purposes of this subchapter, the amount of total research funds expended by an eligible institution in a state fiscal year is the amount of those funds as reported to the coordinating board by the institution for that fiscal year, subject to any adjustment by the coordinating board in accordance with the standards and accounting methods the coordinating board prescribes for purposes of this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 50, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 4, eff. September 1, 2015.

Sec. 62.0535. INITIAL CONTRIBUTION. For the first state fiscal biennium in which an eligible institution receives an appropriation under this subchapter, the institution's other general revenue appropriations shall be reduced by $5 million for the biennium or the amount of the institution's appropriation under this subchapter for the biennium. The bill making the appropriation must expressly identify the purpose for which the appropriations were reduced in accordance with this section.

Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 50, eff. September 1, 2013.

SUBCHAPTER D. PERFORMANCE INCENTIVE FUNDING

Sec. 62.071. DEFINITIONS. In this subchapter:

(1) "At-risk student" means an undergraduate student of an eligible institution:

(A) whose score on the Scholastic Assessment Test (SAT) or the American College Test (ACT) is less than the national mean score of students' scores on that test;

(B) who has been awarded a grant under the federal Pell

Grant program;

(C) who was 20 years of age or older on the date the student initially enrolled in the institution;

(D) who is enrolled as a part-time student; or

(E) who did not receive a high school diploma but received a high school equivalency certificate within the last six years.

(2) "Critical field" means:

(A) the field of engineering, computer science, mathematics, physical science, allied health, nursing, or teacher certification in a field of science or mathematics; and

(B) any other field of study identified as a critical field by the coordinating board in "Closing the Gaps," the state's master plan for higher education.

(3) "Eligible institution" means a general academic teaching institution other than a public state college.

(4) "General academic teaching institution" and "public state college" have the meanings assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

Sec. 62.072. FUNDING. (a) For each state fiscal year, the coordinating board shall distribute any performance incentive funds appropriated by the legislature for purposes of this subchapter, and any other funds made available for the purposes of this subchapter, to eligible institutions as follows:

(1) 50 percent to be distributed among eligible institutions in proportion to the increase, if any, in the average number of degrees awarded annually by each institution in the two most recent fiscal years from the average number of degrees awarded annually by that institution in the two fiscal years immediately preceding those fiscal years, using the weights assigned to each degree under the table prescribed by Subsection (b); and

(2) the remaining 50 percent to be distributed among eligible institutions in proportion to the average number of degrees awarded annually by each institution in the three most recent fiscal years, using the weights assigned to each degree under the table prescribed by Subsection (b).

(b) A number of points is assigned for each degree awarded by an eligible institution according to the following table:

	POINTS
Noncritical Field/Not At-Risk Student	1.0
Noncritical Field/At-Risk Student	2.0
Critical Field/Not At-Risk Student	2.0
Critical Field/At-Risk Student	3.0

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

Sec. 62.073. RULES. The coordinating board shall adopt rules for the administration of this subchapter, including any rules the coordinating board considers necessary regarding the submission to the coordinating board by eligible institutions of any student data required for the coordinating board to carry out its duties under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

SUBCHAPTER E. TEXAS COMPREHENSIVE RESEARCH FUND

Sec. 62.091. PURPOSE. The Texas comprehensive research fund is established to provide funding to promote increased research capacity at eligible general academic teaching institutions.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 6, eff. September 1, 2015.

Sec. 62.092. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means a general academic teaching institution as defined by Section 61.003, other than:

(A) The University of Texas at Austin or Texas A&M University; or

(B) an institution of higher education described by Section 62.132(2).

(3) "Fund" means the Texas comprehensive research fund.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1268 (H.B. 870), Sec. 2, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 7, eff. September 1, 2015.

Sec. 62.093. FUNDING. The Texas comprehensive research fund consists of money appropriated by the legislature to eligible institutions for the purposes of this subchapter.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 8, eff. September 1, 2015.

Sec. 62.095. APPROPRIATION OF FUND TO ELIGIBLE INSTITUTIONS. (a) In each state fiscal year, amounts shall be appropriated to eligible institutions based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years.

(b) For purposes of Subsection (a), the amount of restricted research funds expended by an institution in a fiscal year is the amount of those funds as reported to the coordinating board by the institution for that fiscal year, subject to any adjustment by the coordinating board in accordance with the standards and accounting methods the coordinating board prescribes under Section 62.096.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 9, eff.

September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 10, eff. September 1, 2015.

Sec. 62.096. VERIFICATION. (a) For purposes of this subchapter and Subchapter F-1, the coordinating board shall prescribe standards and accounting methods for determining the amount of restricted research funds expended in a state fiscal year:

(1) under this subchapter by an eligible institution; or

(2) under Subchapter F-1 by an eligible institution, as that term is defined by Section 62.132(2).

(b) For purposes of this subchapter and Subchapter F-1, the coordinating board shall convene a committee composed of persons designated by the presidents of eligible institutions to approve the allocations standards and accounting methods established by the coordinating board and to consider appeals authorized by Subsection (e) or Section 62.135(b).

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1155, Sec. 62(9), eff. September 1, 2013.

(d) The coordinating board may audit the appropriate records of an eligible institution to verify information for purposes of this subchapter.

(e) An eligible institution may appeal the coordinating board's decision regarding the institution's verified information relating to the amounts of restricted research expended to the advisory committee for final determination of eligibility.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 62(9), eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 11, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 12, eff. September 1, 2015.

Sec. 62.097. USE OF APPROPRIATED AMOUNTS. (a) An eligible institution may use money received from the fund only for the support

and maintenance of educational and general activities, including research and student services, that promote increased research capacity at the institution.

(b) Money received by an institution from the fund in a fiscal year that is not used by the institution in that fiscal year may be held and used by the institution in subsequent fiscal years.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 13, eff. September 1, 2015.

Sec. 62.098. ANNUAL REPORT. (a) Each eligible institution that receives money under this subchapter in a state fiscal year shall prepare a report at the end of that fiscal year describing the manner in which the institution used the money. The institution shall include in the report information regarding the use of money spent in that fiscal year that was received under this subchapter in a preceding fiscal year.

(b) The institution shall deliver a copy of the report to the coordinating board and the Legislative Budget Board not later than December 1 after the end of the fiscal year. The Legislative Budget Board may establish requirements for the form and content of the report.

(c) The institution shall include in the report information on the use or other disposition of money the institution previously received from the Texas excellence fund or the university research fund, if the institution spent money from either of those funds in the fiscal year of the report.

Added by Acts 2003, 78th Leg., ch. 322, Sec. 2, eff. Sept. 1, 2005.

SUBCHAPTER F. TEXAS RESEARCH INCENTIVE PROGRAM (TRIP)

Sec. 62.121. DEFINITIONS. In this subchapter:

(1) "Eligible institution" means an institution of higher education designated as an emerging research university under the coordinating board's accountability system.

(2) "Gift" includes cash, cash equivalents, marketable securities, closely held securities, money market holdings,

partnership interests, personal property, real property, minerals, and life insurance proceeds.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(4) "Program" means the Texas Research Incentive Program (TRIP) established under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

Sec. 62.122. PROGRAM ADMINISTRATION. The coordinating board shall develop and administer the Texas Research Incentive Program (TRIP) in accordance with this subchapter to provide matching funds to assist eligible institutions in leveraging private gifts for the enhancement of research productivity and faculty recruitment.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

Sec. 62.123. MATCHING GRANTS. (a) An eligible institution that receives gifts or endowments from private sources in a state fiscal year for the purpose of enhancing research activities at the institution, including a gift or endowment for endowed chairs, professorships, facilities, equipment, program costs, graduate stipends or fellowships, or undergraduate research, is entitled to receive, out of funds appropriated for the purposes of the program for that fiscal year, a matching grant in an amount determined according to the following rates:

(1) 50 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $100,000 or more but not more than $999,999;

(2) 75 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $1 million or more but not more than $1,999,999; or

(3) 100 percent of the amount of the gifts and endowments, if the total amount of gifts and endowments is $2 million or more.

(b) An eligible institution is not entitled to matching funds under the program for:

(1) a gift that has been pledged but has not been received

by the institution;

(2) a gift for undergraduate scholarships or undergraduate financial aid grants; or

(3) any portion of gifts or endowments received by the institution from a single source in a state fiscal year in excess of $10 million.

(c) The coordinating board shall establish procedures for the certification by the coordinating board of an eligible institution's receipt of a qualifying gift or endowment. A cash gift or endowment must be certified as of the date the gift or endowment was deposited by the institution in a depository bank or invested by the institution as authorized by law. A non-cash gift must be certified as of the date the gift is converted to cash, and is considered to have been received on that date for purposes of this subchapter.

(d) If the funds appropriated for the program for a state fiscal year are insufficient to provide matching grants in the amounts specified by this section for all qualifying private gifts and endowments received by eligible institutions during that fiscal year, the coordinating board shall provide matching grants for those gifts and endowments in order of their certification date, and shall provide matching grants for any remaining unmatched gifts and endowments in the following fiscal year using funds appropriated to the program for that following year, to the extent funds are available.

(e) Matching grants received by an eligible institution under this section may not be considered as a basis to reduce, directly or indirectly, the amount of money otherwise appropriated to the institution.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 370 (S.B. 44), Sec. 1, eff. September 1, 2015.

Sec. 62.124. RULES. The coordinating board shall adopt rules for the administration of this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 12, eff. September 1, 2009.

SUBCHAPTER F-1. CORE RESEARCH SUPPORT FUND

Sec. 62.131. PURPOSE. The core research support fund is established to provide funding to promote increased research capacity at emerging research universities.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.132. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means an institution of higher education that is designated as an emerging research university under the coordinating board's accountability system.

(3) "Fund" means the core research support fund.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.133. FUNDING. The core research support fund consists of money appropriated by the legislature to eligible institutions for the purposes of this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.134. APPROPRIATION OF FUND TO ELIGIBLE INSTITUTIONS. In each state fiscal year, amounts shall be appropriated to eligible institutions as follows:

(1) 50 percent based on the average amount of restricted research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by Section 62.095(b); and

(2) 50 percent based on the average amount of total research funds expended by each institution per year for the three preceding state fiscal years, determined in the manner described by

Section 62.053(b).

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.135. VERIFICATION. (a) The coordinating board may audit the appropriate records of an eligible institution to verify information for purposes of this subchapter.

(b) For final determination of eligibility, an eligible institution may appeal to the advisory committee described by Section 62.096 the coordinating board's decision regarding the institution's verified information relating to the amounts of restricted research expended.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.136. USE OF APPROPRIATED AMOUNTS. (a) An eligible institution may use money received from the fund only for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity at the institution.

(b) Money received by an institution from the fund in a fiscal year that is not used by the institution in that fiscal year may be held and used by the institution in subsequent fiscal years.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

Sec. 62.137. ANNUAL REPORT. (a) Each eligible institution that receives money under this subchapter in a state fiscal year shall prepare a report at the end of that fiscal year describing the manner in which the institution used the money. The institution shall include in the report information regarding the use of money spent in that fiscal year that was received under this subchapter in a preceding fiscal year.

(b) The institution shall deliver a copy of the report to the coordinating board and the Legislative Budget Board not later than

December 1 after the end of the fiscal year. The Legislative Budget Board may establish requirements for the form and content of the report.

(c) The institution shall include in the report information on the use or other disposition of money the institution previously received from the Texas excellence fund or the university research fund, if the institution spent money from either of those funds in the fiscal year of the report.

Added by Acts 2015, 84th Leg., R.S., Ch. 315 (H.B. 1000), Sec. 14, eff. September 1, 2015.

SUBCHAPTER G. NATIONAL RESEARCH UNIVERSITY FUND

Sec. 62.141. PURPOSE. The purpose of this subchapter is to allocate appropriations from the national research university fund to provide a dedicated, independent, and equitable source of funding to enable emerging research universities in this state to achieve national prominence as major research universities.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Sec. 62.142. DEFINITIONS. In this subchapter:

(1) "Eligible institution" means a general academic teaching institution that is eligible to receive distributions of money under this subchapter.

(2) "Endowment funds" means funds treated as endowment funds under the coordinating board's accountability system.

(3) "Fund" means the national research university fund.

(4) "General academic teaching institution" has the meaning assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Sec. 62.143. ADMINISTRATION AND INVESTMENT OF FUND. (a) The national research university fund is a fund outside the state treasury in the custody of the comptroller.

(b) The comptroller shall administer and invest the fund in accordance with Section 20, Article VII, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Sec. 62.144. FUNDING. (a) The fund consists of any amounts appropriated or transferred to the credit of the fund under the Texas Constitution or otherwise appropriated or transferred to the credit of the fund under this section or another law.

(b) The comptroller shall deposit to the credit of the fund all interest, dividends, and other income earned from investment of the fund.

(c) The comptroller may accept gifts or grants from any public or private source for the fund.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Sec. 62.145. ELIGIBILITY TO RECEIVE DISTRIBUTIONS FROM FUND. (a) A general academic teaching institution becomes eligible to receive an initial distribution of money appropriated under this subchapter for a state fiscal year if:

(1) the institution is designated as an emerging research university under the coordinating board's accountability system;

(2) in each of the two state fiscal years preceding the state fiscal year for which the appropriation is made, the institution expended at least $45 million in restricted research funds; and

(3) the institution satisfies at least four of the following criteria:

(A) the value of the institution's endowment funds is at least $400 million in each of the two state fiscal years preceding the state fiscal year for which the appropriation is made;

(B) the institution awarded at least 200 doctor of philosophy degrees during each of the two academic years preceding the state fiscal year for which the appropriation is made;

(C) the entering freshman class of the institution for each of those two academic years demonstrated high academic

achievement, as determined according to standards prescribed by the coordinating board by rule, giving consideration to the future educational needs of the state as articulated in the coordinating board's "Closing the Gaps" report;

(D) the institution is designated as a member of the Association of Research Libraries or has a Phi Beta Kappa chapter or has received an equivalent recognition of research capabilities and scholarly attainment as determined according to standards prescribed by the coordinating board by rule;

(E) the faculty of the institution for each of those two academic years was of high quality, as determined according to coordinating board standards based on the professional achievement and recognition of the institution's faculty, including the election of faculty members to national academies; and

(F) for each of those two academic years, the institution has demonstrated a commitment to high-quality graduate education, as determined according to standards prescribed by the coordinating board by rule, including standards relating to the number of graduate-level programs at the institution, the institution's admission standards for graduate programs, and the level of institutional support for graduate students.

(b) A general academic teaching institution that becomes eligible to receive a distribution of money under this subchapter remains eligible to receive a distribution in each subsequent state fiscal year.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1131 (H.B. 1000), Sec. 1, eff. June 17, 2011.

Sec. 62.146. ACCOUNTING STANDARDS; VERIFICATION OF INFORMATION. (a) The coordinating board by rule shall prescribe standard methods of accounting and standard methods of reporting information for the purpose of determining:

(1) the eligibility of institutions under Section 62.145; and

(2) the amount of restricted research funds expended by an

eligible institution in a state fiscal year.

(b) As soon as practicable in each state fiscal year, based on information submitted by the institutions to the coordinating board as required by the coordinating board, the coordinating board shall certify to the comptroller and the legislature verified information relating to the criteria established by Section 62.145 to be used to determine which institutions are eligible for distributions of money from the fund.

(c) Information submitted to the coordinating board by institutions for purposes of establishing eligibility under this subchapter and the coordinating board's certification or verification of that information under this section are subject to a mandatory audit by the state auditor in accordance with Chapter 321, Government Code. The coordinating board may also request one or more audits by the state auditor as necessary or appropriate at any time after an eligible institution begins receiving distributions under this subchapter. Each audit must be based on an examination of all or a representative sample of the restricted research funds awarded to the institution and the institution's expenditures of those funds, and must include, among other elements:

(1) verification of the amount of restricted research funds expended by the institution in the appropriate state fiscal year or years; and

(2) verification of compliance by the institution and the coordinating board with the standard methods of accounting and standard methods of reporting prescribed by the coordinating board under Subsection (a), including verification of:

(A) the institution's compliance with the coordinating board's standards and accounting methods for reporting expenditures of restricted research funds; and

(B) whether the institution's expenditures meet the coordinating board's definition of restricted research expenditures.

(d) From money appropriated from the fund, the comptroller shall reimburse the state auditor for the expenses of any audits conducted under Subsection (c).

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1131 (H.B. 1000), Sec. 2, eff.

June 17, 2011.

Sec. 62.147. INELIGIBILITY OF INSTITUTIONS RECEIVING PERMANENT UNIVERSITY FUND SUPPORT AND MAINTENANCE. The University of Texas at Austin and Texas A&M University are ineligible to receive money under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Sec. 62.148. DISTRIBUTION OF APPROPRIATED FUNDS TO ELIGIBLE INSTITUTIONS. (a) In each state fiscal year, the comptroller shall distribute to eligible institutions in accordance with this section money appropriated from the fund for that fiscal year.

(b) The total amount appropriated from the fund for any state fiscal year may not exceed an amount equal to 4.5 percent of the average net market value of the investment assets of the fund for the 12 consecutive state fiscal quarters ending with the last quarter of the preceding state fiscal year, as determined by the comptroller.

(c) Subject to Subsection (e), of the total amount appropriated from the fund for distribution in a state fiscal year, each eligible institution is entitled to a distribution in an amount equal to the sum of:

(1) one-seventh of the total amount appropriated; and

(2) an equal share of any amount remaining after distributions are calculated under Subdivision (1), not to exceed an amount equal to one-fourth of that remaining amount.

(d) The comptroller shall retain within the fund any portion of the total amount appropriated from the fund for distribution that remains after all distributions are made for a state fiscal year as prescribed by Subsection (c). The appropriation of that retained amount lapses at the end of that state fiscal year.

(e) If the number of institutions that are eligible for distributions in a state fiscal year is more than four, each eligible institution is entitled to an equal share of the total amount appropriated from the fund for distribution in that fiscal year.

(f) For purposes of this section, the total amount appropriated from the fund for distribution in a state fiscal year does not

include any portion of the amount appropriated that is used to reimburse the costs of an audit conducted under Section 62.146(c).

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1131 (H.B. 1000), Sec. 3, eff. June 17, 2011.

Sec. 62.149. USE OF ALLOCATED AMOUNTS. (a) An eligible institution may use money received under this subchapter only for the support and maintenance of educational and general activities that promote increased research capacity at the institution.

(b) For purposes of Subsection (a), the use of money shall be limited to the following permitted activities:

(1) providing faculty support and paying faculty salaries;

(2) purchasing equipment or library materials;

(3) paying graduate stipends; and

(4) supporting research performed at the institution, including undergraduate research.

(c) Money received in a fiscal year by an institution under this subchapter that is not used in that fiscal year by the institution may be held and used by the institution in subsequent fiscal years for the purposes prescribed by this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 13, eff. September 1, 2009.

Subchapter H, consisting of Secs. 62.161 to 62.168, was added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, and Ch. 915 (H.B. 26), Sec. 1.01.

For another Subchapter H, consisting of Secs. 62.161 to 62.168, added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, see Sec. 62.161 et seq., post.

SUBCHAPTER H. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE

Sec. 62.161. DEFINITIONS. In this subchapter:

(1) "Distinguished researcher" means a researcher who is:

(A) a Nobel laureate; or

(B) a member of the National Academy of Sciences, the National Academy of Engineering, or the National Academy of Medicine, formerly known as the Institute of Medicine.

(2) "Eligible institution" means a general academic teaching institution or medical and dental unit.

(3) "Fund" means the governor's university research initiative fund established under this subchapter.

(4) "General academic teaching institution" has the meaning assigned by Section 61.003.

(5) "Medical and dental unit" has the meaning assigned by Section 61.003.

(6) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.

(7) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.162. ADMINISTRATION OF INITIATIVE. (a) The governor's university research initiative is administered by the Texas Economic Development and Tourism Office within the office of the governor.

(b) The office may adopt any rules the office considers necessary to administer this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.163. MATCHING GRANTS TO RECRUIT DISTINGUISHED RESEARCHERS. (a) From the governor's university research initiative fund, the office shall award matching grants to assist eligible institutions in recruiting distinguished researchers.

(b) An eligible institution may apply to the office for a matching grant from the fund. If the office approves a grant application, the office shall award to the applicant institution a

grant amount equal to the amount committed by the institution for the recruitment of a distinguished researcher.

(c) A grant application must identify the source and amount of the eligible institution's matching funds and must demonstrate that the proposed use of the grant has the support of the institution's president and of the institution's governing board, the chair of the institution's governing board, or the chancellor of the university system, if the institution is a component of a university system. An applicant eligible institution may commit for matching purposes any funds of the institution available for that purpose other than appropriated general revenue.

(d) A matching grant may not be used by an eligible institution to recruit a distinguished researcher from:

(1) another eligible institution; or

(2) a private or independent institution of higher education.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.164. GRANT AWARD CRITERIA; PRIORITIES. (a) In awarding grants, the office shall give priority to grant proposals that involve the recruitment of distinguished researchers in the fields of science, technology, engineering, mathematics, and medicine. With respect to proposals involving those fields, the office shall give priority to proposals that demonstrate a reasonable likelihood of contributing substantially to this state's national and global economic competitiveness.

(b) A grant proposal should identify a specific distinguished researcher being recruited.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.165. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND.

(a) The governor's university research initiative fund is a dedicated account in the general revenue fund.

(b) The fund consists of:

(1) amounts appropriated or otherwise allocated or transferred by law to the fund;

(2) money deposited to the fund under Section 62.166 of this subchapter or under Section 490.101(b-1), Government Code; and

(3) gifts, grants, and other donations received for the fund.

(c) The fund may be used by the office only for the purposes of this subchapter, including for necessary expenses incurred in the administration of the fund and this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.166. WINDING UP OF CONTRACTS AND AWARDS IN CONNECTION WITH TEXAS EMERGING TECHNOLOGY FUND. (a) The governor's university research initiative is the successor to the Texas emerging technology fund. Awards from the Texas emerging technology fund shall be wound up in accordance with this section and Section 490.104, Government Code, and contracts governing awards from that fund shall be wound up in accordance with this section.

(b) If a contract governing an award from the Texas emerging technology fund provides for the distribution of royalties, revenue, or other financial benefits to the state, including royalties, revenue, or other financial benefits realized from the commercialization of intellectual or real property developed from an award from the fund, those royalties, revenues, or other financial benefits shall continue to be distributed in accordance with the terms of the contract unless the award recipient and the governor agree otherwise. Unless otherwise required by law, royalties, revenue, or other financial benefits accruing to the state under a contract described by this subsection, including any money returned or repaid to the state by an award recipient, shall be credited to the governor's university research initiative fund.

(c) If money awarded from the Texas emerging technology fund is

encumbered by a contract executed before September 1, 2015, but has not been distributed before that date, the money shall be distributed from the governor's university research initiative fund in accordance with the terms of the contract, unless the award recipient and the governor agree otherwise.

(d) Except for an obligation regarding the distribution of royalties, revenue, or other financial benefits to the state as provided by Subsection (b), if money awarded from the Texas emerging technology fund under a contract executed before September 1, 2015, has been fully distributed and the entity that received the award has fully performed all specific actions under the terms of the contract governing the award, the entity is considered to have fully satisfied the entity's obligations under the contract. The entity shall file with the office a final report showing the purposes for which the award money has been spent and, if award money remains unspent, the purposes for which the recipient will spend the remaining money.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.167. CONFIDENTIALITY OF INFORMATION CONCERNING AWARDS FROM TEXAS EMERGING TECHNOLOGY FUND. (a) Except as provided by Subsection (b), information collected under former provisions of Chapter 490, Government Code, concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of an individual or entity that was considered for or received an award from the Texas emerging technology fund is confidential unless the individual or entity consents to disclosure of the information.

(b) The following information collected in connection with the Texas emerging technology fund is public information and may be disclosed under Chapter 552, Government Code:

(1) the name and address of an individual or entity that received an award from that fund;

(2) the amount of funding received by an award recipient;

(3) a brief description of the project funded under former provisions of Chapter 490, Government Code;

(4) if applicable, a brief description of the equity position that the governor, on behalf of the state, has taken in an entity that received an award from that fund; and

(5) any other information with the consent of:

(A) the governor;

(B) the lieutenant governor;

(C) the speaker of the house of representatives; and

(D) the individual or entity that received an award from that fund, if the information relates to that individual or entity.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Sec. 62.168. REPORTING REQUIREMENT. (a) Before the beginning of each regular session of the legislature the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committees of each house of the legislature with primary jurisdiction over economic development and higher education matters and post on the office of the governor's Internet website a report on matching grants made to eligible institutions from the fund that states:

(1) the total amount of matching funds granted by the office;

(2) the total amount of matching funds granted to each recipient institution;

(3) a brief description of each distinguished researcher recruited by each recipient institution, including any amount of external research funding that followed the distinguished researcher to the institution;

(4) a brief description of the expenditures made from the matching grant funds for each distinguished researcher; and

(5) when available, a brief description of each distinguished researcher's contribution to the state's economic competitiveness, including:

(A) any patents issued to the distinguished researcher after accepting employment by the recipient institution; and

(B) any external research funding, public or private, obtained by the distinguished researcher after accepting employment by the recipient institution.

(a-1) The report may not include information that is made confidential by law.

(b) The governor may require an eligible institution that receives a matching grant under this subchapter to submit, on a form the governor provides, information required to complete the report.

Added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, eff. September 1, 2015.
Added by Acts 2015, 84th Leg., R.S., Ch. 915 (H.B. 26), Sec. 1.01, eff. September 1, 2015.

Subchapter H, consisting of Secs. 62.161 to 62.168, was added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11.

For another Subchapter H, consisting of Secs. 62.161 to 62.168, added by Acts 2015, 84th Leg., R.S., Ch. 323 (S.B. 632), Sec. 1, and Ch. 915 (H.B. 26), Sec. 1.01, see Sec. 62.161 et seq., post.

SUBCHAPTER H. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE

Sec. 62.161. DEFINITIONS. In this subchapter:

(1) "Advisory board" means the governor's university research initiative advisory board.

(2) "Distinguished researcher" means a researcher who is:

(A) a Nobel laureate or the recipient of an equivalent honor; or

(B) a member of a national honorific society, such as the National Academy of Sciences, the National Academy of Engineering, or the Institute of Medicine, or an equivalent honorific organization.

(3) "Eligible institution" means a general academic teaching institution or health-related institution.

(4) "Fund" means the governor's university research initiative fund established under this subchapter.

(5) "General academic teaching institution" has the meaning assigned by Section 61.003.

(6) "Governing board" has the meaning assigned by Section 61.003.

(7) "Health-related institution" means a medical and dental

unit as defined by Section 61.003 and any other public health science center, public medical school, or public dental school established by statute or in accordance with Chapter 61.

(8) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.

(9) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.162. ADMINISTRATION OF INITIATIVE. (a) The governor's university research initiative is administered by the Texas Economic Development and Tourism Office within the office of the governor.

(b) From the governor's university research initiative fund, the office shall award matching grants to assist eligible institutions in recruiting distinguished researchers.

(c) The office may adopt any rules the office considers necessary to administer this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.163. MATCHING GRANTS. (a) An eligible institution may apply to the office for a matching grant from the fund. Before approval or disapproval of a grant application, the office shall consider the recommendation of the advisory board regarding the grant proposal. If the office approves a grant application, the office shall award to the applicant institution a grant amount equal to the amount committed by the institution for the recruitment of a distinguished researcher, except as provided by Subsection (c)(2).

(b) A grant application must identify the source and amount of the eligible institution's matching funds and must demonstrate that the proposed use of the grant has the support of the institution's president and of the institution's governing board, the chair of the institution's governing board, or the chancellor of the university system, if the institution is a component of a university system. An applicant eligible institution may commit for matching purposes any funds of the institution available for that purpose other than

appropriated general revenue.

(c) The office may set a deadline for grant applications for each state fiscal year. After fully funding approved grant applications received during an application period for a state fiscal year, the office may reopen applications for that year and:

(1) award the full amount of matching funds from the fund for new applications; or

(2) approve previously disapproved applications submitted before the original application deadline for receipt of a reduced grant amount.

(d) A matching grant received by an eligible institution under this subchapter may not be considered as a basis to reduce, directly or indirectly, the amount of money otherwise appropriated to the institution.

(e) A matching grant may not be used by an eligible institution to recruit a distinguished researcher or other employee from:

(1) another eligible institution; or

(2) a private or independent institution of higher education.

(f) The office shall require an application and all supporting documentation to be submitted to the office electronically in the manner prescribed by the office.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.164. GRANT AWARD CRITERIA; PRIORITIES. (a) The office may award grants only to grant proposals that involve the recruitment of distinguished researchers in the fields of science, technology, engineering, mathematics, and medicine. The office shall give priority to proposals that:

(1) demonstrate a reasonable probability of enhancing Texas' national and global economic competitiveness;

(2) demonstrate a reasonable probability of creating a nationally or internationally recognized locus of research superiority or a unique locus of research;

(3) are matched with a significant amount of funding from a federal or private source that may be transferred to the eligible institution;

(4) are interdisciplinary and collaborative; or

(5) include a strategic plan for intellectual property development and commercialization of technology.

(b) The office may award a grant to a proposal that:

(1) supports the recruitment of a distinguished researcher distinguished in, or to be engaged in, basic, translational, or applied research; or

(2) proposes the recruitment of a distinguished researcher for new research capabilities of the eligible institution or to expand the institution's existing research capabilities.

(c) A grant proposal should identify a specific distinguished researcher being recruited. In addition to the factors considered in evaluating proposals considered a priority under Subsection (a), the office may consider:

(1) the likelihood that the researcher being recruited will not accept a research position with the applicant eligible institution without the institution's receipt of a matching grant under this subchapter;

(2) the extent to which the subject matter of the researcher's research offers the opportunity for interdisciplinary and collaborative research at the applicant eligible institution and with other eligible institutions; and

(3) any commercialization track record of the researcher being recruited.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.165. CONFIDENTIALITY. Information collected or obtained by the office or the advisory board concerning the identity of a particular distinguished researcher who is the subject of a grant proposal under this subchapter is confidential unless the researcher and the applicant eligible institution consent to disclosure of the information. The information remains confidential until the date, if any, on which the researcher enters into an employment relationship with the recruiting institution as contemplated in the grant proposal.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.166. ADVISORY BOARD. (a) The governor's university research initiative advisory board is established to assist the office with the review and evaluation of applications for funding of grant proposals under this subchapter. The advisory board shall make recommendations to the office for approval or disapproval of those applications.

(b) The advisory board must be composed of at least nine members appointed by the governor. Of the members of the board:

(1) one-third of the members, as nearly as possible, must have a background in finance;

(2) one-third of the members, as nearly as possible, must have an academic background in science, technology, engineering, or mathematics; and

(3) one-third of the members, as nearly as possible, must be public members.

(c) Chapter 2110, Government Code, does not apply to the size, composition, or duration of the advisory board.

(d) A member of the advisory board who is or has been employed by, is or has been a party to a contract for any purpose with, or is a student or former student of an applicant eligible institution may not be involved in the review, evaluation, or recommendation of a grant proposal made by that institution.

(e) An advisory board member is not required to be a resident of this state.

(f) Appointments to the advisory board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

(g) Members of the advisory board serve without compensation but are entitled to reimbursement for actual and necessary expenses in attending meetings of the board or performing other official duties authorized by the office.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.167. TIMELY ACTION ON APPLICATIONS. (a) The advisory board shall meet in person or by teleconference to consider grant

applications under this subchapter and shall strive to present to the office the board's recommendation for approval or disapproval of an application not later than the 14th day after the date the board receives the application.

(b) The office shall make a final decision regarding approval of a grant application not later than the 14th day after the date the office receives the advisory board's recommendation.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

Sec. 62.168. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND. (a) The governor's university research initiative fund is a dedicated account in the general revenue fund.

(b) The fund consists of:

(1) amounts appropriated or otherwise allocated or transferred by law to the fund; and

(2) gifts, grants, and other donations received for the fund.

(c) Sections 403.095 and 404.071, Government Code, do not apply to the fund.

(d) The fund may be used by the office only for the purposes of this subchapter, including for necessary expenses incurred in the administration of the fund and this subchapter.

Added by Acts 2015, 84th Leg., R.S., Ch. 448 (H.B. 7), Sec. 11, eff. September 1, 2015.

CHAPTER 63. PERMANENT FUNDS FOR HEALTH-RELATED INSTITUTIONS OF HIGHER EDUCATION

SUBCHAPTER A. PERMANENT HEALTH FUND FOR HIGHER EDUCATION

Sec. 63.001. PERMANENT HEALTH FUND FOR HIGHER EDUCATION. (a) The permanent health fund for higher education is a special fund in the treasury outside the general revenue fund.

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the

fund.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

Sec. 63.002. ADMINISTRATION AND USE OF FUND. (a) The board of regents of The University of Texas System shall administer the fund. The board may manage and invest the fund in the same manner as the board manages and invests other permanent endowments. In administering the fund, the board shall invest any funds in a manner that preserves the purchasing power of the fund's assets and the fund's annual distributions. The board shall determine the amount available for distribution from the fund in a manner consistent with the board's procedures for making distributions to other endowment beneficiaries. The amount available for distribution shall be determined by the investment and distribution policy for the fund's assets adopted by the board. Expenses of managing the fund's assets shall be paid from the fund.

(b) Except as provided by Subsections (c), (d), and (f), money in the fund may not be used for any purpose.

(c) The amount available for distribution from the fund may be appropriated only for programs that benefit medical research, health education, or treatment programs at the following health-related institutions of higher education:

(1) The University of Texas Health Science Center at San Antonio;

(2) The University of Texas M. D. Anderson Cancer Center;

(3) The University of Texas Southwestern Medical Center;

(4) The University of Texas Medical Branch at Galveston;

(5) The University of Texas Health Science Center at Houston;

(6) The University of Texas Health Science Center at Tyler;

(7) The University of Texas Health Science Center--South Texas and its component institutions, if established under Subchapter N, Chapter 74;

(8) The Texas A&M University Health Science Center;

(9) the University of North Texas Health Science Center at Fort Worth;

(10) the Texas Tech University Health Sciences Center;

(11) the Texas Tech University Health Sciences Center at El

Paso; and

(12) Baylor College of Medicine, if a contract between Baylor College of Medicine and the Texas Higher Education Coordinating Board is in effect under Section 61.092.

(d) The governing board of a health-related institution of higher education entitled to receive money under this subchapter may solicit and accept gifts and grants to the fund. A gift or grant to the fund shall be appropriated and distributed and may be used in the same manner as an amount appropriated under Section 63.003, subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

(e) Sections 403.095 and 404.071, Government Code, do not apply to the fund. Section 404.094(d), Government Code, applies to the fund.

(f) An institution of higher education that has accepted a gift under Subchapter I, Chapter 51, that was conditioned on the receipt by the institution of state matching funds from the eminent scholars fund may use money the institution receives under this subchapter to provide the state matching funds, treating that amount as if it were a distribution to the institution from the eminent scholars fund for purposes of Subchapter I, Chapter 51.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 4, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 14, eff. May 18, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 7, eff. September 1, 2013.

Sec. 63.003. ALLOCATION OF DISTRIBUTION. (a) The legislature shall appropriate the amount available for distribution from the fund to the health-related institutions of higher education listed in Section 63.002(c). The amount appropriated shall be distributed as follows:

(1) 70 percent shall be distributed in equal amounts to each institution; and

(2) the remaining amount shall be distributed in equal

amounts for each of the following categories, with each institution receiving a share in each category proportionate to the amount that the institution spent in that category in the preceding fiscal biennium as determined by the institution's annual financial report, compared to the total spending of every institution listed in Section 63.002(c) in that category in the preceding biennium:

(A) instructional expenditures;

(B) research expenditures; and

(C) unsponsored charity care.

(b) The amount appropriated under Subsection (a) shall be distributed quarterly by the comptroller to each health-related institution of higher education.

(c) The Legislative Budget Board shall make any necessary determination of each institution's portion of an amount appropriated under Subsection (a)(2) and shall provide that information to the legislature and the comptroller.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 9.01(b)(9), eff. September 1, 2013.

SUBCHAPTER B. PERMANENT FUNDS FOR HEALTH-RELATED INSTITUTIONS

Sec. 63.101. CREATION OF FUNDS. (a) A separate permanent endowment fund is established for the benefit of each of the following institutions of higher education:

(1) The University of Texas Health Science Center at San Antonio;

(2) The University of Texas M. D. Anderson Cancer Center;

(3) The University of Texas Southwestern Medical Center;

(4) The University of Texas Medical Branch at Galveston;

(5) The University of Texas Health Science Center at Houston;

(6) The University of Texas Health Science Center at Tyler;

(7) The University of Texas at El Paso;

(8) The Texas A&M University Health Science Center;

(9) the University of North Texas Health Science Center at Fort Worth;

(10) the components of the Texas Tech University Health

Sciences Center located in El Paso;

(11) the components of the Texas Tech University Health Sciences Center at locations other than El Paso;

(12) the regional academic health center established under Section 74.611; and

(13) Baylor College of Medicine, if a contract between Baylor College of Medicine and the Texas Higher Education Coordinating Board is in effect under Section 61.092.

(b) Each separate permanent endowment fund is a special fund in the treasury outside the general revenue fund.

(c) Each separate permanent endowment fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the fund.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 8, eff. September 1, 2013.

Sec. 63.102. ADMINISTRATION AND USE OF FUNDS. (a) The governing board of an institution or component for which a fund is established under this subchapter may administer the fund of that institution. If a governing board elects not to administer the fund, the comptroller shall administer the fund. The administrator of a fund established under this subchapter shall invest the fund in a manner intended to preserve the purchasing power of the fund's assets and the fund's annual distributions. Annual distributions for any fund shall be determined by the investment and distribution policy adopted by the administrator of the fund for the fund's assets. Expenses of managing the assets of a fund shall be paid from the fund. If a governing board administers a fund, the governing board may manage and invest the fund in the same manner as the board manages and invests other permanent endowments, and the board shall make distributions from the fund in a manner consistent with the board's procedures for making distributions to other endowment beneficiaries. If the comptroller administers a fund, the

comptroller may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions the comptroller considers appropriate, any kind of investment of the fund's assets that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.

(b) Except as provided by Subsections (c), (d), and (f), money in a fund established under this subchapter may not be used for any purpose.

(c) The amount available for distribution from each fund may be appropriated only for research and other programs that are conducted by the institution or components for which the fund is established and that benefit the public health. The comptroller or the governing board shall report to the legislature the amount of funds that are eligible for appropriation. An amount appropriated from the fund established for The University of Texas Health Science Center at San Antonio may be used to establish, maintain, and operate a children's cancer center and the campus extension in the city of Laredo. An amount appropriated from the funds established for the components of the Texas Tech University Health Sciences Center located in El Paso and for The University of Texas at El Paso may be used for the establishment and operation of an institute of public health in El Paso. An amount appropriated from the fund established for the components of the Texas Tech University Health Sciences Center at locations other than El Paso may be used for research and other programs that benefit the public health in areas outside El Paso. An amount appropriated from the fund established for The Texas A&M University Health Science Center may be used for the establishment and operation of the Coastal Bend Health Education Center in Corpus Christi.

(d) The comptroller or the governing board of an institution or component may solicit and accept gifts and grants to the institution's or component's fund. A gift or grant to the fund may be expended and used in the same manner as an amount distributed from the fund under Subsection (c), subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

(e) Sections 403.095 and 404.071, Government Code, do not apply

to a fund established under this subchapter. Section 404.094(d), Government Code, applies to the fund.

(f) An institution of higher education that has accepted a gift under Subchapter I, Chapter 51, that was conditioned on the receipt by the institution of state matching funds from the eminent scholars fund may use money the institution receives under this subchapter to provide the state matching funds, treating that amount as if it were a distribution to the institution from the eminent scholars fund for purposes of Subchapter I, Chapter 51.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

SUBCHAPTER C. PERMANENT FUND FOR HIGHER EDUCATION NURSING, ALLIED HEALTH, AND OTHER HEALTH-RELATED PROGRAMS

Sec. 63.201. PERMANENT FUND FOR HIGHER EDUCATION NURSING, ALLIED HEALTH, AND OTHER HEALTH-RELATED PROGRAMS. (a) The permanent fund for higher education nursing, allied health, and other health-related programs is a special fund in the treasury outside the general revenue fund.

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the fund.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

For expiration of Subsections (f) and (g), see Subsection (g).

Sec. 63.202. ADMINISTRATION AND USE OF FUND. (a) The comptroller may contract with the governing board of any institution or component that is eligible to receive a grant under Subsection (c) to administer the fund. If a governing board administers the fund, the governing board may manage and invest the money in the fund in the same manner as the board manages and invests other permanent endowments. The administrator of the fund shall invest any fund in a manner that preserves the purchasing power of the fund's assets and the fund's annual distributions.

(b) Except as provided by Subsections (c) and (d), money in the fund established under this subchapter may not be used for any purpose.

(c) The investment returns of the fund may be appropriated to the Texas Higher Education Coordinating Board for the purpose of providing grants to public institutions of higher education that offer upper-level academic instruction and training in the field of nursing, allied health, or other health-related education. The coordinating board shall adopt rules relating to the award of grants under this subchapter and may, in awarding grants, consider the impact the grant will have on academic instruction and training in the field of nursing, allied health, or other health-related education in this state. An institution or component that is eligible to receive funding under Subchapter A or B is not eligible to receive a grant under this subchapter. The comptroller or the governing board shall report to the legislature the amount of funds that are available for appropriation under this section.

(d) The comptroller or the governing board that administers the fund may solicit and accept gifts and grants for the benefit of the fund. A gift or grant to the fund may be expended and used in the same manner as the investment returns of the fund under Subsection (c), subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

(e) Sections 403.095 and 404.071, Government Code, do not apply to a fund established under this subchapter.

(f) Notwithstanding the limitation provided by Subsection (b), grants awarded under Subsection (c) for the state fiscal biennium ending on August 31, 2017, and the fiscal biennium ending on August 31, 2019, by the Texas Higher Education Coordinating Board shall be awarded to programs preparing students for initial licensure as registered nurses or programs preparing qualified faculty members with a master's or doctoral degree for the program, including programs at two-year institutions of higher education, four-year general academic teaching institutions, health science centers, and independent or private institutions of higher education, or to the nursing resource section established under Section 105.002(b), Health and Safety Code. In awarding grants under this subsection, the coordinating board may:

(1) give priority to institutions proposing to address the shortage of registered nurses by promoting innovation in education,

recruitment, and retention of nursing students and qualified faculty;

(2) award grants on a competitive basis;

(3) consider the availability of matching funds; and

(4) fund a study by the nursing resource section to evaluate the competencies of clinical judgment and behaviors that professional nursing students should possess at the time of graduation.

(g) Subsection (f) and this subsection expire September 1, 2019.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999. Amended by Acts 2001, 77th Leg., ch. 1489, Sec. 11, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 728, Sec. 2, eff. June 20, 2003. Amended by:

Acts 2007, 80th Leg., R.S., Ch. 534 (S.B. 992), Sec. 1, eff. June 16, 2007.

Acts 2009, 81st Leg., R.S., Ch. 999 (H.B. 3961), Sec. 15, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 407 (S.B. 794), Sec. 1, eff. June 17, 2011.

Acts 2015, 84th Leg., R.S., Ch. 215 (H.B. 495), Sec. 1, eff. May 29, 2015.

Sec. 63.203. REPORTING REQUIREMENT. The Texas Higher Education Coordinating Board shall provide a report on the permanent fund established under this subchapter to the Legislative Budget Board no later than November 1 of each year. The report shall include the total amount of money distributed from the fund, the names of the institutions receiving grants, the purpose for which the grants were used, and any additional information that may be requested by the Legislative Budget Board.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

SUBCHAPTER D. PERMANENT FUND FOR MINORITY HEALTH RESEARCH AND EDUCATION

Sec. 63.301. PERMANENT FUND FOR MINORITY HEALTH RESEARCH AND EDUCATION. (a) The permanent fund for minority health research and education is a special fund in the treasury outside the general

revenue fund.

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund; and

(3) the returns received from investment of money in the fund.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

Sec. 63.302. ADMINISTRATION AND USE OF FUND. (a) The comptroller may contract with the governing board of any institution or component that is eligible to receive a grant under Subsection (c) to administer the fund. If a governing board administers the fund, the governing board may manage and invest the money in the same manner as the board manages and invests other permanent funds. The administrator of the fund shall invest any fund in a manner that preserves the purchasing power of the fund's assets and the fund's annual distributions.

(b) Except as provided by Subsections (c) and (e), money in the fund established under this subchapter may not be used for any purpose.

(c) The investment returns of the fund may be appropriated to the Texas Higher Education Coordinating Board for the purpose of providing grants to institutions of higher education, including Centers for Teacher Education, that conduct research or educational programs that address minority health issues or form partnerships with minority organizations, colleges, or universities to conduct research and educational programs that address minority health issues.

(d) The coordinating board shall adopt rules relating to the award of grants under this subchapter.

(e) The comptroller or governing board that administers the fund may solicit and accept gifts and grants for the benefit of the fund. A gift or grant to the fund may be expended and used in the same manner as the investment returns of the fund under Subsection (c), subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

(f) The coordinating board shall report to the legislature

annually the total amount of funds awarded and a brief description of each grant, including the name of the institution receiving the grant, the amount and purpose of the grant, and the partnership formed to conduct the research or educational programs authorized under Subsection (c).

(g) Sections 403.095 and 404.071, Government Code, do not apply to a fund established under this subchapter.

Added by Acts 1999, 76th Leg., ch. 1402, Sec. 1, eff. Aug. 30, 1999.

SUBTITLE C. THE UNIVERSITY OF TEXAS SYSTEM

CHAPTER 65. ADMINISTRATION OF THE UNIVERSITY OF TEXAS SYSTEM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 65.01. DEFINITIONS. In this chapter:

(1) "System" or "university system" means The University of Texas System.

(2) "Board" means the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3144, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.02. ORGANIZATION. (a) The University of Texas System is composed of the following institutions and entities:

(1) The University of Texas at Arlington, including:

(A) The University of Texas Institute of Urban Studies at Arlington; and

(B) The University of Texas School of Nursing at Arlington;

(2) The University of Texas at Austin, including:

(A) The University of Texas Marine Science Institute;

(B) The University of Texas McDonald Observatory at Mount Locke; and

(C) The University of Texas School of Nursing at Austin;

(3) The University of Texas at Dallas;

(4) The University of Texas at El Paso, including The University of Texas School of Nursing at El Paso;

(5) The University of Texas of the Permian Basin;

(6) The University of Texas at San Antonio, including the University of Texas Institute of Texan Cultures at San Antonio;

(7) The University of Texas Southwestern Medical Center, including:

(A) The University of Texas Southwestern Medical School at Dallas;

(B) The University of Texas Southwestern Graduate School of Biomedical Sciences at Dallas; and

(C) The University of Texas Southwestern Allied Health Sciences School at Dallas;

(8) The University of Texas Medical Branch at Galveston, including:

(A) The University of Texas Medical School at Galveston;

(B) The University of Texas Graduate School of Biomedical Sciences at Galveston;

(C) The University of Texas School of Allied Health Sciences at Galveston;

(D) The University of Texas Marine Biomedical Institute at Galveston;

(E) The University of Texas Hospitals at Galveston; and

(F) The University of Texas School of Nursing at Galveston;

(9) The University of Texas Health Science Center at Houston, including:

(A) The University of Texas Medical School at Houston;

(B) The University of Texas Dental Branch at Houston;

(C) The University of Texas Graduate School of Biomedical Sciences at Houston;

(D) The University of Texas School of Health Information Sciences at Houston;

(E) The University of Texas School of Public Health at Houston;

(F) The University of Texas Speech and Hearing Institute at Houston; and

(G) The University of Texas School of Nursing at Houston;

(10) The University of Texas Health Science Center at San Antonio, including:

(A) The University of Texas Medical School at San

Antonio;

(B) The University of Texas Dental School at San Antonio;

(C) The University of Texas Graduate School of Biomedical Sciences at San Antonio;

(D) The University of Texas School of Allied Health Sciences at San Antonio; and

(E) The University of Texas School of Nursing at San Antonio;

(11) The University of Texas M. D. Anderson Cancer Center, including:

(A) The University of Texas M. D. Anderson Hospital;

(B) The University of Texas M. D. Anderson Tumor Institute; and

(C) The University of Texas M. D. Anderson Science Park; and

(12) The University of Texas Health Science Center--South Texas, including The University of Texas Medical School--South Texas, if established under Subchapter N, Chapter 74.

(b) The University of Texas System shall also be composed of such other institutions and entities as from time to time may be assigned by specific legislative act to the governance, control, jurisdiction, or management of The University of Texas System.

Added by Acts 1973, 63rd Leg., p. 1186, ch. 435, Sec. 1, eff. Aug. 27, 1973. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 2, eff. June 14, 1989; Acts 2001, 77th Leg., ch. 325, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 5, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 9, eff. September 1, 2013.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 65.11. BOARD OF REGENTS. The government of the university system is vested in a board of nine regents appointed by the governor with the advice and consent of the senate. The board may provide for the administration, organization, and names of the institutions and

entities in The University of Texas System in such a way as will achieve the maximum operating efficiency of such institutions and entities, provided, however, that no institution or entity of The University of Texas System not authorized by specific legislative act to offer a four-year undergraduate program as of the effective date of this Act shall offer any such four-year undergraduate program without prior recommendation and approval by a two-thirds vote of the Texas Higher Education Coordinating Board and a specific act of the Legislature.

Acts 1971, 62nd Leg., p. 3144, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1188, ch. 435, Sec. 2, eff. Aug. 27, 1973; Acts 1989, 71st Leg., ch. 644, Sec. 3, eff. June 14, 1989.

Sec. 65.12. QUALIFICATIONS; TERMS. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered years.

Acts 1971, 62nd Leg., p. 3144, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 2837, ch. 484, art. III, Sec. 1, eff. June 19, 1983.

Sec. 65.13. BOARD OFFICERS. The board shall elect a chairman from its members to serve at the will of the board. The comptroller shall be the treasurer of the university system.

Acts 1971, 62nd Leg., p. 3144, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.16, eff. Sept. 1, 1997.

Sec. 65.14. EXPENSES. The reasonable expenses incurred by members of the board in the discharge of their duties shall be paid from the available university fund.

Acts 1971, 62nd Leg., p. 3144, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 65.15. SEAL. The board may make and use a common seal and may alter it at will.

Acts 1971, 62nd Leg., p. 3145, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.16. SYSTEM CENTRAL ADMINISTRATION OFFICE; EXECUTIVE OFFICER. (a) The board shall establish a central administration of the university system to provide oversight and coordination of the activities of the system and each component institution within the system.

(b) The board shall appoint a chief executive officer and such other executive officers of the system central administration as the board considers appropriate. The board shall determine each officer's term of appointment, salary, and duties.

(c) Subject to the power and authority of the board, the chief executive officer is responsible for the general management of the university system within the policies of the board and for making recommendations to the board concerning the organization of the university system and the appointment of the chief administrative officer for each component institution within the system.

(d) In addition to other powers and duties provided by this code or other law, the central administration of the system shall recommend policies and rules to the governing board of the system to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

Added by Acts 1989, 71st Leg., ch. 464, Sec. 1, eff. June 14, 1989.

SUBCHAPTER C. POWERS AND DUTIES OF BOARD

Sec. 65.31. GENERAL POWERS AND DUTIES. (a) The board is authorized and directed to govern, operate, support, and maintain each of the component institutions that are now or may hereafter be included in a part of The University of Texas System.

(b) The board is authorized to prescribe for each of the component institutions courses and programs leading to such degrees

as are customarily offered in outstanding American universities, and to award all such degrees. It is the intent of the legislature that such degrees shall include baccalaureate, master's, and doctoral degrees, and their equivalents, but no new department, school, or degree-program shall be instituted without the prior approval of the Coordinating Board, Texas College and University System.

(c) The board has authority to promulgate and enforce such other rules and regulations for the operation, control, and management of the university system and the component institutions thereof as the board may deem either necessary or desirable. The board is specifically authorized and empowered to determine and prescribe the number of students that shall be admitted to any course, department, school, college, degree-program, or institution under its governance.

(d) The board is specifically authorized to make joint appointments in the component institutions under its governance. The salary of any person who receives such joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

(e) The board is specifically authorized, upon terms and conditions acceptable to it, to accept, retain in depositories of its choosing, and administer gifts, grants, or donations of any kind, from any source, for use by the system or any of the component institutions of the system.

(f) No component institution which is not authorized to offer a four-year undergraduate program shall offer a four-year undergraduate program without the specific authorization of the legislature.

(g) The board by rule may delegate a power or duty of the board to a committee, officer, employee, or other agent of the board.

Acts 1971, 62nd Leg., p. 3145, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3360, ch. 1024, art. 2, Sec. 37, eff. Sept. 1, 1971; Acts 1983, 68th Leg., p. 5010, ch. 900, Sec. 1, eff. Aug. 29, 1983; Acts 1995, 74th Leg., ch. 213, Sec. 1, eff. May 23, 1995.

Sec. 65.32. REMOVAL OF OFFICERS, ETC. The board may remove any officer, member of the faculty, or employee connected with the system when in its judgment the interest of the system requires the removal.

Acts 1971, 62nd Leg., p. 3145, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.33. EMINENT DOMAIN. (a) The board has the power of eminent domain to acquire for the use of the university system any land that may be necessary and proper for carrying out its purposes in the manner prescribed by Chapter 21, Property Code.

(b) Whenever the board has been made trustees by a will, instrument in writing, or otherwise of a trust for a scientific, educational, philanthropic, or charitable purpose, or other trust for a public purpose, it may act by a quorum of the board or a majority of all members. Unless otherwise directed by the terms of the will or instrument, as trustees the board may exercise for the purpose of the trust the power of eminent domain and may condemn land and other property as provided by Chapter 21, Property Code.

(c) The taking of the property is declared to be for the use of the state. The board is not required to deposit a bond or the amount equal to the award of damages by the commissioners as provided by Section 21.021, Property Code.

Acts 1971, 62nd Leg., p. 3145, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 922, Sec. 1, eff. Aug. 26, 1985.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 609 (H.B. 387), Sec. 2, eff. June 15, 2007.

Sec. 65.34. CONTRACTS. A contract must be approved by the board or otherwise entered into in accordance with rules of the board relating to contracting authority.

Acts 1971, 62nd Leg., p. 3146, p. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1977, 65th Leg., p. 562, ch. 197, Sec. 2, eff. May 20, 1977; Acts 1995, 74th Leg., ch. 213, Sec. 2, eff. May 23, 1995.

Sec. 65.35. EXPENDITURES. All expenditures may be made by the order of the board and shall be paid on warrants from the comptroller

based on vouchers approved by the chairman of the board or his delegate, or by the institutional head or his delegate of the component institution making the expenditures.

Acts 1971, 62nd Leg., p. 3146, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.36. DONATIONS FOR PROFESSORSHIPS AND SCHOLARSHIPS. (a) Donations of property may be made and accepted by the board for the purpose of establishing or assisting in the establishment of a professorship or scholarship in the university system or any of its component institutions, or for creating in the university system or any of its component institutions any trust for any lawful, educational, or charitable purpose, either temporarily or permanently, and the donations or trusts thereby created will be governed by the rules prescribed by this section.

(b) The legal title to the property shall be vested in the board acting as an entity, or the State of Texas, to be held in trust for the purpose under any directions, limitations, and provisions that may be declared in writing in the donation or trust agreement, not inconsistent with the objectives and proper management of the system or its component institutions.

(c) The donor may declare and direct the manner in which the title to the property shall thereafter be transmitted from the trustee in continued succession, to be held for and appropriated to the declared purposes.

(d) The donor may declare and direct the person or class of persons who shall receive the benefit of the donation and the manner of their selection.

(e) The declarations, directions, and limitations shall not be inconsistent with the objects and proper management of the system or its institutions.

(f) In case of failure to transmit the title to the property or to bestow its use in the manner declared and directed in the donation, or in case the uses, or either of them, become impracticable from the change of circumstances, the title to the property, unless otherwise expressly directed by the donor, shall vest in this state to be held in trust to carry into effect the purposes of the donation as nearly as practicable by such agencies as

may be provided therefor.

(g) The title to the property donated shall be received, and the trust conferred in the donation shall be assumed, subject to laws that may be passed and carried into effect from time to time which may be necessary to prevent the loss of, or damage to, the property donated, or an abuse or neglect of the trust so as to defeat, materially change, or prevent the objects of the donation.

(h) Copies of the donation shall be filed with the board or the branch to which the donation applies; and the board shall report the condition and management of the property and the manner in which the trust is being administered as part of the matters reported pertaining to the institution.

Acts 1971, 62nd Leg., p. 3146, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1577, ch. 568, Sec. 1, eff. Aug. 27, 1973.

Sec. 65.37. FUNDS RECEIVED FOR TRUST SERVICES. The board may deposit in an appropriate university account all funds received as administrative fees or charges for services rendered in the management and administration of any trust estate under the control of the university system or any institution of the system. The funds so received as administrative fees or charges may be expended by the board for any educational purpose of the university system.

Acts 1971, 62nd Leg., p. 3147, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.38. NONSECTARIAN. No religious qualification shall be required for admission to any office or privilege in the university system. No course of instruction of a sectarian character shall be taught in the system.

Acts 1971, 62nd Leg., p. 3147, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.39. MANAGEMENT OF LANDS OTHER THAN PERMANENT UNIVERSITY FUND LANDS. The board of regents of The University of Texas System

has the sole and exclusive management and control of the lands set aside and appropriated to, or acquired by, The University of Texas System. The board may sell, lease, and otherwise manage, control, and use the lands in any manner and at prices and under terms and conditions the board deems best for the interest of The University of Texas System, not in conflict with the constitution. However, the land shall not be sold at a price less per acre than that at which the same class of other public land may be sold under the statutes. No grazing lease shall be made for a period of more than 10 years.

Acts 1971, 62nd Leg., p. 3147, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 65.40. M.D. ANDERSON SCIENCE PARK. (a) The board is hereby authorized to establish, maintain, and support an environmental science park in Bastrop County, Texas, on lands owned or controlled by it, the administration and business management of which shall be delegated to The University of Texas M. D. Anderson Cancer Center.

(b) The board shall have authority to cooperate with agencies, institutions, instrumentalities, and subdivisions of this state, other states, and the federal government; and with private institutes, institutions, foundations, and organizations, in the furtherance of this section, and the promotion of educational and environmental science programs.

(c) The board is specifically authorized upon terms and conditions acceptable to it, to accept and administer, gifts, grants, or donations, of any kind, from any source, to aid in the establishment, operation, maintenance, or administration of the environmental science park.

Added by Acts 1971, 62nd Leg., p. 3336, ch. 1024, art. 2, Sec. 2, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 4, eff. June 14, 1989.

Sec. 65.41. MEDICAL SCHOOL ADMISSION POLICIES. The Board of Regents shall promulgate appropriate rules and regulations pertaining to the admission of students to medical schools which will provide for admission of those students to its entering class each year who

are equally or as well qualified as all other students and who have entered a contract with or received a commitment for a stipend, grant, loan or scholarship from the State Rural Medical Education Board. The State Rural Medical Education Board may contract with medical students providing for such students to engage in a general or family practice of medicine for not less than four years after licensing and a period of medical residency, as determined by the rules and regulations established by the State Rural Medical Education Board, in cities of Texas which have a population of less than 5,000 or in rural areas, as that term may be defined by the State Rural Medical Education Board, and said Board is hereby given the authority to define and from time to time redefine the term rural area, at the time the medical practice is commenced. This contract shall provide for a monthly stipend of at least $100 to be granted by the State Rural Medical Education Board to each person under contract with the state while enrolled as a medical school student.

Added by Acts 1975, 64th Leg., p. 2408, ch. 740, Sec. 3, eff. Sept. 1, 1975.

Sec. 65.42. DELINQUENT ACCOUNTS; VENUE. A suit by The University of Texas System on its own behalf or on behalf of a component institution of The University of Texas System to recover a delinquent loan, account, or debt owed to The University of Texas System or a component institution of The University of Texas System must be brought in Travis County.

Added by Acts 1987, 70th Leg., ch. 403, Sec. 3, eff. Sept. 1, 1987.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 1.04, eff. June 17, 2011.

Sec. 65.43. SALE OF OBSOLETE MEDICAL EQUIPMENT. The board shall have the authority to sell and transfer, after due notification by journal or mail, on fair and reasonable terms, to any hospital within the State of Texas operated by the state, a city, a county, a hospital district, a nonprofit corporation, or a tax-exempt charitable organization any medical equipment that has been in use at an institution or facility governed by the board and is obsolete with

regard to the instructional objectives of The University of Texas System.

Added by Acts 1981, 67th Leg., p. 2068, ch. 459, Sec. 1, eff. June 11, 1981.

Sec. 65.45. SCIENCE AND TECHNOLOGY DEVELOPMENT, MANAGEMENT, AND TRANSFER. (a) The legislature finds that it is essential to the economic growth of the state that the potential for the development and growth of high technology industry be promoted and expanded. As a means of accomplishing this purpose, the board may enter into agreements with individuals, corporations, partnerships, associations, and local, state, or federal agencies for funding the discovery, development, and commercialization of new products, technology, and scientific information, including an agreement to manage a national laboratory engaged in any of those endeavors. At the discretion of the board, research facilities, funding, and personnel at the various component institutions of The University of Texas System may be utilized to achieve the purposes of this section.

(b) As a means of carrying out the purposes of this section, the board may, through one or more corporations incorporated by the board or under any other cooperative arrangement:

(1) own and license rights to products, technology, and scientific information;

(2) own shares in corporations engaged in the discovery, development, manufacture, management, or marketing of products, technology, or scientific information in this state or outside this state;

(3) participate, either directly or through a subsidiary corporation or other legal entity formed for that purpose, in the discovery, development, manufacture, management, or marketing of products, technology, or scientific information on behalf of the United States or a state or local governmental entity; and

(4) carry on and support such other activities as the board may deem appropriate for achieving the purposes of this section.

(c) The board may cooperate in any manner the board considers appropriate with similar programs operated by other state-supported institutions of higher education in this state or in other states.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 359, Sec.

16(3), eff. January 1, 2012.

Added by Acts 1985, 69th Leg., ch. 818, Sec. 1, eff. Aug. 26, 1985.
Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 4.04, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 888 (S.B. 1528), Sec. 10, eff. September 1, 2005.
Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 16(3), eff. January 1, 2012.

Sec. 65.46. POWERS RELATED TO ISSUANCE OF BONDS AND NOTES. (a) In this section:

(1) "Bond" or "note" means a bond or note that the board is authorized to issue according to law, including Article VII, Section 18, of the Texas Constitution, Chapter 55 or 66 of this code, or other applicable law.

(2) "Credit agreement" means a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase bonds or notes, purchase or sale agreement, or another commitment, contract, or agreement authorized and approved by the board in connection with the authorization, issuance, security, exchange, payment, purchase, or redemption of bonds or notes or interest on bonds or notes.

(b) To enhance the security for, or provide for the purchase, payment, redemption, or remarketing of, bonds or notes and the interest on bonds or notes, or to reduce the cost of interest payable on bonds or notes, the board may enter into credit agreements in relation to bonds or notes, and may secure its obligations under the credit agreements by pledging, encumbering, or granting liens on or security interests in revenues, funds, or other property or security that may be pledged or encumbered or made subject to a lien or security interest to secure the bonds or notes that are secured by the credit agreement. The cost to the board of the credit agreement and the obligations of the board under the credit agreement may be paid from proceeds of the sale of bonds or notes to which the credit agreement relates or from any other source that is available for the purpose of paying the bonds or notes and the interest on the bonds or

notes or that may otherwise be legally available to make those payments. The credit agreement shall be submitted, together with the bonds or notes, to the attorney general for review. If the attorney general finds that the credit agreement conforms to applicable law, the attorney general shall approve the credit agreement with the bonds or notes. On approval and delivery, the credit agreement is incontestable for any cause.

(c) The board may authorize bonds or notes to bear interest at a rate or rates (either fixed, variable, floating, adjustable, or otherwise, all as determined in accordance with the resolution authorizing the issuance of the bonds or notes, which may provide a formula, index, or contractual arrangement for the periodic determination of interest rates without the requirement of specific approval, by the board, of each determination) not to exceed the maximum net effective interest rate allowed by law. The resolution under which the bonds or notes are issued may delegate to one or more designated officers, employees, or agents of the board the authority to act on behalf of the board, while the bonds or notes remain outstanding, in fixing dates, prices, interest rates, interest payment periods, and other procedures specified in the resolution so that, among other things, the interest on the bonds or notes may be adjusted from time to time by the officer, employee, or agent to permit the bonds or notes to be sold or resold at par in conjunction with secondary market transactions.

(d) The board may enter into financing programs under which the board may issue notes for any lawful purpose for which bonds or notes may be issued and may make provision for the notes initially issued under the programs to be refinanced, renewed, or refunded throughout the period of the programs by the issuance, sale, and delivery of additional notes. The notes may be secured in any manner provided by law for securing notes or bonds, and also may be secured by the proceeds of the sale of notes, the proceeds of the sale of bonds, or credit agreements, all as the board provides in the resolution authorizing the financing program and the issuance of notes under the program. The board may:

(1) provide in the resolution authorizing the financing program for the maximum principal amount of notes to be outstanding at any time under the financing program;

(2) provide for the authorization of one or more officers or employees of the board to act on behalf of the board in selling

and delivering notes and fixing their dates, prices, interest rates, terms of payment, and other procedures relating to the notes as specified in the resolution;

(3) contract for the future sale of notes under which designated purchasers are committed to purchase notes from time to time on the terms and conditions stated in the contract, including a credit agreement executed in connection with the notes;

(4) provide for the payment of consideration that the board considers proper for the purchase commitments, and provide for the payment of the consideration out of proceeds from the sale of notes or from any other source that is available for the purpose of paying the notes or that may otherwise be legally available to make the payments; and

(5) exercise any other rights and powers that are granted to issuers of obligations under Chapter 1371, Government Code, which also governs the approval by the attorney general of the notes, related credit agreements, and other contracts or instruments and the registration of the notes by the comptroller.

(e) This section shall be construed liberally to effect the legislative intent and purposes of this section, and all powers granted by this section shall be broadly interpreted to effect that intent and those purposes and not as a limitation of powers.

Added by Acts 1985, 69th Leg., ch. 919, Sec. 1, eff. June 15, 1985. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.223, eff. Sept. 1, 2001.

Sec. 65.461. BOND ENHANCEMENT AGREEMENTS. (a) In this section:

(1) "Bond" or "note" means a bond or note that the board is authorized to issue according to law, including Section 18, Article VII, Texas Constitution, Chapter 55 or 66 of this code, or other applicable law.

(2) "Bond enhancement agreement" means an interest rate swap agreement, a currency swap agreement, a forward payment conversion agreement, an agreement providing for payments based on levels of or changes in interest rates or currency exchange rates, an agreement to exchange cash flows or a series of payments, or other agreement, including an option, put, or call, to hedge or modify

payment, currency, rate, spread, or other exposure.

(b) The board may at any time and from time to time enter into one or more bond enhancement agreements that the board determines to be necessary or appropriate to place the obligation of the board, as represented by the bonds or notes issued or to be issued, in whole or in part, on the interest rate, currency, cash flow, or other basis desired by the board. A bond enhancement agreement is an agreement for professional services and shall contain the terms and conditions and be for the period that the board authorizes. The fees and expenses of the board in connection with a bond enhancement agreement, including any payments due from the board under a bond enhancement agreement, may be paid from and secured by a lien on and pledge of all or any part of any of the revenue funds of the board and its institutions, proceeds of the sale of bonds or notes to which the bond enhancement agreement relates, or from any other source that is legally available for the purpose of paying the bonds or notes and the interest on the bonds or notes or that may otherwise be legally available to make those payments. Payments due from the board under a bond enhancement agreement relating to bonds or notes issued pursuant to Section 18, Article VII, Texas Constitution, are deemed to be for the support and maintenance of The University of Texas System administration and may be paid from the available university fund.

(c) The resolution of the board authorizing a bond enhancement agreement may authorize one or more designated officers or employees of the board to act on behalf of the board in entering into and delivering the bond enhancement agreement and in determining or setting the counterparty and terms of the bond enhancement agreement specified in the resolution.

(d) The resolution of the board authorizing a financing program pursuant to Section 65.46 may include authorization of one or more bond enhancement agreements.

(e) Unless the board or its designee elects otherwise in its authorization or approval of a bond enhancement agreement, the bond enhancement agreement is not a credit agreement for purposes of Chapter 1371, Government Code, or Section 65.46 of this chapter, or any successor to such laws, regardless of whether the bonds or notes relating to the bond enhancement agreement were issued in part under either such law.

(f) This section shall be construed liberally to effect the

legislative intent and purposes of this section, and all powers granted by this section shall be broadly interpreted to effect that intent and those purposes and not as a limitation of powers.

Added by Acts 2007, 80th Leg., R.S., Ch. 1310 (S.B. 968), Sec. 8, eff. June 15, 2007.

CHAPTER 66. PERMANENT UNIVERSITY FUND

SUBCHAPTER A. COMPOSITION, INVESTMENT, AND USE

Sec. 66.01. PERMANENT UNIVERSITY FUND. The composition, investment, purposes, and use of the permanent university fund are governed by Article VII, Sections 10, 11, 11a, 15, and 18, of the Texas Constitution.

Acts 1971, 62nd Leg., p. 3149, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.02. AVAILABLE UNIVERSITY FUND. Distributions from the permanent university fund shall constitute the available university fund. All distributions from the permanent university fund shall be deposited in the State Treasury to the credit of the available university fund by the board of regents of The University of Texas System or by the custodian or custodians of the permanent university fund's securities. The University of Texas System shall provide the information necessary for the comptroller to accurately account for distributions from the permanent university fund and to protect state revenues. The system shall provide the information using the method, format, and frequency required by the comptroller.

Acts 1971, 62nd Leg., p. 3149, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1311, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1467, Sec. 1.04, eff. June 19, 1999.

Sec. 66.04. VALIDITY OF BONDS PURCHASED BY BOARD. Whenever the board has purchased the bonds of any city, county, or municipality, approved by the attorney general, the certificate of the attorney general attesting their validity shall be admitted and received as

prima facie evidence of the validity of the bonds; and in all cases in which the proceeds of the sale of these bonds have been received by the proper officers of the city, municipality, or county, or by the party acting for them in negotiating the sale of the bonds, the city, municipality, or county is thereafter estopped from denying the validity of the bonds and they shall be held to be valid and binding obligations. In the case of any bonds bought under this section, premium or discount shall be distributed over the life of the bonds.

Acts 1971, 62nd Leg., p. 3149, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.05. REPORTS. (a) Before December 1 of each year the board of regents of The University of Texas System shall prepare a written report providing statements of assets and a schedule of changes in book value of the investments from the permanent university fund during the year ending August 31 preceding the publication of the report.

(b) The report shall contain a summary of all gains, losses and income from investments and an itemized list of all securities held for the fund on August 31. The report shall also contain any other information needed to clearly indicate the nature and extent of investments made of the fund and all income realized from the components of the fund.

(c) The report shall be distributed to the governor, state comptroller of public accounts, state auditor, attorney general, commissioner of higher education, and to the members of the legislature by the 1st day of January each year. The board shall furnish copies of the report to any interested person on request.

Added by Acts 1971, 62nd Leg., p. 3347, ch. 1024, art. 2, Sec. 20, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 823, Sec. 8, eff. Aug. 28, 1995; Acts 1997, 75th Leg., ch. 1423, Sec. 5.17, eff. Sept. 1, 1997.

Sec. 66.06. WRITTEN OBJECTIVES; PERFORMANCE EVALUATION. (a) The board of regents of The University of Texas System shall develop written investment objectives concerning the investment of the permanent university fund. The objectives may address desired rates

of return, risks involved, investment time frames, and any other relevant considerations.

(b) The board of regents shall evaluate and analyze the investment results of the permanent university fund. The service shall compare investment results with the written investment objectives developed by the board of regents, and shall also compare the investment of the permanent university fund with the investment of other funds operating with substantially the same objectives and restrictions.

Added by Acts 1983, 68th Leg., p. 5097, ch. 925, Sec. 2, eff. Aug. 29, 1983. Amended by Acts 1995, 74th Leg., ch. 823, Sec. 9, eff. Aug. 28, 1995.

Sec. 66.07. CUSTODY AND INVESTMENT OF ASSETS PENDING TRANSACTIONS. With the approval of the comptroller, the board of regents of The University of Texas System may appoint one or more commercial banks, depository trust companies, or other entities to serve as a custodian or custodians of the permanent university fund's securities with authority to hold the money realized from those securities pending completion of an investment transaction if the money held is reinvested within one business day of receipt in investments determined by the board of regents. Money not reinvested within one business day of receipt shall be deposited in the state treasury not later than the fifth day after the date of receipt.

Added by Acts 1997, 75th Leg., ch. 1311, Sec. 2, eff. Sept. 1, 1997.

Sec. 66.08. INVESTMENT MANAGEMENT. (a) The board may delegate investment authority for the investment of the permanent university fund to the same extent as an institution with respect to an institutional fund under Chapter 163, Property Code.

(b) The board may enter into a contract with a nonprofit corporation for the corporation to invest funds under the control and management of the board, including the permanent university fund, as designated by the board. The corporation may not engage in any business other than investing funds designated by the board under the contract.

(c) The board must approve the:

(1) articles of incorporation and bylaws of the corporation and any amendment to the articles of incorporation or bylaws;

(2) investment policies of the corporation, including changes to those policies;

(3) audit and ethics committee of the corporation; and

(4) code of ethics of the corporation.

(d) The board of directors of the corporation shall have nine members, determined as follows:

(1) seven members appointed by the board, of whom:

(A) three must be members of the board;

(B) three must have a substantial background and expertise in investments; and

(C) one must be a qualified individual as determined by the board, which may include the chancellor of The University of Texas System; and

(2) two members appointed by the board of regents of The Texas A&M University System, at least one of whom must have a substantial background and expertise in investments.

(e) Each appointed member of the board of directors of the corporation is subject to removal and replacement by and at the pleasure of the appointing entity.

(f) If an investment contract entered into under Subsection (b) includes the permanent university fund within the scope of funds under the control and management of the board to be invested by the corporation, the board shall provide for an annual financial audit of the permanent university fund. The audit shall be performed by the auditors of The University of Texas System and The Texas A&M University System and presented to the board.

(g) The corporation shall file quarterly reports with the board concerning matters required by the board.

(h) The corporation:

(1) is subject to the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes); and

(2) is subject to the provisions of Chapter 551, Government Code (the open meetings law), that apply to the board of regents of The University of Texas System, except that the board of directors of the corporation:

(A) may discuss an investment or potential investment with one or more employees of the corporation or with a third party to the extent permitted to the board of trustees of the Texas growth

fund under Section 551.075, Government Code; and

(B) is not subject to Section 551.121 or Section 551.125, Government Code, rather any director of the corporation may attend any meeting of the board of directors by telephone conference call provided that the telephone conference is audible to the public at the meeting location specified in the notice of the meeting during each part of the meeting that is required to be open to the public.

(i) The corporation may not enter into an agreement or transaction with a:

(1) director, officer, or employee of the corporation acting in other than an official capacity on behalf of the corporation; or

(2) business entity in which a director, officer, or employee of the corporation has an interest

(j) An agreement or transaction entered into in violation of Subsection (i) is void.

(k) For purposes of this section, a person has an interest in a business entity if:

(1) the person owns five percent or more of the voting stock or shares of the business entity;

(2) the person owns five percent or more of the fair market value of the business entity; or

(3) money received by the person from the business entity exceeds five percent of the person's gross income for the preceding calendar year.

(l) A former director of the corporation may not make any communication to or appearance before a director, officer, or employee of the corporation before the second anniversary of the date an individual ceased to be a director of the corporation if the communication or appearance is made:

(1) with the intent to influence; and

(2) on behalf of any person in connection with any matter on which the person seeks action by the corporation.

(m) A former officer or employee of the corporation may not represent any person or receive compensation for services rendered on behalf of any person regarding a particular matter in which the former officer or employee participated during the period of service or employment with the corporation, either through personal involvement or because the particular matter was within the officer's or employee's responsibility.

(n) An individual who violates Subsection (l) or (m) commits an offense. An offense under this subsection is a Class A misdemeanor.

(o) In this section:

(1) "Board" means the board of regents of The University of Texas System.

(2) "Institution" and "institutional fund" have the meanings assigned by Chapter 163, Property Code.

(3) "Participated" means to have taken action as an officer or employee through decision, approval, disapproval, recommendation, giving advice, investigation, or similar action.

(4) "Particular matter" means a specific investigation, application, request for a ruling or determination, rulemaking proceeding, contract, claim, charge, accusation, arrest, or judicial or other proceeding.

Added by Acts 1983, 68th Leg., p. 5100, ch. 926, Sec. 2, eff. Aug. 29, 1983. Renumbered from Education Code Sec. 66.06 by Acts 1987, 70th Leg., ch. 167, Sec. 5.01(a)(20), eff. Sept. 1, 1987. Amended by Acts 1995, 74th Leg., ch. 213, Sec. 3, eff. May 23, 1995; Acts 1997, 75th Leg., ch. 19, Sec. 1, eff. April 25, 1997; Acts 2001, 77th Leg., ch. 118, Sec. 3.06, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 834 (H.B. 860), Sec. 3, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 834 (H.B. 860), Sec. 4, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 335 (H.B. 2825), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1366 (S.B. 1604), Sec. 3, eff. June 14, 2013.

Sec. 66.09. COST VALUE OF INVESTMENTS AND OTHER ASSETS OF THE PERMANENT UNIVERSITY FUND. If substantially all of the assets of the permanent university fund are invested in an internal investment fund established by the board of regents of The University of Texas System, the cost value of the permanent university fund's investment in the commingled fund for the purpose of Sections 18(a) and (b), Article VII, Texas Constitution, shall be calculated by multiplying the permanent university fund's ownership percentage in the

commingled fund by the commingled fund's net asset value at cost as determined by the board of regents. The permanent university fund's ownership percentage of the commingled fund shall be determined by dividing the permanent university fund's units of participation or shares by the total units or shares of the commingled fund.

Added by Acts 1999, 76th Leg., ch. 1467, Sec. 1.06, eff. June 19, 1999.

SUBCHAPTER B. PERMANENT UNIVERSITY FUND BONDS AND NOTES

Sec. 66.21. REGISTRATION. All bonds and notes issued pursuant to the provisions of Article VII, Section 18, of the Texas Constitution, as originally adopted or as amended, shall be registered by the comptroller of public accounts after they have been approved by the attorney general.

Acts 1971, 62nd Leg., p. 3150, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.22. REFUNDING BONDS AND NOTES. Any bonds or notes issued pursuant to the constitutional provisions described in Section 66.21 of this code, or issued pursuant to this subchapter, may be refunded by the governing board which issued the bonds or notes, upon such terms and conditions, including interest rates and maturities, as may be determined by that board, provided that such terms and conditions shall not be inconsistent with the applicable constitutional provisions. Any such bonds or notes may be so refunded by the issuance of refunding bonds or notes, either to be exchanged for the bonds or notes being refunded and cancelled, or to be sold, with the proceeds to be used for the redemption and cancellation of the bonds or notes being refunded.

Acts 1971, 62nd Leg., p. 3150, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.23. REFUNDING BONDS AND NOTES: APPROVAL; REGISTRATION. All refunding bonds or notes authorized to be issued under this subchapter and the records relating to their issuance,

including any proceedings relating to the redemption of any outstanding bonds or notes, shall be submitted to the attorney general for examination, and if he finds that they have been issued in accordance with law, he shall approve them, and then they shall be registered by the comptroller of public accounts, and after such approval and registration they shall be incontestable. When any such refunding bonds or notes are issued to be exchanged for any outstanding bonds or notes, the comptroller of public accounts shall register and deliver such refunding bonds on surrender for cancellation of the bonds or notes being refunded. When any such refunding bonds or notes are sold, with the proceeds to be used for redeeming any outstanding bonds or notes, the comptroller of public accounts shall register such refunding bonds or notes, even though the bonds or notes to be redeemed shall not have been surrendered for redemption or cancellation.

Acts 1971, 62nd Leg., p. 3150, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.24. AUTHORIZED INVESTMENTS; SECURITY FOR DEPOSITS. All bonds and notes, whether original or refunding, issued pursuant to the constitutional provisions or issued pursuant to this subchapter, shall be fully negotiable instruments, and all bonds and notes are declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, and all other political corporations or subdivisions of the State of Texas; and the bonds and notes shall be eligible to secure the deposit of any and all public funds of the State of Texas, and any and all public funds of cities, towns, villages, counties, school districts, and all other political corporations or subdivisions of the State of Texas; and the bonds and notes shall be lawful and sufficient security for those deposits to the extent of their par value when accompanied by all unmatured coupons appurtenant to them.

Acts 1971, 62nd Leg., p. 3150, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.25. TAX EXEMPT. The carrying out of the purposes of the constitutional provisions and of this subchapter will be performing an essential public function under the constitution, and all bonds and notes, whether original or refunding, heretofore or hereafter issued pursuant to the constitutional provisions or this subchapter, and their transfer and the income from them, including the profits made on their sale, shall at all times be free from taxation of this state.

Acts 1971, 62nd Leg., p. 3151, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. MANAGEMENT OF UNIVERSITY LANDS

Sec. 66.41. MANAGEMENT OF UNIVERSITY LANDS. The board of regents of The University of Texas System has the sole and exclusive management and control of the lands set aside and appropriated to, or acquired by, the permanent university fund. The board may sell, lease, and otherwise manage, control, and use the lands in any manner and at prices and under terms and conditions the board deems best for the interest of the permanent university fund, not in conflict with the constitution. However, the land shall not be sold at a price less per acre than that at which the same class of other public land may be sold under the statutes. No grazing lease shall be made for a period of more than 10 years.

Acts 1971, 62nd Leg., p. 3151, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.42. DUTY OF LAND COMMISSIONER. The commissioner of the general land office shall:

(1) furnish to the board of regents complete and accurate maps and all other data necessary to show the location and condition of every tract of the university lands;

(2) furnish to the board any additional information it may require; and

(3) render to the board any possible assistance it may request in the discharge of its duties under this chapter.

Acts 1971, 62nd Leg., p. 3151, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 66.43. UNIVERSITY LANDS: SURVEYS; PERSONNEL. (a) The board of regents shall cause to be done such surveying or resurveying of the blocks and subdivisions of the university lands as may be necessary to enable the lines of the blocks and sections and fractional sections to be determined and identified and have such corners as may be necessary to that end permanently marked. When it is impracticable to establish such lines and corners as originally surveyed, or when such sections have not been actually surveyed on the ground, the blocks shall be surveyed or resurveyed and divided into surveys of sections and fractional sections, and as many corners thereof as may be necessary for the identification shall be permanently marked. The surveyors to do such surveying shall be employed by the board. The field notes of such surveys shall be returned to the general land office, and when correct and in accordance with law shall be approved by the commissioner of the general land office, filed in the general land office, and become archives therein.

(b) The board of regents may employ and compensate personnel the board deems necessary in connection with performance of any duties under this section or under Subchapter D of this chapter.

Acts 1971, 62nd Leg., p. 3151, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 66.44. MANAGEMENT OF MINERALS OTHER THAN OIL AND GAS. The board of regents has the sole and exclusive management and control of all minerals, other than oil and gas, in lands set aside and appropriated to, or acquired by the permanent university fund. The board may sell, lease, and otherwise manage and control the minerals, other than oil and gas, in those lands as may seem best to it for the interests of the permanent university fund. The board may also explore and have explored and developed the minerals and may make any contract or contracts with any person, association of persons, firm, or corporation for the exploration, development, mining, production, disposition, and sale of the minerals in those lands.

Acts 1971, 62nd Leg., p. 3152, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 66.45. SOIL AND WATER CONSERVATION PLANS. Under each lease issued under this subchapter for agricultural or grazing purposes, the lessee shall be required to implement a soil and water conservation plan reviewed and approved by the board of regents of The University of Texas System under procedures adopted by the board. The board, in reviewing a plan, and the lessee, in implementing a plan, may be assisted by the United States Department of Agriculture Soil Conservation Service.

Added by Acts 1985, 69th Leg., ch. 613, Sec. 7, eff. Sept. 1, 1985.

Sec. 66.46. EASEMENTS ON UNIVERSITY LAND. (a) The board of regents of The University of Texas System may execute grants of easements or other interests in property for rights-of-way or access across land that belongs to the state but is dedicated to the support and maintenance of The University of Texas System for telephone, telegraph, electric transmission, and powerlines, for oil pipelines, gas pipelines, sulphur pipelines, and other electric lines and pipelines of any nature, and for irrigation canals, laterals, and water pipelines.

(b) The board of regents may execute grants of easements for the erection and maintenance of electric substations, pumping stations, loading racks, and tank farms on university land, and for any other purpose the board determines to be in the best interest of the permanent university fund land.

(c) In addition to the purposes for which grants of easements may be executed under Subsections (a) and (b), the board of regents may execute grants of easements on university land for any other purpose and on any terms it considers to be in the best interest of the permanent university fund land.

(d) An easement under this section may not be granted for a term that is longer than 10 years, but the easement may be renewed by the board of regents. The rent to be charged for an easement under this section shall be an amount agreed to by the grantee and the board.

(e) Income received from university land under this section

shall be credited to the available university fund.

(f) Payments under this subchapter that are past due shall bear interest at a rate equal to the rate imposed by the comptroller under Section 111.060, Tax Code, for delinquent payments due the state, except that if the board of regents enters into an agreement with the grantee of the easement specifying a lower rate, the payments bear interest at that lower rate.

(g) Each easement granted under this section shall be recorded in the county clerk's office of the county in which the land is located, and the recording fee shall be paid by the person who obtains the easement. The person who obtains the easement shall furnish to the board of regents a certified copy of the easement.

(h) No person may construct or maintain any structure or facility on land dedicated to the support and maintenance of The University of Texas System, nor may any person who has not acquired a proper easement, lease, permit, or other instrument from the board of regents and who owns or possesses a facility or structure that is now located on or across land dedicated to the support and maintenance of The University of Texas System continue in possession of the land unless the person obtains from the board an easement, lease, permit, or other instrument for the land on which the facility or structure is to be constructed or is located.

(i) A person who constructs, maintains, owns, or possesses a facility or structure on university land without a proper easement or lease is liable for a penalty of not less than $50 or more than $1,000 a day for each day that a violation occurs. The penalty shall be recovered on behalf of the board of regents in a civil action by the attorney general.

(j) A person who owns, maintains, or possesses an unauthorized facility or structure is, for purposes of this section, the person who last owned, maintained, or possessed the facility or structure.

(k) A person who constructs, maintains, owns, or possesses a facility or structure on university land without the proper easement or lease is liable to the board of regents for the costs of removing that facility or structure.

(l) This section does not affect the authority of the board of regents under Section 66.41.

(m) The board of regents shall establish procedures by which a person seeking an easement or other interest under this section may seek relief from a rate or damage schedule that the person believes

does not represent the fair market value of the interest being sought.

Acts 1977, 65th Leg., p. 2438, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1985, 69th Leg., ch. 624, Sec. 36, eff. Sept. 1, 1985.
Transferred from Natural Resources Code, Section 51.293 and amended by Acts 2007, 80th Leg., R.S., Ch. 387 (S.B. 654), Sec. 6, eff. June 15, 2007.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 34 (S.B. 873), Sec. 1, eff. May 9, 2011.

SUBCHAPTER D. BOARD FOR LEASE OF UNIVERSITY LANDS

Sec. 66.61. DEFINITIONS. In this subchapter:

(1) "Board" means the Board for Lease of University Lands.

(2) "Board of regents" means the board of regents of The University of Texas System, except where otherwise specified.

(3) "Commissioner" means the commissioner of the General Land Office.

(4) "Oil and gas" means crude oil, natural gas, and all substances, including other hydrocarbons, produced in association with crude oil and natural gas.

(5) "University lands" means land dedicated to the permanent university fund.

(6) "Well" means an oil or gas well that has been assigned a well number by the state agency having regulatory jurisdiction over the production of oil and gas. A single wellbore may contain more than one well.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.62. BOARD FOR LEASE OF UNIVERSITY LANDS. (a) The board is composed of the commissioner, two members of the board of regents selected by that board, and one member of the board of regents of The Texas A&M University System selected by that board. If a regent member is unable to attend a meeting of the board, the presiding officer of the board of regents of the applicable system may appoint another member of that board of regents as a substitute

member of the board to attend the meeting that the regular regent member is unable to attend. The substitute regent member shall exercise all the powers, duties, and responsibilities of the absent regent member during the conduct of the meeting for which he was appointed. A substitute regent member is subject to the provisions of this subchapter.

(b) Members of the board, other than the commissioner, serve two-year terms expiring February 1 of each odd-numbered year. Regent members continue to serve until a successor is appointed and qualified.

(c) The commissioner is chairman of the board.

(d) A person who is directly or indirectly employed by, or is an officer or employee of a person or entity actively engaged in the exploration for or production of oil and gas, other than as a landowner or royalty owner, may not be a regent member.

(e) An officer, employee, or paid consultant of a trade association in the oil and gas industry may not be a regent member or employee of the board, nor may a person who cohabits with or is the spouse of an officer, managerial employee, or paid consultant of a trade association in the oil and gas industry be a regent member of the board or a non-classified employee of the board.

(f) A person who is required to register as a lobbyist under Chapter 305, Government Code, by virtue of his activities for compensation in or on behalf of a profession related to the operation of the board, may not serve as a regent member of the board or act as the general counsel to the board.

(g) The board of regents of the university system appointing a regent member may remove the regent member from the board if that member:

(1) does not have at the time of appointment the qualifications required by this section for appointment to the board;

(2) does not maintain during the service on the board the qualifications required by this section for appointment to the board;

(3) violates a prohibition established by Subsection (d), (e), or (f);

(4) is unable to discharge his duties for a substantial portion of the term for which he was appointed because of illness or disability; or

(5) is absent from more than one-half of the regularly scheduled board meetings which the member is eligible to attend

during a calendar year, except when the absence is excused by majority vote of the board.

(h) The board is exempt from the provisions of Chapter 2001, Government Code.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.63. CERTAIN BOARD ACTIONS. (a) A majority of the members of the board have the power to act for the board on a matter before the board. Two members of the board have the power to award leases issued on a form of lease previously approved by a majority of the board.

(b) The validity of an action of the board is not affected because it was taken when a ground for removal of a regent member of the board existed. A regent member continues to serve until removed under Section 66.62(g).

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.64. POWERS AND DUTIES OF THE BOARD. (a) The board shall in a manner consistent with this subchapter:

(1) lease university lands for oil and gas exploration and development on terms, at times, and in the manner it may determine;

(2) contract for the sale or other disposition of oil and gas royalties taken in kind;

(3) adopt rules and policies for the administration and enforcement of this subchapter and leases issued under this subchapter;

(4) set fees and penalties for the administration and enforcement of this subchapter;

(5) set the terms of a contract for the development of university lands for oil and gas;

(6) approve agreements that commit the royalty interest in university lands on terms acceptable to the board; and

(7) exercise other powers and authority and perform other duties as may be reasonably necessary to administer and enforce the provisions of this subchapter.

(b) The board shall hold meetings and keep records of its proceedings in a manner consistent with the requirements of Chapter

551, Government Code. The board shall develop and implement policies which provide the public with a reasonable opportunity to appear before the board, to speak on an issue under the board's jurisdiction, or be heard with respect to a declaration of forfeiture. The board shall give written notice to each lessee whose leasehold interest may be forfeited. Such notice shall be given at least 21 days before the meeting at which the board will consider forfeiture of the lease. The notice shall state the time, date, and place of the meeting of the board and include a statement of the board's policy concerning the public's opportunity to be heard with respect to a declaration of forfeiture. Notice shall be properly given when mailed to the last known address of the lessee based on the records of the board of regents or, if the records do not contain an address, to any address that may reasonably be determined to be an address for the lessee.

(c) Except as otherwise provided in this subchapter, the records of the board are subject to the requirements of Chapter 552, Government Code.

(d) The financial transactions of the board are subject to audit by the state auditor in accordance with Chapter 321, Government Code.

(e) The board may delegate to the staff provided to it by the board of regents any duty except as prohibited by law.

(f) The board shall appoint a secretary.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.65. BOARD STAFF; EXCHANGE OF INFORMATION WITH STATE AGENCIES. (a) The board of regents shall employ and compensate personnel to assist the board in the performance of its powers and duties under this subchapter or may assign employees of The University of Texas System to those duties.

(b) The members of the board, personnel and counsel employed or assigned to assist the board, the board of regents, staff of The University of Texas System, the commissioner and staff of the General Land Office, the board of regents and staff of The Texas A&M University System, the office of the comptroller, the office of the attorney general, and any other agency or official of the state with a reasonable business interest in state or university lands,

minerals, or resources may consult with each other and exchange information related to the administration of leases, collection and disposition of royalties, whether in cash or in kind, and any other matter related to the lease, sale, or production of, or the exploration for, oil, gas, or any other mineral or resource, including geothermal, wind, and solar energy on state or university lands. The information so exchanged and consultations and related communications shall be or shall remain confidential and shall be privileged from discovery in the same manner and to the same extent as if the persons consulted, which includes counsel, were members of the same agency. Sections 52.134 and 52.140, Natural Resources Code, shall not prohibit the consultations or exchange of information provided for by this section; however, each agency receiving such confidential information is required to keep the information confidential under Sections 52.134 and 52.140, Natural Resources Code, as appropriate, and to take all reasonable actions necessary to protect the confidential and privileged nature of the information.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.66. LEASE SALES. (a) Oil and gas leases shall be offered at public auction or by sealed bid, or through a combination of public auction and sealed bid, as the board elects. Contracts for development may be awarded in the same manner.

(b) The board shall publish notice that the board will receive bids for oil and gas leases or contracts for development of oil and gas in two or more daily newspapers in this state and in other publications as the board may choose.

(c) The notice shall be published at least 30 days before the date the bids will be opened.

(d) The notice shall state that land is to be offered for lease or a contract for development and that a person may obtain a publication from The University of Texas System offices that describes the land offered and the minimum terms.

(e) The board of regents may solicit and include advertising in the publication describing a lease sale. Fees paid for advertising shall be deposited into the special fee account established by Subsection (g) and are available for the same purposes as described in that subsection.

(f) The board may withdraw any lands advertised for lease before the hour set for receiving bids.

(g) Each bid is subject to the payment of a special fee equal to one and one-half percent of the total bonus whether stipulated or bid, which special payment shall constitute a special fund from which the board of regents shall defray the expenses of the sale, including the payment of the general operating expenses for geology, engineering, field inspection, and auditing oil and gas production of university lands and including salaries and traveling expenses of persons employed by the board of regents for those purposes.

(h) The board of regents may direct the comptroller of The University of Texas System to transmit to the state comptroller for deposit to the credit of the permanent university fund unexpended balances remaining in the special fee account after reserving a sufficient amount in it for the payment of current expenses as set out in Subsection (g).

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.67. LEASE TERMS. (a) The oil and gas lease for each tract shall be offered for a bonus to be determined by high bid in addition to the stipulated royalty or for a stipulated bonus and a royalty to be determined by high bid. Each tract shall be offered separately and the minimum bonus or royalty, depending on the basis for the bid, and the length of the primary term for each tract shall be set out in the official publication describing the tracts and terms.

(b) Except as otherwise provided by law, the minimum royalty rate shall be one-eighth of the oil or gas produced or the value thereof.

(c) The primary term of a lease shall not exceed 10 years.

(d) Each lease shall be subject to the provisions of this subchapter and rules promulgated by the board.

(e) The successful bidder shall pay to the board of regents on the day the bid is accepted the full amount of bonus, whether stipulated or bid, and the special fee in the form of payment specified by the board.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.68. MARGINAL PROPERTY ROYALTY RATES. (a) In this section:

(1) "Barrel of oil equivalent" means 6,000 cubic feet of natural gas per 42-gallon barrel of crude oil or a volume of gas with a minimum heating value of 6,000,000 British thermal units (6,000 Mbtu), whichever is greater.

(2) "Lease" or "leases" means an oil and gas lease issued or approved by the board that is valid and in force on or after the effective date of this section.

(3) "Qualifying property" means land subject to a lease issued under this subchapter.

(4) "Qualifying reservoir" means a reservoir having an average daily per well production equal to or less than 15 barrels of oil equivalent during a period established by the board by rule and underlying either:

(A) a qualifying property; or

(B) a pooled unit including a qualifying property.

(5) "Reservoir" has the same meaning as "common reservoir" as defined by Section 86.002, Natural Resources Code.

(b) The board may provide by rule that the royalty rate for qualifying reservoirs may be reduced to not less than one-sixteenth (6.25 percent). In determining whether to grant a reduction in the royalty rate, the board may consider whether the qualifying property is being operated efficiently, including whether the property is pooled or has reasonable potential for the application of secondary or tertiary recovery techniques.

(c) If a qualifying reservoir for which royalty rate reduction is sought under this section is included in a unit subject to the authority of the board, the board may modify the terms and conditions of the unit as a condition of approving a reduction in the royalty rate.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.69. AWARD OF LEASE. (a) Except as otherwise provided in this subchapter, the board shall award a lease for each tract to the person offering the highest bid that includes the terms adopted by the board and consistent with this subchapter.

(b) The board may reject all bids for one or more tracts.

(c) The commissioner shall execute a lease awarded by the board in conformance with this subchapter.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.70. ADDITIONAL LEASE PROVISIONS. An oil and gas lease issued under this subchapter shall include the provisions required by this subchapter and additional provisions not inconsistent herewith that the board may adopt to preserve the interests of the state. On submission of an application by all lessees under the lease in the form required by the board and payment of any applicable fee set by the board, the board may amend a lease that does not include provisions required by Sections 66.71, 66.72, and 66.73 to include those provisions in the form adopted by the board at the time the lease is amended.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.71. LEASE PROVISIONS. (a) An oil and gas lease issued by the board shall provide for payment of a delay rental. During the primary term of the lease, the lease shall terminate on the anniversary date of the lease unless:

(1) oil or gas is being produced in paying quantities from the leased premises;

(2) drilling operations are being conducted on the leased premises; or

(3) the lessee pays timely in the manner provided in the lease the amount of delay rental stated in the lease.

(b) If oil or gas is discovered in paying quantities on any tract covered by a lease, the lease as to that tract shall remain in force as long as oil and gas is produced in paying quantities from the tract, provided that the other provisions of this subchapter are complied with by the lessee.

(c) An oil and gas lease issued by the board shall provide that royalty may be taken in kind at any time and from time to time at the discretion of the board in the manner provided in this subchapter.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.72. CESSATION OF PRODUCTION; DRILLING AND REWORKING. Each lease shall provide that in the event production of oil or gas on the leased premises, once obtained, shall cease for any cause within 60 days before the expiration of the primary term of the lease or at any time or times thereafter, the lease shall not terminate if the lessee commences additional drilling or reworking operations within 60 days thereafter, and the lease shall remain in full force and effect so long as such operations continue in good faith and in workmanlike manner, without interruptions, totalling more than 60 days during any one such operation; and if such drilling or reworking operations result in the production of oil and/or gas, the lease shall remain in full force and effect so long as oil or gas is produced therefrom in paying quantities or payment of shut-in gas well royalty or compensatory royalties is made as provided in this subchapter.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.73. SHUT-IN ROYALTY. An oil and gas lease issued under this subchapter shall provide for the extension of the lease by the payment of shut-in royalties on terms as the board may adopt.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.74. LEASE EXTENSION OR SUSPENSION. (a) At the expiration of the primary term of a lease, if production of oil or gas has not been obtained on the leased premises, but drilling operations are being conducted in good faith and in a good and workmanlike manner, the lessee may apply in writing to extend the lease for a period of 30 days. The application shall be filed with the board of regents on or before the expiration of the primary term.

(b) The applicant shall submit with the application a fee in an amount set by the board of not less than $7.50 for each acre in the lease requested to be extended.

(c) If the commissioner determines that the conditions of this section have been met, the commissioner, or a designee appointed by the commissioner, shall execute a written extension as provided by this section.

(d) As long as drilling operations are being conducted in good

faith and in a good and workmanlike manner, additional extensions of 30 days each may be granted up to an aggregate of 360 days. The lessee must submit a written application and payment on or before the last day of the extended primary term. The payment for each additional 30-day extension shall be in an amount set by the board of not less than $7.50 for each acre in the lease.

(e) The board may elect to suspend a lease and all of the conditions and covenants contained in the lease if there is a legitimate dispute regarding the validity of the lease. The board may rescind the suspension at any time, in which event the lease shall resume as of the date the suspension is rescinded and shall continue for the remainder of the period specified in the lease as the primary term, or, if the primary term ended prior to the suspension, the lessee shall have 60 days to commence production or drilling and reworking operations.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.75. PROTECTION FROM DRAINAGE; COMPENSATORY ROYALTIES. (a) The lessee shall protect the leased premises from drainage. The lease may contain express terms regarding drainage as the board may adopt.

(b) Subject to the provisions of this section, the commissioner may execute agreements that provide for the payment of compensatory royalty in lieu of drilling offset wells that may be required to protect the leased premises from drainage from a well or wells located on non-university lands, or university lands leased at a lesser royalty, situated within 1,000 feet of or draining the leased premises.

(c) Agreements providing for the payment of compensatory royalty must be approved by the board.

(d) Agreements providing for the payment of compensatory royalty must be found by the commissioner and the board to be in the best interest of the state.

(e) Nothing in an agreement for the payment of compensatory royalty shall relieve the lessee of the obligation of reasonable development or of the obligation to drill offset wells, obtain suitable regulatory relief, propose appropriate pooling or unitization arrangements, or conduct other activities to protect the

leased premises from drainage as to other producing horizons.

(f) An agreement for the payment of compensatory royalty shall provide that compensatory royalty be paid at the royalty rate provided in the lease and shall provide that compensatory royalty be paid on the market value of production from the well located on non-university lands or university lands leased at a lesser royalty situated within 1,000 feet of or draining the leased premises.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.76. ASSIGNMENT; RELINQUISHMENT. (a) Rights acquired in a lease or contract for development issued under this subchapter may be assigned; provided, however, for an assignment to be valid and effective, the assignment must be filed in the county or counties in which the leased premises are situated and a legible copy of the recorded assignment must be filed with the board of regents within the time set by the board, accompanied by a filing fee and any applicable penalty for late filing set by the board for each lease assigned and a summary in the form adopted by the board of regents.

(b) Rights to a lease or to an assigned portion thereof may be relinquished at any time by having an instrument of relinquishment or release recorded in the county or counties in which the area relinquished is situated and a legible copy of the recorded instrument filed with the board of regents, accompanied by a filing fee set by the board.

(c) An assignment or relinquishment of a lease or a portion thereof or an interest in a lease shall not relieve the lessee of accrued obligations, including the payment of royalty, penalty, or interest, and the lessee shall remain liable therefor.

(d) In the enforcement of lease obligations, the board and the board of regents shall be entitled to rely on the state of title reflected by the records of the board of regents.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.77. ROYALTY PAYMENTS AND REPORTS. (a) Royalty as stipulated in the lease and all other amounts due under this subchapter shall be paid to the board of regents at Austin, Travis County, Texas. The lessee of record in the records of the board of

regents shall be responsible for making or causing to be made all payments required by this subchapter at the required times and in the form and manner determined by the board of regents or otherwise required by law.

(b) The board shall set by rule the date for making royalty payments and for filing any reports, documents, or other records required to be filed by this section. The date set by the board must be on or after the fifth day of the second month succeeding the month of production of oil and on or after the 15th day of the second month succeeding the month of production of gas.

(c) A royalty payment is timely made if the payment is deposited in a postpaid, properly addressed wrapper, with a post office or official depository under the care and custody of, and postmarked by, the United States Postal Service before the applicable due date.

(d) The lessee shall provide to the board of regents with each royalty payment:

(1) an affidavit of the owner, manager, or other authorized agent completed in the form and manner required by the board of regents and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, the number assigned by the Railroad Commission of Texas, and university lease numbers;

(2) a purchase statement or other document showing the price at which the oil and gas was sold;

(3) a check stub, schedule, summary, or other remittance advice showing by the assigned lease number the amount of royalty being paid on each lease; and

(4) other reports or records that the board of regents may require to identify the well and lease and verify the gross production, disposition, and market value.

(e) The board of regents may implement such practices and procedures with regard to accounting for royalty payments as it may determine to be in the best interest of the state.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.78. INTEREST AND PENALTIES. (a) If royalty is not paid when due, a penalty of one percent shall be added to the unpaid

amount due. If the royalty is not paid within seven days after the due date, a penalty of an additional four percent of the royalty due is imposed. If the royalty is not paid within 30 days after the due date, a penalty of an additional five percent is imposed. The minimum penalty under this subsection is $25 or the minimum penalty in excess thereof set by the board. The board shall not add a penalty under this subsection in cases of title dispute as to the state's portion of the royalty or to that portion of the royalty in dispute as to fair market value.

(b) Interest shall accrue on delinquent royalties beginning on the 61st day after the due date. The annual interest rate on delinquent royalties is 12 percent. Interest accrued under this subsection shall be in addition to any delinquency penalty due under this section.

(c) The board of regents shall add a penalty of 25 percent to delinquent sums due under this subchapter if the board determines that the delinquency is due to fraud or an intent to evade the provisions of this subchapter on the part of the lessee or the lessee's agents, employees, or assignees.

(d) If a report, affidavit, supporting document, or other instrument required to be filed under Section 66.77 or Section 66.80 is not filed when due, a penalty accrues in the amount set by the board but not less than $10 per document for each 30-day period of delinquency or fractional part thereof.

(e) Collection of penalty and interest charges under this section are in addition to any rights, including forfeiture, that the board or the board of regents may exercise for failure to pay a royalty or to submit a report or other instrument when due.

(f) The board may provide by rule procedures and standards for reduction of interest charged or penalties assessed under this subchapter or other interest or penalties assessed relating to unpaid or delinquent royalties or other amounts due.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.79. PAYMENT OF ROYALTY IN KIND. (a) An oil or gas royalty due under a lease on university lands shall be paid in kind at the discretion of the board.

(b) The option to take royalty in kind or to take cash

royalties may be exercised by the board at any time or from time to time on not less than 60 days' notice to the lessee.

(c) The board shall enter into contracts or other instruments or agreements to dispose of the portion of the royalty taken in kind, which may include contracts for sale, transportation, or storage of the oil or gas. The commissioner shall execute contracts approved by the board under this section that are consistent with applicable law.

(d) The board of regents may enter into insurance contracts or other agreements to secure or guarantee payment of contracts or other instruments or agreements to dispose of the portion of the royalty taken in kind, including contracts for sale, transportation, and storage.

(e) If the board has elected to take royalty in kind, the board may elect that delivery of the correct amount of oil or gas shall be at the wellhead, at the oil and gas separator, into a pipeline connected at the well, or at such other location as may be specified in a royalty in kind provision in the lease or other agreement. Such delivery by the lessee shall satisfy the lessee's obligation for payment of the royalty due under the lease. This section shall not be construed to surrender or in any way affect the right of the board of regents under existing or future leases to receive royalty on the basis of market value of production not taken in kind.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.80. RECORDS. (a) The lessee shall provide to the board of regents a copy of every contract for the sale or processing of oil or gas and any subsequent agreement and amendment thereto, together with a summary in the form adopted by the board of regents, within 30 days after the contract, agreement, or amendment is made.

(b) The books and accounts, receipts, and discharges of all wells, tanks, pools, meters, and pipelines, and all contracts and other records pertaining to the production, transportation, sale, and marketing of the oil and gas, shall at all times be subject to inspection, examination, and copying by the commissioner of the General Land Office, the attorney general, the governor, the board of regents, or the board, or the representative of any of them.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.81. AUDIT INFORMATION CONFIDENTIAL. (a) All documents and information secured, derived, or obtained during the course of an inspection or examination of books, accounts, reports, or other records of the lessee or a third party, as provided by this subchapter, and contracts, agreements, or amendments provided to the board of regents under Section 66.80(a) are confidential and may not be used publicly, opened for public inspection, or disclosed, except for information set forth in a lien filed under this chapter and except as permitted under Subsections (c) and (d). This section shall not apply to records or information provided by the lessee under Section 66.77.

(b) Documents and information made confidential in this section shall not be subject to subpoena directed to the board, the board of regents, the commissioner, the attorney general, or the governor except in a judicial or administrative proceeding in which the state and a person with an equitable or legal interest in the lease or land to which the information relates are parties.

(c) The board, the board of regents, or the attorney general may use documents and information made confidential by the provisions of this section and contracts made confidential by this subchapter to enforce the provisions of this subchapter or may authorize their use in judicial or administrative proceedings in which this state is a party or may authorize their examination by employees, agents, or contractors of the board of regents or the state auditor for audit purposes.

(d) This section does not prohibit:

(1) the delivery of documents and information made confidential by this section to the lessee or its successor, receiver, executor, guarantor, administrator, assignee, or representative;

(2) the publication of statistics classified to prevent the identification of a particular audit or items in a particular audit;

(3) the release of documents or information otherwise available to the public;

(4) the release of documents or information concerning the amount of royalty assessed as a result of an examination conducted under this subchapter or the release of other information which would have been properly included in reports required under Section 66.77;

(5) sharing of documents or information among state agencies pursuant to Section 66.65. Shared documents or information

will remain confidential under this section; or

(6) the release of documents or information authorized by the lessee.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.82. FORFEITURE; OTHER REMEDIES. (a) If a lessee fails or refuses to perform a material requirement of this subchapter or the lease, the board may, after notice to the lessee and an opportunity to be heard, declare a forfeiture of the lease or an interest in the lease. Material requirements include but are not limited to:

(1) failure or refusal to pay a sum due, including penalty and interest, within 30 days after the sum becomes due;

(2) failure or refusal to tender oil or gas for delivery as in-kind royalty;

(3) making a false report concerning exploration, production, or royalty;

(4) failure or refusal to file an assignment as required by this subchapter;

(5) failure or refusal, after demand, to file or make available for inspection and copying a record or document required to be filed or made available for inspection or copying under this subchapter or rules promulgated thereunder;

(6) failure or refusal, after demand, to protect the leased premises from drainage; or

(7) the breach of an obligation under the lease or this subchapter.

(b) Forfeiture is not the exclusive remedy. The attorney general, at the request of the board of regents, may bring suit for damages or specific performance, or both, or other remedy, at law or in equity.

(c) The board, in its sole discretion, may authorize reinstatement of a forfeited lease on terms the board may determine at the time of the declaration of forfeiture.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.83. LIEN; ABANDONED PERSONAL PROPERTY. (a) The board

of regents shall have a statutory first lien on oil and gas produced from the area covered by the lease to secure payment of all unpaid royalty and other sums of money that may become due under the lease or this subchapter.

(b) By acceptance of the lease, the lessee grants to the board of regents an express contractual lien on and security interest in all oil and gas in and extracted from the area covered by the lease, all proceeds which may accrue to the lessee from the sale of the oil and gas, whether the proceeds are held by the lessee or another person, and all fixtures on and improvements to the area covered by the lease used in connection with the production or processing of the oil and gas to secure the payment of royalties and other amounts due or to become due under the lease or this subchapter and to secure payment of damages or loss that the state may suffer by reason of the lessee's breach of a covenant or condition of the lease, whether express or implied.

(c) The statutory and contractual liens and security interest described in this section may be foreclosed with or without court proceedings in the manner provided under Chapter 9, Business & Commerce Code. The board of regents may require the lessee to execute and record instruments reasonably necessary to acknowledge, attach, or perfect the liens.

(d) Personal property, including casing, equipment, and fixtures remaining on lands covered by the lease more than one year after the expiration or other termination of the lease shall be considered to be abandoned. The board of regents may take title to abandoned personal property in any manner and keep or use the proceeds for any purpose allowed by law. The lessee shall pay to the board of regents on demand the positive difference between the cost of disposing of abandoned personal property and the proceeds, if any, from the disposition.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

Sec. 66.84. PAYMENTS; DISPOSITION. Payments under this subchapter shall be made to the board of regents, which shall:

(1) transmit to the state comptroller for deposit to the credit of the permanent university fund all bonus, rental, and royalty payments;

(2) transmit to the state comptroller for deposit to the credit of the available university fund all filing, assignment, and relinquishment fees and all other payments except those described in Subdivision (3); and

(3) retain the one and one-half percent special fee provided for by this subchapter for disbursement by the comptroller of The University of Texas System for the purposes authorized by this subchapter.

Amended by Acts 1997, 75th Leg., ch. 1324, Sec. 1, eff. Jan. 1, 1998.

CHAPTER 67. THE UNIVERSITY OF TEXAS AT AUSTIN

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 67.01. DEFINITIONS. In this chapter:

(1) "University" means the University of Texas at Austin.

(2) "Board" means the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3159, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 67.02. THE UNIVERSITY OF TEXAS AT AUSTIN. The University of Texas at Austin is a coeducational institution of higher education within The University of Texas System. It is under the management and control of the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3160, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 67.03. CAMPUS PEACE OFFICERS: CONCURRENT JURISDICTION. (a) Campus peace officers commissioned by the university have the same jurisdiction, powers, privileges, and immunities as provided by Section 51.203.

(b) Subsection (a) does not in any manner limit or reduce the jurisdiction, powers, privileges, and immunities provided by law for a law enforcement agency of the state or a political subdivision of the state, including the City of Austin police department, with

territorial jurisdiction that includes all or part of the university campus. The law enforcement agency retains the autonomous authority to deploy agency personnel on university property and in university facilities in any manner consistent with the jurisdiction, powers, privileges, and immunities of the agency.

Added by Acts 2005, 79th Leg., Ch. 492 (H.B. 479), Sec. 1, eff. June 17, 2005.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 67.22. MILITARY TRAINING. No student of the university shall ever be required to take a military training course as a condition for entrance into the university or for graduation from the university.

Acts 1971, 62nd Leg., p. 3160, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 67.23. TEXAS MEMORIAL MUSEUM. The board has the management and control of the Texas Memorial Museum. It shall be maintained as a museum and shall be an integral part of The University of Texas at Austin.

Acts 1971, 62nd Leg., p. 3160, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 67.24. RESEARCH AND EXPERIMENTATION FOR TEXAS DEPARTMENT OF TRANSPORTATION. (a) The department may contract with the university for the university to conduct research relating to transportation, including the economics, planning, design, construction, maintenance, or operation of transportation facilities.

(b) An agreement entered into under this section is not subject to Chapter 771, Government Code.

(c) The comptroller may draw proper warrants in favor of the university based on vouchers or claims submitted by the university through the department covering reasonable fees and charges for services rendered by members of the staff of the university system to the department and for equipment and materials necessary for research

and experimentation under a contract entered into under this section.

(d) The comptroller shall pay warrants issued under this section against any funds appropriated by the legislature to the department. The payments made to the university shall be credited and deposited to local institutional funds under its control.

(e) In this section:

(1) "Department" means the Texas Department of Transportation.

(2) "Transportation facilities" means highways, turnpikes, airports, railroads, including high-speed railroads, bicycle and pedestrian facilities, waterways, pipelines, electric utility facilities, communication lines and facilities, public transportation facilities, port facilities, and facilities appurtenant to other transportation facilities.

Acts 1971, 62nd Leg., p. 3161, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 165, Sec. 22(29), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 382, Sec. 1, eff. May 28, 1997; Acts 1997, 75th Leg., ch. 1423, Sec. 5.20, eff. Sept. 1, 1997.

Sec. 67.25. SESQUICENTENNIAL MUSEUM. The University of Texas at Austin may contract with the Texas Sesquicentennial Museum Board to operate the Texas Sesquicentennial Museum.

Added by Acts 1981, 67th Leg., p. 2450, ch. 630, Sec. 2, eff. Sept. 1, 1981.

Sec. 67.26. UNIVERSITY INTERSCHOLASTIC LEAGUE; VENUE FOR SUITS. Venue for suits brought against the University Interscholastic League or for suits involving the interpretation or enforcement of the rules or regulations of the University Interscholastic League shall be in Travis County, Texas. When the litigation involves a school district located within Travis County, it shall be heard by a visiting judge.

Added by Acts 1986, 69th Leg., 3rd C.S., ch. 12, Sec. 1, eff. Oct. 2, 1986. Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 2.01, eff. Aug. 30, 1993.

Sec. 67.27. RESEARCH FACILITIES ON BALCONES TRACT. (a) Under the general authority of Section 65.39 of this code, the board is specifically authorized to lease vacant land on the Balcones Tract to a corporation created under the Texas Non-Profit Corporation Act (Article 1396-1.01, Vernon's Texas Civil Statutes) for the scientific and educational purpose of assisting in the provision of research facilities for The University of Texas System and may include in the terms of the lease agreement provisions for the lease back of the land along with any facilities that may be constructed thereon by the nonprofit corporation.

(b) Insofar as permissible under federal laws and regulations, the board may obligate for payment to the nonprofit corporation under the terms of the lease agreement appropriate portions of federal or private funds to be received under the terms of federal or private research grants and contracts.

(c) The terms of the lease agreement shall provide for a termination date not more than 30 years from the date the lease agreement is entered into and shall further provide that ownership of facilities constructed on the leasehold estate shall revert to the board upon the expiration of the lease term.

Added by Acts 1987, 70th Leg., ch. 646, Sec. 1, eff. Aug. 31, 1987.

SUBCHAPTER C. THE UNIVERSITY OF TEXAS MCDONALD OBSERVATORY AT MOUNT LOCKE

Sec. 67.51. UNIT OF UNIVERSITY. The University of Texas McDonald Observatory at Mount Locke is a part of and under the direction and control of The University of Texas at Austin.

Acts 1971, 62nd Leg., p. 3161, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 67.52. PROGRAMS. The observatory shall conduct basic research in astronomy, along with optical and radio astronomy research, toward the establishment of a highly developed astronomy and space-science program, including the acquisition and support of the technical and maintenance staffs and facilities essential to the operation of an observatory of the first class, and may assist in the conduct of a comprehensive instructional program in astronomy and

space science.

Added by Acts 1971, 62nd Leg., p. 3361, ch. 1024, art. 2, Sec. 40, eff. Sept. 1, 1971.

Sec. 67.53. VISITOR CENTER. The board may negotiate and contract with the Texas Department of Transportation and any other agency, department, or political subdivision of the state or any individual for the construction, maintenance, and operation of a visitor center and related facilities at McDonald Observatory at Mount Locke.

Added by Acts 1975, 64th Leg., p. 370, ch. 161, Sec. 1, eff. May 8, 1975. Amended by Acts 1995, 74th Leg., ch. 165, Sec. 22(30), eff. Sept. 1, 1995.

SUBCHAPTER D. THE UNIVERSITY OF TEXAS MARINE SCIENCE INSTITUTE

Sec. 67.61. UNIT OF UNIVERSITY. The University of Texas Marine Science Institute is a part of and under the direction and control of The University of Texas at Austin.

Acts 1971, 62nd Leg., p. 3161, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 481, ch. 208, Sec. 1, eff. May 26, 1973.

Sec. 67.62. PROGRAMS, COURSES, FACILITIES. The institute shall conduct a comprehensive instructional program in marine science, resources, and engineering at the graduate level and offer undergraduate courses for those students interested in the marine environment, and perform basic and applied research in the marine environment; and may provide shore-based facilities, including, but not limited to, laboratories, boats, classrooms, dormitories, and a cafeteria for faculty and students who are engaged in studies of the marine environment.

Acts 1971, 62nd Leg., p. 3361, ch. 1024, art. 2, Sec. 39, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 481, ch. 208, Sec. 1, eff. May 26, 1973.

CHAPTER 68. THE UNIVERSITY OF TEXAS AT ARLINGTON

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 68.01. DEFINITIONS. In this chapter:

(1) "University" means The University of Texas at Arlington.

(2) "Board" means the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3162, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 68.02. THE UNIVERSITY OF TEXAS AT ARLINGTON. The University of Texas at Arlington is a four-year and graduate-level coeducational institution of higher education within The University of Texas System. It is under the management and control of the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3162, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 68.03. BUILDINGS. It is the intent of the legislature that future building needs of The University of Texas at Arlington shall be financed from some source or sources other than The University of Texas' share of the principal and/or interest of and from the Permanent University Fund.

Acts 1971, 62nd Leg., p. 3162, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 68.06. ROLE AND SCOPE; COURSES AND DEGREES. The board is authorized to maintain, operate, and administer The University of Texas at Arlington as a general academic institution of higher education offering a standard four-year undergraduate program. The board shall have the authority to prescribe courses leading to such customary degrees as are offered at leading American universities and to award such degrees. It is the intent of the legislature that such

degrees shall include baccalaureate, master's, and doctoral degrees and their equivalents; but no department, school, or degree program shall be instituted except with the prior approval of the Coordinating Board, Texas College and University System.

Added by Acts 1971, 62nd Leg., p. 3360, ch. 1024, art. 2, Sec. 38, eff. Sept. 1, 1971. Renumbered from Education Code Sec. 68.03 by Acts 1991, 72nd Leg., 1st C.S., ch. 14, Sec. 8.01(11), eff. Nov. 12, 1991.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 68.21. SUSTAINABLE WATER SUPPLY RESEARCH CENTER. (a) In this section, "center" means the Sustainable Water Supply Research Center.

(b) The board may establish and operate the Sustainable Water Supply Research Center as part of The University of Texas at Arlington.

(c) If established, the center shall:

(1) conduct, sponsor, or direct multidisciplinary research directed toward:

(A) promoting water conservation through development of a sustainable water supply for this state; and

(B) mitigating the effect of diminishing water supplies on the economy and people of this state; and

(2) conduct a comprehensive, interdisciplinary instructional program in water conservation with emphasis on development of a sustainable water supply at the graduate level and offer undergraduate courses for students interested in water conservation and sustainable water supply development.

(d) The organization, control, and management of the center are vested in the board.

(e) The center may enter into an agreement or may cooperate with a public or private entity to perform the research functions of the center.

(f) The board may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

Added by Acts 2007, 80th Leg., R.S., Ch. 1430 (S.B. 3), Sec. 2.26, eff. September 1, 2007.

CHAPTER 69. THE UNIVERSITY OF TEXAS AT EL PASO

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 69.01. DEFINITIONS. In this chapter:

(1) "University" means The University of Texas at El Paso.

(2) "Board" means the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3163, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 69.02. THE UNIVERSITY OF TEXAS AT EL PASO. The University of Texas at El Paso is a coeducational institution of higher education within The University of Texas System. It is under the management and control of the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3163, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 69.21. ACQUISITION OF LAND. The board may acquire by purchase, exchange, or otherwise any tract or parcel of land in El Paso County that is contiguous or adjacent to the campus of the university when the board deems the land necessary for campus expansion.

Acts 1971, 62nd Leg., p. 3163, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 69.22. CENTER FOR BORDER ECONOMIC AND ENTERPRISE DEVELOPMENT. (a) The board shall establish a center for border economic and enterprise development at The University of Texas at El Paso.

(b) The center established under this section may:

(1) develop and manage an economic data base concerning the Texas-Mexico border;

(2) perform economic development planning and research;

(3) provide technical assistance to industrial and governmental entities; and

(4) in cooperation with other state agencies, coordinate economic and enterprise development planning activities of state agencies to ensure that the economic needs of the Texas-Mexico border are integrated within a comprehensive state economic development plan.

(c) The center may offer seminars and conduct conferences and other educational programs concerning the Texas-Mexico border economy and economic and enterprise development within the state.

(d) The board may solicit and accept gifts, grants, and donations to aid in the establishment, maintenance, and operation of the center.

(e) The center established under this section shall cooperate fully with similar programs operated by Texas A&M International University, The University of Texas--Pan American, The University of Texas at Brownsville, and other institutions of higher education.

Added by Acts 1989, 71st Leg., ch. 586, Sec. 1, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 13, eff. Sept. 1, 1993; Acts 2001, 77th Leg., ch. 632, Sec. 2, eff. June 13, 2001.

CHAPTER 70. THE UNIVERSITY OF TEXAS AT DALLAS

Sec. 70.01. UNIVERSITY AUTHORIZED. The Board of Regents of The University of Texas System shall establish and maintain a state-supported general academic institution of higher education to be known as The University of Texas at Dallas.

Acts 1971, 62nd Leg., p. 3164, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 70.02. LOCATION. The board shall locate The University of Texas at Dallas on a site, to be selected in Dallas County, consisting of not less than 250 acres of land that shall be donated for that purpose without cost to the State of Texas. The site may extend into any county adjacent to Dallas County.

Acts 1971, 62nd Leg., p. 3164, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 70.03. COURSES AND DEGREES. (a) The board may prescribe courses leading to customary degrees offered at leading American universities and may award those degrees. It is the intent of the legislature that those degrees include bachelor's, master's, and doctor's degrees, and their equivalents.

(b) No department, school, or degree program shall be instituted except with the prior approval of the Coordinating Board, Texas College and University System, or its successor.

(c) Initial programs and departments shall be limited to those which existed in the Southwest Center for Advanced Studies on September 1, 1969. Approval of these programs, their expansion, and initiation of other programs shall be recommended by the board of regents and approved by the coordinating board.

Acts 1971, 62nd Leg., p. 3164, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 70.04. RULES AND REGULATIONS; JOINT APPOINTMENTS. The board may adopt other rules and regulations for the operation, control, and management of the university that are necessary for the conduct of the university as one of the first class. The board is specifically authorized to make joint appointments in the university and in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3164, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 70.07. GRANTS AND GIFTS. The board may accept and administer, on terms and conditions satisfactory to it, grants or gifts of property, including real estate or money, that may be tendered to it in aid of the planning, establishment, conduct, and operation of The University of Texas at Dallas, and in aid of the research and teaching at the university. The board may accept from the federal government or any foundation, trust fund, corporation, or

individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money for the use and benefit of the university.

Acts 1971, 62nd Leg., p. 3165, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 71. THE UNIVERSITY OF TEXAS AT SAN ANTONIO

Sec. 71.01. THE UNIVERSITY OF TEXAS AT SAN ANTONIO. The University of Texas at San Antonio is a coeducational institution of higher education in Bexar County. The site of the university shall be on land selected by the board of regents and provided or donated for that purpose.

Acts 1971, 62nd Leg., p. 3165, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 71.02. ORGANIZATION AND CONTROL. The organization and control of The University of Texas at San Antonio is vested in the Board of Regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3166, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 71.03. COURSES AND DEGREES. The board may prescribe courses leading to such customary degrees as are offered at leading American universities and may award those degrees. It is the intent of the legislature that those degrees include bachelor's, master's, and doctor's degrees and their equivalents, and that there be established a standard four-year undergraduate program; but no department, school, or degree program may be instituted except with the prior approval of the Coordinating Board, Texas College and University System.

Acts 1971, 62nd Leg., p. 3166, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 71.04. OTHER RULES AND REGULATIONS. The board shall make other rules and regulations for the operation, control, and management of the university, including the determination of the number of students that shall be admitted to any school, college, or degree-granting program, as may be necessary for the conduct of the university as one of the first class.

Acts 1971, 62nd Leg., p. 3166, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 71.05. JOINT APPOINTMENTS. The board is specifically authorized to make joint appointments in the university and in other institutions under its governance. The salary of any such person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3166, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 71.06. BOARD MAY ACCEPT GRANTS AND GIFTS. The board may accept and administer, on terms and conditions satisfactory to it, grants or gifts of property, including real estate or money, that may be tendered to it in aid of the planning, establishment, conduct, and operation of The University of Texas at San Antonio, and in aid of research and teaching at the university. The board may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money for the use and benefit of the university.

Acts 1971, 62nd Leg., p. 3166, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 72. THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

Sec. 72.01. ESTABLISHMENT. The Board of Regents of The University of Texas System shall establish and maintain a fully state-supported coeducational institution of higher education to be known as The University of Texas of the Permian Basin and to be

organized to teach undergraduate- and graduate-level courses but the Board of Regents may establish The University of Texas of the Permian Basin as a general academic teaching institution, as defined by Section 61.003 of this code, offering a standard four-year undergraduate program.

Acts 1971, 62nd Leg., p. 3167, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 1684, ch. 314, Sec. 1, eff. Aug. 29, 1983; Acts 1991, 72nd Leg., ch. 77, Sec. 1, eff. Sept. 1, 1991.

Sec. 72.02. COURSES AND DEGREES. The board of regents may prescribe courses leading to such customary degrees as are offered at leading American universities and may award those degrees. It is the intent of the legislature that those degrees include baccalaureate and master's degrees and their equivalents; but no department, school, or degree program shall be instituted except with the prior approval of the Texas Higher Education Coordinating Board.

Acts 1971, 62nd Leg., p. 3167, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 77, Sec. 1, eff. Sept. 1, 1991.

Sec. 72.03. OTHER RULES AND REGULATIONS. The board of regents shall make other rules and regulations for the operation, control, and management of the university, including the determination of the number of students that shall be admitted to any school, college, or degree-granting program, as may be necessary for the conduct of the university as one of the first class.

Acts 1971, 62nd Leg., p. 3167, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 72.04. JOINT APPOINTMENTS. The board of regents is specifically authorized to make joint appointments in the university and in other institutions under its governance. The salary of any such person who receives a joint appointment shall be apportioned to the appointing institution on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3167, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 72.05. BOARD MAY ACCEPT GRANTS AND GIFTS. The board of regents may accept and administer, on terms and conditions satisfactory to it, grants or gifts of property, including real estate or money, or any part of existing junior college facilities that may be tendered to it in aid of the planning, establishment, conduct, and operation of The University of Texas of the Permian Basin, and in aid of research and teaching at the university. The board of regents may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money for the use and benefit of the university.

Acts 1971, 62nd Leg., p. 3168, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 72.06. LOCATION. (a) The board of regents shall establish The University of Texas of the Permian Basin at a site consisting of at least 200 acres, unless otherwise specifically acceptable to the board.

(b) The site shall, within a reasonable length of time, be accessible to roads, and shall be accessible to required utilities at the perimeter of the site. The site shall be accessible to, and within a reasonable distance of, the present site of the Odessa College Campus in Odessa.

(c) The board shall select a site which is in Ector County; however, the site may extend into an adjoining county. If, within the discretion of the board, those sites made available within the provisions of this chapter are not suitable and other sites are suitable, then the board may accept and acquire a similar site wholly or partly in an adjoining county; however, that site may not be outside a 12-mile radius from the present campus of Odessa College in Odessa.

(d) The board is authorized to accept and acquire and shall accept and acquire a site for such college within the provisions of

this chapter and the land for the site shall be deeded by proper conveyance free and clear of debt, to the state.

(e) The board shall in no event delay the acquisition of land for the institution created by the provisions of this chapter later than December 31, 1969.

(f) The board must follow the provisions of this chapter with respect to site and any decision reached to the contrary shall be null and void and all laws to the contrary are hereby expressly repealed.

Acts 1971, 62nd Leg., p. 3168, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 72.07. UNDERGRADUATE ADMISSIONS. (a) If The University of Texas of the Permian Basin is established as a general academic teaching institution under Section 72.01 of this code, the board of regents shall provide for the admission to the university of entering freshmen and of undergraduate transfer students with less than 54 semester hours of college credit at the university.

(b) In addition to other qualitative criteria that the board of regents may establish, the board shall provide that the admission criteria to the university for entering freshmen and for undergraduate transfer students be no less stringent than the criteria for admission to another four-year general academic teaching institution in The University of Texas System for those students.

Added by Acts 1991, 72nd Leg., ch. 77, Sec. 2, eff. Sept. 1, 1991.

CHAPTER 73. THE UNIVERSITY OF TEXAS AT HOUSTON

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 73.001. COMPOSITION. The University of Texas at Houston is composed of the following component institutions under the management and control of the board of regents of The University of Texas System:

(1) The University of Texas Medical School at Houston;

(2) The University of Texas Dental Branch at Houston;

(3) The University of Texas M. D. Anderson Cancer Center;

(4) The University of Texas Graduate School of Biomedical Sciences at Houston;

(5) The University of Texas School of Public Health at Houston;

(6) The University of Texas School of Nursing at Houston; and

(7) other institutions and activities assigned to it from time to time.

Acts 1971, 62nd Leg., p. 3170, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 5, eff. June 14, 1989.

SUBCHAPTER B. THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT HOUSTON

Sec. 73.051. SHORT TITLE. This subchapter may be cited as the Brooks-Bass Medical Training Act of 1969.

Acts 1971, 62nd Leg., p. 3170, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.052. ESTABLISHMENT; SCOPE. The board of regents shall establish and maintain The University of Texas Medical School at Houston, a component institution of the university system located in Harris County. The board may provide for the training and teaching of medical students, medical technicians, and other technicians in the practice of medicine.

Acts 1971, 62nd Leg., p. 3170, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.053. TRANSFER OF DIVISION OF CONTINUING EDUCATION. The board may transfer the division of continuing education from The University of Texas Graduate School of Biomedical Sciences at Houston to The University of Texas Medical School at Houston. After the transfer, all appropriations, assets, funds, property, and equipment owned or held by the division of continuing education shall be owned, held, and controlled by The University of Texas Medical School at Houston.

Acts 1971, 62nd Leg., p. 3171, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 73.054. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American medical schools, may award the degrees, and may make other rules and regulations for the operation, control, and management of the school, including the determination of the number of students that shall be admitted to any degree-granting program, that are necessary for the conduct of a professional school of the first class.

Acts 1971, 62nd Leg., p. 3171, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.055. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of a professional school of the first class; and the board may make joint appointments in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3171, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.056. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants or gifts of property, including real estate and money, that may be tendered to it in aid of the planning, establishment, conduct, and operation of the school and in aid of research and teaching at the school. The board may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money, for the use and benefit of the school.

Acts 1971, 62nd Leg., p. 3171, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 73.057. TEACHING HOSPITAL. A complete teaching hospital for the school shall be furnished at no cost or expense to the state, and the state shall never contribute any funds for the construction, maintenance, or operation of a teaching hospital for the school.

Acts 1971, 62nd Leg., p. 3171, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. THE UNIVERSITY OF TEXAS M. D. ANDERSON CANCER CENTER

Sec. 73.101. LOCATION. The University of Texas M. D. Anderson Cancer Center is located in the Texas Medical Center in the city of Houston.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 7, eff. June 14, 1989.

Sec. 73.102. PURPOSE; DEGREE PROGRAMS. (a) The institution and its substations shall be devoted to the diagnosis, teaching, study, prevention, and treatment of neoplastic and allied diseases.

(b) If the Texas Higher Education Coordinating Board determines that the role and mission of the institution should be changed to include degree-granting authority, the board of regents may:

(1) prescribe courses and conduct allied health professional degree programs related to the purposes of the institution described by Subsection (a); and

(2) jointly prescribe courses and jointly conduct graduate programs at the master's and doctoral levels related to those purposes with The University of Texas Health Science Center at Houston Graduate School of Biomedical Sciences.

(c) The degree programs to be offered under Subsection (b) are subject to approval by the coordinating board.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1999, 76th Leg., ch. 112, Sec. 1, eff. May 17, 1999; Acts 2001, 77th Leg., ch. 86, Sec. 1, eff. May 11, 2001.

Sec. 73.103. PRESIDENT. (a) The board of regents shall appoint a president of the institution.

(b) To be qualified for appointment as president, a person must be a licensed physician possessing an M.D. degree with at least five years of experience practicing medicine.

(c) The president has charge of the operation and conduct of the institution and has any other powers and duties conferred on him by the board.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.104. MEDICAL STAFF. The medical staff of the institution shall be selected and employed by the board on the recommendation of the president, and may be discharged in like manner.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.105. DIAGNOSTIC AND TREATMENT SUBSTATIONS. The board may establish and maintain diagnostic and treatment substations as deemed expedient from time to time. The location, erection, operation, and management of the substations are under the control and direction of the board, subject to the other provisions of this subchapter. The substations and the main institution shall conform to the standards of the American College of Surgeons and the American Medical Association.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.106. PATIENTS. This subchapter governs the admission of patients to the institution and its substations, the support of patients, and other matters relating to patients.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 3, Sec. 1, eff. Sept. 1, 1995.

Sec. 73.107. ADMISSION: RULES AND REGULATIONS; APPROVAL OF PRESIDENT. (a) Admission to the institution and its substations is subject to rules and regulations promulgated from time to time by the president.

(b) No person shall be admitted until the president is satisfied that all requirements of this subchapter and the rules and regulations of the president have been met.

Acts 1971, 62nd Leg., p. 3172, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.108. APPLICATION. (a) Admission is subject to the written application of the patient, the guardian of the patient, or some friend or relative of the patient.

(b) The written application shall be on forms prescribed by the president and shall include:

(1) the patient's name, age, sex, and national origin;

(2) the patient's residence address or addresses for at least the two-year period preceding the date of the application;

(3) the patient's occupation, trade, profession, or employment;

(4) the names and addresses of the patient's parents, children, brothers, sisters, and other responsible relatives, if any;

(5) the names, addresses, and ages of any relatives who are or who may have been similarly afflicted;

(6) a complete statement of the location, description, and value of any real or personal property owned, possessed, or held by the patient or his guardian;

(7) the name of each person legally liable for the support of the patient and a statement of the location, description, and value of any real or personal property owned, possessed, or held by that person; and

(8) any other information or statements that may be required by the president.

(c) The application may be accompanied by a written request for the patient's admission by his attending physician which includes:

(1) a statement that he has adequately examined the patient and that the patient has, or is suspected of having, a neoplasm or allied disease;

(2) a statement indicating the duration of the disease, if known, and indicating any accompanying bodily disorder or disorders the patient may have at the time of the application; and

(3) any other information that may be required by the president.

Acts 1971, 62nd Leg., p. 3173, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 3, Sec. 2, eff. March 20, 1995.

Sec. 73.109. FEE SCHEDULE. The president shall establish a schedule of minimum fees and charges conforming to the fees and charges customarily made for similar services in the community in which the services are rendered.

Acts 1971, 62nd Leg., p. 3173, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.110. GIFTS AND GRANTS. The board may accept gifts and grants of money from other than state sources for the benefit of the institution and its substations.

Acts 1971, 62nd Leg., p. 3173, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.111. ACCEPTANCE OF LAND IN MEDICAL CENTER. The board may accept for and in behalf of the State of Texas title by proper conveyance or conveyances to any land located in the Texas Medical Center for the operation and maintenance of the program of the institution.

Acts 1971, 62nd Leg., p. 3173, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.112. TREATMENT OF INDIGENT PATIENTS. (a) The institution may enter into a contract with a county, public hospital, or hospital district to provide treatment to residents of the county or service area who are eligible for health care assistance under Chapter 61, Health and Safety Code (Indigent Health Care and Treatment Act).

(b) The liability of a county, public hospital, or hospital district to the institution for the treatment of residents of the county or service area by the institution shall not exceed the responsibility of a county as provided for in Chapter 61, Health and Safety Code, unless agreed to by the county, public hospital, or hospital district in a contract entered into pursuant to this section.

(c) If a contract is entered into pursuant to this section, the liability of a county, public hospital, or hospital district under the contract shall take into consideration the actual costs of the institution in providing health care services pursuant to the contract, but in no event shall the liability exceed such costs.

(d) If a contract is not entered into pursuant to this section, the institution shall receive the approval of a county, public hospital, or hospital district before providing nonemergency health care services to an eligible resident of the county or service area. If such approval is not received, the county, public hospital, or hospital district is not liable to the institution for any nonemergency care provided to such persons. If such approval is received, the county, public hospital, or hospital district is liable to the institution as provided in Subsection (b) for the services provided by the institution to such persons.

(e) As used in this section, "eligible resident," "hospital district," "public hospital," and "service area" have the meanings assigned by Chapter 61, Health and Safety Code.

Added by Acts 1995, 74th Leg., ch. 3, Sec. 3, eff. Sept. 1, 1995.

Sec. 73.113. SUFFICIENCY OF INSTITUTIONAL FUNDS, FEES, AND PATIENT BASE. The institution shall ensure that institutional funds and the institution's hospital and clinic fees and patient base are

sufficient to fund and achieve the mission and strategic plan of the institution and protect the state's investment in the development of the institution.

Added by Acts 1995, 74th Leg., ch. 3, Sec. 3, eff. March 20, 1995.

Sec. 73.114. INCENTIVE RETIREMENT PLANS. (a) The institution may offer incentive retirement plans to employees of the institution who elect to retire under other state law.

(b) An incentive offered to an employee by the institution must be paid from institutional funds or hospital or clinic fees.

(c) An institutional plan providing for incentive retirement plans must be filed with the Legislative Budget Board not later than the 61st day before the date the plan is implemented.

(d) The institution may not rehire an employee receiving a retirement incentive under this section without the specific approval of the president.

Added by Acts 1995, 74th Leg., ch. 3, Sec. 3, eff. March 20, 1995.

Sec. 73.115. ACQUISITION OF GOODS AND SERVICES. (a) The institution may acquire goods or services by the method that provides the best value to the institution, including:

(1) competitive bidding;

(2) competitive sealed proposals;

(3) catalogue purchase;

(4) a group purchasing program; or

(5) an open market contract.

(b) In determining what is the best value to the institution, the institution shall consider:

(1) the purchase price;

(2) the reputation of the vendor and of the vendor's goods or services;

(3) the quality of the vendor's goods or services;

(4) the extent to which the goods or services meet the institution's needs;

(5) the vendor's past relationship with the institution;

(6) the impact on the ability of the institution to comply with laws and rules relating to historically underutilized

businesses;

(7) the total long-term cost to the institution of acquiring the vendor's goods or services; and

(8) any other relevant factor that a private business entity would consider in selecting a vendor.

(c) The state auditor may audit purchases of goods or services by the institution.

(d) The institution may adopt rules and procedures for the acquisition of goods or services.

(e) To the extent of any conflict, this section prevails over any other law relating to the purchasing of goods and services other than Section 51.9337 and a law relating to contracting with historically underutilized businesses.

(f) Except as otherwise provided by this section and Section 51.9337, Subtitle D, Title 10, Government Code, and Chapter 2254, Government Code, do not apply to purchases of goods and services made under this section.

(g) In any contract for the acquisition of goods or services to which the institution is a party, a provision required by applicable law to be included in the contract is considered to be a part of the executed contract without regard to:

(1) whether the provision appears on the face of the contract; or

(2) whether the contract includes any provision to the contrary.

Added by Acts 1995, 74th Leg., ch. 3, Sec. 3, eff. March 20, 1995.
Amended by Acts 1997, 75th Leg., ch. 165, Sec. 17.19(4), eff. Sept. 1, 1997.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1346 (S.B. 1195), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1366 (S.B. 1604), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 326 (S.B. 20), Sec. 25, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. 1296), Sec. 5.008, eff. September 1, 2015.

SUBCHAPTER D. THE UNIVERSITY OF TEXAS GRADUATE SCHOOL OF BIOMEDICAL SCIENCES AT HOUSTON

Sec. 73.151. DEAN. (a) The University of Texas Graduate School of Biomedical Sciences at Houston is under the direction of a dean appointed by the board of regents.

(b) To be qualified for appointment as dean, a person must have a doctor of medicine degree or a doctor of philosophy degree in one of the biomedical sciences.

(c) The dean is responsible through the chancellor or other executive officer of the system to the board.

Acts 1971, 62nd Leg., p. 3174, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.152. SCOPE; DEGREE PROGRAMS; RULES AND REGULATIONS. (a) The board of regents may prescribe courses and conduct graduate and postdoctoral programs at the master's and doctoral levels in the sciences and other academic areas directly related to medical education and research, but the board shall not operate this institution as a general academic graduate school. The degree programs to be offered by the graduate school are subject to approval by the Coordinating Board, Texas College and University System.

(b) The board of regents may make rules and regulations necessary for the operation, control, and management of the graduate school.

Acts 1971, 62nd Leg., p. 3174, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.153. GIFTS AND GRANTS. The board may accept and administer grants and gifts from any source for the benefit of the graduate school.

Acts 1971, 62nd Leg., p. 3174, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.154. RESEARCH AND GRADUATE INSTRUCTION; JOINT APPOINTMENTS. (a) The board may expend funds appropriated by the

legislature to the graduate school and grant, gift, and contract funds of the school in support of research and graduate instruction, within approved areas and programs, to be carried out either in its own facilities or in the facilities of other component units of The University of Texas at Houston.

(b) The board may make joint appointments in the graduate school and in one or more of the other component units of The University of Texas System. The salary of a person who is receiving a joint appointment shall be apportioned to the different units on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3174, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.155. AFFILIATION AND COOPERATION WITH OTHER UNITS. The graduate school shall maintain the closest possible affiliation with the science programs at The University of Texas at Austin and with the other medical units of The University of Texas System. It shall cooperate with other institutions, private and public, in furtherance of research in the biomedical sciences and related fields.

Acts 1971, 62nd Leg., p. 3174, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.156. DIVISION OF CONTINUING EDUCATION. The board may establish as a part of the graduate school a separate division of continuing education for physicians.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER E. THE UNIVERSITY OF TEXAS SCHOOL OF PUBLIC HEALTH AT HOUSTON

Sec. 73.201. LOCATION. The University of Texas School of Public Health at Houston is located in the Texas Medical Center in the city of Houston.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 73.202. GIFTS AND DONATIONS. The board of regents may accept gifts and donations for the benefit of the school.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER F. THE UNIVERSITY OF TEXAS DENTAL BRANCH AT HOUSTON

Sec. 73.301. COMPOSITION, LOCATION. The University of Texas Dental Branch at Houston is composed of The University of Texas Dental School at Houston, The University of Texas Dental Science Institute at Houston, The University of Texas School of Dental Hygiene at Houston, The University of Texas Postgraduate School of Dentistry at Houston, and other institutions and activities assigned to it from time to time. It is located in the Texas Medical Center.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.302. PURPOSE. The principal purpose of the dental school is to teach the subjects of dental education that will give a thorough knowledge of dentistry and related subjects and that meet the requirements of the Council on Dental Education, the American Association of Dental Schools, and other educational associations of similar standards concerned with dental education.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.303. FACULTY. The board of regents shall appoint the faculty of the dental school.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.304. COURSES AND DEGREES; RULES AND REGULATIONS. (a) The board may confer degrees and issue diplomas, and may fix a standard of grades for students.

(b) The dental school shall have regular courses leading to degrees and special courses deemed necessary by the board.

(c) The board may make other rules and regulations it deems necessary for the proper control and management of the dental school.

Acts 1971, 62nd Leg., p. 3175, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 73.305. GIFTS AND GRANTS. The board may accept gifts and grants from any source for the benefit of the dental branch.

Acts 1971, 62nd Leg., p. 3176, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER G. HARRIS COUNTY PSYCHIATRIC CENTER

Sec. 73.401. ESTABLISHMENT. The Harris County Psychiatric Center has been developed and built by Harris County, Texas, and the Texas Department of Mental Health and Mental Retardation. The facilities of the Harris County Psychiatric Center to be operated by The University of Texas System shall be operated consistent with the rules and regulations of the board of regents and with the provisions of this subchapter.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.402. MISSION. The Harris County Psychiatric Center has been established with the mission of caring for mentally ill persons; other major parts of this mission include research into the causes and cures of mental illness and the education of professionals in the care of the mentally ill.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.403. OPERATION OF COMMITMENT CENTER. Harris County

and/or the Mental Health and Mental Retardation Authority (MHMRA) of Harris County may operate on the premises of the Harris County Psychiatric Center a commitment center, the functions of which may include patient screening, intake, and admissions (both voluntary and involuntary) to the Harris County Psychiatric Center as may be provided for in a lease and/or sublease and operating agreement as authorized under Section 73.405 of this code. The functions of the Harris County Psychiatric Commitment Center located on the premises of the Harris County Psychiatric Center both in terms of operation and in terms of funding shall not be the responsibility of the Texas Department of Mental Health and Mental Retardation or The University of Texas System. As may be provided for in a lease and/or sublease and operating agreement, The University of Texas System may charge for any support services provided by the Harris County Psychiatric Center to the commitment center.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.404. FUNDING. (a) Funding for the state-supported facilities and operations of the Harris County Psychiatric Center shall be provided through legislative appropriations to the Texas Department of Mental Health and Mental Retardation and to The University of Texas System, and any appropriations to the department for the Harris County Psychiatric Center shall be transferred to The University of Texas System in accordance with the General Appropriations Act and the lease and/or sublease and operating agreement provided for in Section 73.405 of this code. Legislative appropriations may be for any further construction at the Harris County Psychiatric Center; for equipment, both fixed and movable; for utilities, including data processing and communications; for maintenance, repairs, renovations, and additions; for any damage or destruction; and for operations of the Harris County Psychiatric Center; provided, however, that as to funding for Harris County Psychiatric Center operations, legislative appropriations shall not exceed 85 percent of the total operating costs of the entire Harris County Psychiatric Center, exclusive of any costs of the commitment center.

(b) Any funding, under a lease and/or sublease and operating agreement wherein The University of Texas System is the lessee, for

the county-supported and/or MHMRA-supported facilities and operations of the Harris County Psychiatric Center, which may be provided through county appropriations, including funds made available by the Harris County Mental Health and Mental Retardation Authority, or from gifts and grants, shall be transferred in accordance with the lease and/or sublease and operating agreement provided for in Section 73.405 of this code. Such funds may be for any further construction at the Harris County Psychiatric Center; for equipment, both fixed and movable; for utilities, including data processing and communications; for maintenance, repairs, renovations, and additions; for any damage or destruction; and for Harris County Psychiatric Center operations which latter funding may be proportional to the total costs of The University of Texas System operating the entire Harris County Psychiatric Center, exclusive of any additional cost of Harris County and/or MHMRA operating the commitment center, which costs shall remain the sole responsibility of Harris County and/or MHMRA.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.405. OPERATIONS. (a) The state-supported facilities of the Harris County Psychiatric Center shall be leased to and operated and administered by The University of Texas System in accordance with a lease and operating agreement. The county-supported and/or MHMRA-supported facilities, exclusive of the commitment center, may be leased and/or subleased by The University of Texas System in the same lease and/or sublease and operating agreement. Any lease and/or sublease and operating agreement shall provide for a lease payment by The University of Texas System of no more than $1 per year plus other good and valuable consideration as provided for in Section 73.406 of this code.

(b) In any lease and/or sublease and operating agreement, the board of regents of The University of Texas System shall be the governing board of the Harris County Psychiatric Center facilities that are leased and/or subleased and operated by The University of Texas System.

(c) Any lease and/or sublease and operating agreement may provide all necessary or desirable terms for the operation of the Harris County Psychiatric Center and may provide for duties and

powers with respect to medical and legal matters, Harris County Psychiatric Center administration, staffing, patient services, reports, annual operating budgets of the Harris County Psychiatric Center, and transfers of appropriated funds as provided for in Section 73.404 of this code.

(d) Any lease and/or sublease and operating agreement shall provide that The University of Texas System shall cause the Harris County Psychiatric Center to be operated in accordance with the standards for accreditation of the Joint Commission on Accreditation of Hospitals; that all financial transactions and performance programs may be appropriately audited; that an admission, discharge, and transfer coordination policy be established; that appropriate patient data be made available to the department, MHMRA, and the county, including but not limited to diagnosis and lengths of stay; and that a priority of patient treatment policy be established.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.406. REVENUES. That portion of any revenues related to the provision of patient services through the operation of the Harris County Psychiatric Center facilities that are leased and/or subleased by and to The University of Texas System shall be accounted for and expended in accordance with the rules, regulations, and bylaws of The University of Texas System and in such manner that such revenues will reduce appropriated and funded requirements by both the state and county or MHMRA on a prorated basis, all as may be provided for in a lease and/or sublease and operating agreement.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER H. RESEARCH INSTITUTE

Sec. 73.501. TRANSFER AND LEASE OF FACILITIES. (a) The governance, operation, management, and control of the Texas Research Institute of Mental Sciences created by Chapter 427, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 3174b-4, Vernon's Texas Civil Statutes), and all land, buildings, improvements thereon, and major fixed equipment comprising said institute shall be leased from the Texas Department of Mental Health and Mental Retardation and transferred to the board of regents of The University

of Texas System for $1 a year and shall be subject to the provisions of Subdivision (9) of Subsection (a) of Section 65.02 of the Education Code.

(b) All land, buildings, and improvements thereon and major fixed equipment comprising said institute leased by The University of Texas System shall be utilized only for purposes of patient care services, research, and education related to mental health and mental retardation. The Texas Department of Mental Health and Mental Retardation may sell or otherwise dispose of the land, buildings, improvements thereon, or major fixed equipment provided that the proceeds from the sale or other disposition shall be used for the same purposes in Harris County; and further provided, that the board of regents of The University of Texas System, prior to such sale or other disposition, has approved of such sale or disposition and the allocation of proceeds.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.502. TRANSFER OF GIFTS, GRANTS, UNEXPENDED BALANCES, CONTRACTS, AND OBLIGATIONS. Any gifts, grants, unexpended balances of appropriated or unappropriated funds, and all movable equipment held by the Texas Department of Mental Health and Mental Retardation for, on behalf of, or for the use and benefit of the Texas Research Institute of Mental Sciences are hereby transferred to The University of Texas System; provided, however, that all previously appropriated funds for statewide training of department personnel and program evaluation by the institute shall be retained by the department. All contracts and written obligations of every kind and character entered into by the Texas Department of Mental Health and Mental Retardation for and on behalf of the Texas Research Institute of Mental Sciences are ratified, confirmed, and validated, and in all such contracts and written obligations, the board of regents of The University of Texas System is substituted in lieu and shall stand and act in place and stead of the Texas Department of Mental Health and Mental Retardation; provided, however, that an advisory committee shall be established with regard to research protocols and the commissioner of the department shall be a member; provided further, that The University of Texas System may contract with the department for continued extramural and other laboratory consultative services. The

Texas Department of Mental Health and Mental Retardation, Harris County, and the Mental Health and Mental Retardation Authority of Harris County shall provide for the continuity of inpatient and outpatient care of the patients and programs operated at the Texas Research Institute of Mental Sciences and may contract for the provision of such services in accordance with the provisions of and appropriations provided in the General Appropriations Act.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.503. EMPLOYEES. (a) Present institute personnel shall be allowed to apply for employment with The University of Texas System, Harris County, or the Mental Health and Mental Retardation Authority of Harris County and be given priority consideration for such employment.

(b) If employed by The University of Texas System, when the Texas Research Institute of Mental Sciences is transferred to The University of Texas System, employees of the institute who become employees of The University of Texas System shall become members of the Teacher Retirement System of Texas, if they are otherwise eligible under the law and rules governing membership, and all their service and salary credit shall be transferred from the Employees Retirement System to the Teacher Retirement System, subject to Subsections (c) and (d) of this section.

(c) Service of those employees that was covered by the Employees Retirement System before the transfer shall thereafter be regarded as service that was covered by the Teacher Retirement System. The law and rules of the Teacher Retirement System pertaining to membership, service and salary credit, member contributions, and reinstatement of withdrawn accounts shall apply to service occurring before the transfer, except that the member contribution rate for such service shall be that in effect for members of the Employees Retirement System. Member contributions previously withdrawn from the Employees Retirement System may be reinstated in the Teacher Retirement System only subject to the laws and rules governing reinstatement of accounts and credit in the Teacher Retirement System.

(d) Military service credit already established with the Employees Retirement System will be credited by the Teacher

Retirement System only when the employee's service credit, excluding military credit, in the Teacher Retirement System consists of at least 10 years. Deposits for military credit transferred under Subsection (e) of this section will be placed in the member savings account of the employee and refunded if the employee dies or retires on a disability benefit before obtaining 10 years of credit. An employee may obtain a total of no more than five years of military service credit in the Teacher Retirement System, including military credit transferred pursuant to this section, and may not receive duplicate credit for the same military duty.

(e) When credit is transferred pursuant to this section or as soon thereafter as possible, the Employees Retirement System shall transfer to the Teacher Retirement System the following:

(1) all amounts in the individual member accounts with the Employees Retirement System of employees described in Subsection (b) of this section and any member contributions subsequently received for these employees for service before the date of transfer; and

(2) an amount from the state accumulation fund determined by the actuary of the Employees Retirement System to be such that the transfer of funds and service credit under this section will neither increase nor diminish the period required to amortize the unfunded liability of that system.

(f) An employee described in Subsection (b) of this section shall not be entitled to a refund of contributions or retirement from the Employees Retirement System in lieu of the transfer of credit provided by this Act. After the transfer of the institute to The University of Texas System, the employee shall not be entitled to credit in the Employees Retirement System for service subject to transfer to the Teacher Retirement System under this section.

(g) The legislature may appropriate to the Teacher Retirement System an amount determined necessary to finance the additional actuarial liabilities created by this section and not financed by the transfer of funds provided by Subsection (e) of this section.

(h) The Employees Retirement System, the Texas Department of Mental Health and Mental Retardation, and The University of Texas System shall provide the Teacher Retirement System with information necessary to establish employees' rights to credit under this section. The Employees Retirement System and the Teacher Retirement System shall establish procedures to prevent duplication of retirement credit for the same service.

(i) If employed by The University of Texas System, such employees shall be subject to the personnel policies, rules, and regulations of the board of regents of The University of Texas System, after the transfer provided for in this section.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

Sec. 73.504. NAME OF INSTITUTE. Hereafter, the name of the institute shall be The University of Texas Mental Sciences Institute.

Added by Acts 1985, 69th Leg., ch. 848, Sec. 1, eff. Sept. 1, 1985.

CHAPTER 74. OTHER MEDICAL, DENTAL, AND NURSING UNITS OF THE UNIVERSITY OF TEXAS SYSTEM

SUBCHAPTER A. THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

Sec. 74.001. COMPOSITION. The University of Texas Medical Branch at Galveston is composed of the following component institutions under the control and management of the Board of Regents of The University of Texas System:

(1) The University of Texas Medical School at Galveston, including:

(A) the Graduate School;

(B) the School of Allied Health Sciences; and

(C) the Marine Biomedical Institute;

(2) The University of Texas Hospitals at Galveston, including:

(A) John Sealy Hospital;

(B) Children's Hospital;

(C) Marvin L. Graves Hospital;

(D) Randall Pavilion;

(E) Moody State School for Cerebral Palsied Children;

(F) R. Waverly Smith Pavilion;

(G) Jennie Sealy Hospital;

(H) John W. McCullough Outpatient Clinic;

(I) Rebecca Sealy Outpatient Facility; and

(J) Rosa and Henry Ziegler Hospital; and

(3) other institutions that may be assigned to it from time to time.

Acts 1971, 62nd Leg., p. 3178, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.003. LAND ACQUISITION. The board may acquire by donation or deed of gift, for the use and benefit of the medical branch, any and all properties contiguous or adjacent, or both, to the campus of the medical branch when the lands are deemed necessary for campus expansion.

Acts 1971, 62nd Leg., p. 3179, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.004. CENTENNIAL SCHOLARS MATCHING FUND. (a) The Centennial Scholars Matching Fund is created at the medical branch to recognize the historic role the medical branch has played in contributing to medical research and scholarship and to encourage the further development of that role by enhancing the recruitment and retention of eminent medical scholars and researchers.

(b) The fund shall consist of gifts, grants, and donations from private sources, appropriations from the legislature, and income earned on money in the fund.

(c) The legislature may appropriate to the fund an amount not to exceed the amount of gifts, grants, and donations paid to the fund from private sources during the preceding biennium. The legislature shall not appropriate any state funds to the fund after the year 1992.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1312, Sec. 99(6), eff. September 1, 2013.

Added by Acts 1989, 71st Leg., ch. 928, Sec. 1, eff. June 14, 1989.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 99(6), eff. September 1, 2013.

Sec. 74.005. TREATMENT OF CERTAIN PATIENTS. (a) The medical branch may enter into one or more contracts with a county, public hospital, or hospital district to provide treatment to residents of the county or service area, including a contract to provide treatment

to residents who are eligible for health care assistance under Chapter 61, Health and Safety Code.

(b) If a contract is entered into under this section, the liability of a county, public hospital, or hospital district under the contract shall take into consideration the actual costs of the medical branch in providing health care services pursuant to the contract, but in no event may the liability of a county, public hospital, or hospital district exceed the medical branch's costs.

(c) If a contract to provide treatment to an eligible resident of a county or service area is not entered into under this section, the medical branch must receive the approval of the appropriate county, public hospital, or hospital district before providing nonemergency health care services to the resident. If that approval is not received, the county, public hospital, or hospital district is not liable to the medical branch for any nonemergency care provided to the resident. If approval is received, the county, public hospital, or hospital district is liable to the medical branch under Subsection (d) for the services provided by the medical branch to the resident.

(d) The liability of a county, public hospital, or hospital district to the medical branch for the treatment of eligible residents of the county or service area by the medical branch may not exceed the responsibility of a county as provided for in Chapter 61, Health and Safety Code, unless agreed to by the county, public hospital, or hospital district in a contract to provide treatment to those residents that is entered into under this section.

(e) In this section, "eligible resident," "hospital district," "public hospital," and "service area" have the same meanings assigned those terms by Chapter 61, Health and Safety Code.

Added by Acts 1999, 76th Leg., ch. 1410, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.006. SUFFICIENCY OF FUNDS. The medical branch shall take any reasonable administrative or management action necessary to achieve the mission and strategic plan of the medical branch within the total amount of funds received by the medical branch from all sources, including institutional and local funds and hospital and clinic fees.

Added by Acts 1999, 76th Leg., ch. 1410, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.007. INCENTIVE RETIREMENT PLANS. (a) The medical branch may offer incentive retirement plans to employees of the medical branch who elect to retire under other state law.

(b) An incentive offered to an employee by the medical branch must be paid from the medical branch's funds or hospital or clinic fees.

(c) The medical branch may not rehire an employee receiving a retirement incentive under this section without the specific approval of the president.

Added by Acts 1999, 76th Leg., ch. 1410, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.008. ACQUISITION OF GOODS OR SERVICES. (a) The medical branch may acquire goods or services by the method that provides the best value to the medical branch, including:

(1) competitive bidding;

(2) competitive sealed proposals;

(3) catalogue purchase;

(4) a group purchasing program; or

(5) an open market contract.

(b) In determining what is the best value to the medical branch, the medical branch shall consider:

(1) the purchase price;

(2) the reputation of the vendor and of the vendor's goods or services;

(3) the quality of the vendor's goods or services;

(4) the extent to which the goods or services meet the medical branch's needs;

(5) the vendor's past relationship with the medical branch;

(6) the impact on the ability of the medical branch to comply with laws and rules relating to historically underutilized businesses;

(7) the total long-term cost to the medical branch of acquiring the vendor's goods or services; and

(8) any other relevant factor that a private business entity would consider in selecting a vendor.

(c) The state auditor may audit purchases of goods or services

by the medical branch.

(d) The medical branch may adopt rules and procedures for the acquisition of goods or services.

(e) To the extent of any conflict, this section prevails over any other law relating to the purchasing of goods or services except a law relating to contracting with historically underutilized businesses or relating to the procurement of goods and services from persons with disabilities.

(f) This section does not apply to purchases of professional services subject to Chapter 2254, Government Code.

(g) Except as otherwise provided by this section, Subtitle D, Title 10, Government Code, does not apply to purchases of goods and services made under this section.

Added by Acts 1999, 76th Leg., ch. 1410, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER C. THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER

Sec. 74.101. COMPONENT INSTITUTION. The University of Texas Southwestern Medical Center is a component institution of The University of Texas System under the management and control of the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3182, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 9, eff. June 14, 1989.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 11, eff. September 1, 2013.

Sec. 74.102. COURSES AND DEGREES; RULES AND REGULATIONS. The board of regents may prescribe courses leading to customary degrees and may make rules and regulations for the operation, control, and management of the medical school as may be necessary for its conduct as a medical school of the first class.

Acts 1971, 62nd Leg., p. 3182, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.103. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants and gifts tendered to it in aid of research and teaching at the medical school. The board may also accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, and leases, for the exclusive use and benefit of the medical school.

Acts 1971, 62nd Leg., p. 3182, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 118, Sec. 3.01, eff. Sept. 1, 2001.

Sec. 74.104. ENTERING CLASSES. The medical school shall admit at least 100 students in each entering class.

Acts 1971, 62nd Leg., p. 3182, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.105. LEASE OF LAND FOR HOSPITAL, ETC. (a) The board may lease to nonprofit charitable, scientific, or educational corporations organized under the laws of the State of Texas, or to any governmental agency or agencies, a tract or tracts of land situated in Dallas County out of land previously deeded by Southwestern Medical Foundation to the State of Texas.

(b) A lease under this section shall be on the terms, conditions, and provisions and for a period of years determined by the board. No lease shall be for a term of more than 99 years.

(c) A lease under this section shall be made only to a nonprofit corporation or governmental agency for the purpose of constructing, maintaining, and operating a hospital, hospitals, or public health centers and services; or for the purpose of constructing, maintaining, and operating dormitories and housing facilities for students attending the medical school or persons employed by and in institutions located on the property.

(d) In no event shall the State of Texas or The University of Texas System be liable, directly or indirectly, for any expense or cost in connection with the construction, operation, and maintenance of any building or other improvement placed on the leased premises by

any lessee.

Acts 1971, 62nd Leg., p. 3182, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER D. THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT SAN ANTONIO

Sec. 74.151. COMPONENT INSTITUTION. The University of Texas Medical School at San Antonio is a component institution of The University of Texas System under the management and control of the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3183, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.152. COURSES AND DEGREES; RULES AND REGULATIONS. The board of regents may prescribe courses leading to customary degrees and may make rules and regulations for the operation, control, and management of the medical school as may be necessary for its conduct as a medical school of the first class.

Acts 1971, 62nd Leg., p. 3183, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.153. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants and gifts tendered to it in aid of research and teaching at the medical school. The board may also accept from the federal government, any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, and money, for the exclusive use and benefit of the medical school.

Acts 1971, 62nd Leg., p. 3183, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 118, Sec. 3.02, eff. Sept. 1, 2001.

Sec. 74.154. TEACHING HOSPITAL. A teaching hospital deemed

suitable by the board shall be provided by the city or county within one mile of the campus of the medical school. It shall be maintained without cost to the state.

Acts 1971, 62nd Leg., p. 3183, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER E. MEDICAL SCHOOL TO BE ESTABLISHED AND LOCATED BY BOARD OF REGENTS

Sec. 74.201. ESTABLISHMENT AND LOCATION; NAME; SCOPE. (a) The board of regents may establish and maintain an additional medical branch of the university system at any location in the state. However, the location of the medical school must be determined by the board to be in the best interests of the people of the State of Texas and must be approved by the Coordinating Board, Texas College and University System. The school so established shall be known by a name designated by the board. The board is prohibited, however, from establishing this medical school in the same county that maintains or operates the main campus of any public or private medical school on September 1, 1969.

(b) The board may provide for the teaching and training of medical students, medical technicians, and other technicians in the practice of medicine.

Acts 1971, 62nd Leg., p. 3184, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.202. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American medical schools, may award the degrees, and may make other rules and regulations for the operation, control, and management of the school, including the determination of the number of students that shall be admitted to any degree-granting program, that are necessary for the conduct of a professional school of the first class.

Acts 1971, 62nd Leg., p. 3184, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.203. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of a professional school of the first class; and the board may make joint appointments in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3184, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.204. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants or gifts of property, including real estate and money, that may be tendered to it in aid of the planning, establishment, conduct, and operation of the school and in aid of research and teaching at the school. The board may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money, for the use and benefit of the school.

Acts 1971, 62nd Leg., p. 3184, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.205. TEACHING HOSPITAL. A complete teaching hospital for the school shall be furnished at no cost or expense to the state, and the state shall never contribute any funds for the construction, maintenance, or operation of a teaching hospital for the school.

Acts 1971, 62nd Leg., p. 3184, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER F. THE UNIVERSITY OF TEXAS DENTAL SCHOOL AT SAN ANTONIO

Sec. 74.251. COMPONENT INSTITUTION. The University of Texas Dental School at San Antonio is a component institution of The University of Texas System under the management and control of the

board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.252. TRAINING AND TEACHING. The board may provide for the training and teaching of dental students, dental technicians, and other technicians related to the practice of dentistry.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.253. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American dental schools, may award the degrees, and may make other rules and regulations for the operation, control, and management of the school, including the determination of the number of students that shall be admitted to any degree-granting program, as may be necessary for the conduct of a professional school of the first class.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.254. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of a professional school of the first class; and the board may make joint appointments in other institutions under its governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.255. GIFTS AND GRANTS. The board may accept gifts and

grants from any source for the benefit of the dental school.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER G. THE UNIVERSITY OF TEXAS (CLINICAL) NURSING SCHOOL AT SAN ANTONIO

Sec. 74.301. ESTABLISHMENT; PURPOSE. The board of regents may establish and maintain in Bexar County The University of Texas (Clinical) Nursing School at San Antonio, a clinical nursing school for the education of nursing students.

Acts 1971, 62nd Leg., p. 3185, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.302. HOSPITAL FACILITIES AND SERVICES. All hospital facilities and services required for the operation and maintenance of the nursing school shall be furnished and provided at no cost or expense to the state at the time of completion of the nursing school and subsequently.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.303. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American nursing schools, may award those degrees, and may make rules and regulations for the operation, control, and management of the school as may be necessary for the conduct of a professional school of the first class.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.304. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary

or desirable for the conduct and operation of a professional school of the first class, not in conflict with Section 74.302 of this code; and the board may make joint appointments in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.305. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants and gifts of property, including real estate and money, that may be tendered to it in aid of the planning, establishment, conduct, and operation of the school and in aid of research and teaching at the school. The board may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records and money, for the use and benefit of the school.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.306. LIBERAL ARTS COURSES PENDING ESTABLISHMENT. While the nursing school is being established, students may take the prerequisite liberal arts courses prescribed by the nursing school.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER H. THE UNIVERSITY OF TEXAS (UNDERGRADUATE) NURSING SCHOOL AT EL PASO

Sec. 74.351. ESTABLISHMENT; PURPOSE. The board of regents may establish and maintain in El Paso County The University of Texas (Undergraduate) Nursing School at El Paso, a four-year school for the education of nursing students.

Acts 1971, 62nd Leg., p. 3186, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.352. HOSPITAL FACILITIES AND SERVICES. All hospital facilities and services required for the operation and maintenance of the nursing school shall be furnished and provided at no cost or expense to the state at the time of completion of the nursing school and subsequently.

Acts 1971, 62nd Leg., p. 3187, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.353. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American nursing schools, may award those degrees, and may make rules and regulations for the operation, control, and management of the school as may be necessary for the conduct of a professional school of the first class.

Acts 1971, 62nd Leg., p. 3187, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.354. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of a professional school of the first class, not in conflict with Section 74.352 of this code; and the board may make joint appointments in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institution on the basis of services rendered.

Acts 1971, 62nd Leg., p. 3187, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 74.355. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions satisfactory to it, grants and

gifts of property, including real estate and money, that may be tendered to it in aid of the planning, establishment, conduct and operation of the school and in aid of research and teaching at the school. The board may accept from the federal government or any foundation, trust fund, corporation, or individual donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records and money, for the use and benefit of the school.

Acts 1971, 62nd Leg., p. 3187, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER I. THE UNIVERSITY OF TEXAS NURSING SCHOOL (SYSTEM-WIDE)

Sec. 74.401. COMPOSITION, OPERATION, MAINTENANCE. The board of regents of The University of Texas System is authorized to establish, maintain, and operate The University of Texas Nursing School (System-wide) which is composed of the following branches: The University of Texas (Undergraduate) Nursing School at Austin; The University of Texas (Graduate) Nursing School at Austin; The University of Texas (Undergraduate) Nursing School at El Paso; The University of Texas (Clinical) Nursing School at Galveston; The University of Texas (Clinical) Nursing School at San Antonio; and The University of Texas (Undergraduate) Nursing School at Tarrant County. The board is authorized to provide for the education of nursing students at each nursing school; however, all hospital facilities and services required for the operation and maintenance of each nursing school shall be furnished and provided at no cost and expense to the State of Texas except at the Galveston Division of The University of Texas (Clinical) Nursing School at Galveston.

Added by Acts 1971, 62nd Leg., p. 3346, ch. 1024, art. 2, Sec. 19, eff. Sept. 1, 1971.

Sec. 74.402. COURSES, DEGREES, ETC. The board is authorized to prescribe courses leading to such customary degrees as are offered in other leading American nursing schools, to award those degrees, and to make rules and regulations for the operation, control, and management of each nursing school, as may be necessary for the conduct of professional schools of the first class.

Added by Acts 1971, 62nd Leg., p. 3346, ch. 1024, art. 2, Sec. 19, eff. Sept. 1, 1971.

Sec. 74.403. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board is authorized to execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of professional schools of the first class, not in conflict with Section 74.401 of this code, and the board is specifically authorized to make joint appointments in other institutions under its governance, the salary of any such person who receives a joint appointment to be apportioned to the appointing institutions on the basis of services rendered.

Added by Acts 1971, 62nd Leg., p. 3346, ch. 1024, art. 2, Sec. 19, eff. Sept. 1, 1971.

Sec. 74.404. GIFTS AND GRANTS. The board may accept gifts and grants from any source in aid of the conduct and operation of The University of Texas Nursing School (System-wide) or the branch nursing schools.

Added by Acts 1971, 62nd Leg., p. 3346, ch. 1024, art. 2, Sec. 19, eff. Sept. 1, 1971.

SUBCHAPTER J. PODIATRY SCHOOL TO BE ESTABLISHED AND LOCATED

Sec. 74.501. ESTABLISHMENT AND LOCATION; NAME; SCOPE. (a) Subject to the approval of the Coordinating Board, Texas College and University System, the board of regents of the University of Texas System may establish and maintain a podiatry branch of its system at any location in the state. The location of the podiatry school must be determined by the board of regents to be in the best interests of the people of the State of Texas and must be approved by the Coordinating Board, Texas College and University System. If possible, the podiatry school shall be located in or affiliated with an existing or proposed academic health sciences center which provides education and training of medical students, dental students, or both, or shall be located in or affiliated with a medical or

dental unit, as such term is defined in paragraph (5), Section 61.003, of this Code. If it is not possible to so locate or affiliate the podiatry school, it may be located in or affiliated with any other public senior college or university within the system under the jurisdiction of the board of regents. The school so established shall be known by a name designated by the board of regents.

(b) The board of regents may provide for the teaching and training of podiatry students, podiatry technicians, and other technicians in the practice of podiatry.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

Sec. 74.502. COURSES AND DEGREES; RULES AND REGULATIONS. The board may prescribe courses leading to customary degrees offered in other leading American podiatry schools, may award the degrees, and may make other rules and regulations for the operation, control, and management of the school, including the determination of the numbers of students that shall be admitted to any degree-granting programs, that are necessary for the conduct of a professional school of the first class.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

Sec. 74.503. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. The board may execute and carry out with any entity or institution affiliation or coordinating agreements that are reasonably necessary or desirable for the conduct and operation of a professional school of the first class; and the board may make joint appointments in other institutions under its governance. The salary of any person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

Sec. 74.504. GIFTS AND GRANTS. The board may accept and administer on terms and conditions satisfactory to it, grants or gifts of property, including real estate and money, that may be tendered to it in aid of research and teaching at the school. The board may accept from the federal government or any foundation, trust fund, corporation, individual, or other legal entity, donations, gifts, and grants, including real estate, buildings, libraries, laboratories, apparatus, equipment, records, or money, for the use and benefit of the school.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

Sec. 74.505. TEACHING HOSPITAL. A teaching hospital shall be furnished for or available for use by the school at no cost or expense to the state, and the state shall never contribute any funds for the construction, maintenance, or operation of a teaching hospital for the school.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

Sec. 74.506. FUNDING. No state funds shall be expended for physical improvements for the purpose of this Act before fiscal year 1977.

Added by Acts 1973, 63rd Leg., p. 1681, ch. 608, Sec. 1, eff. June 15, 1973.

SUBCHAPTER K. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT TYLER

Sec. 74.601. USE AND CONTROL. (a) The Board of Regents of The University of Texas System shall govern, operate, manage, and control The University of Texas Health Science Center at Tyler and the land, buildings, facilities, equipment, supplies, improvements, and other property comprising the center in the manner authorized by law for the governance, management, and control of other component institutions of The University of Texas System.

(b) The board of regents may use the center as a teaching

hospital.

Added by Acts 1989, 71st Leg., ch. 678, Sec. 2, eff. Sept. 1, 1989.

Sec. 74.602. PURPOSES OF HEALTH SCIENCE CENTER; DEGREE PROGRAMS. (a) It is the policy of this state to provide a program of treatment of the citizens of this state who are affected with respiratory diseases. In pursuance of that policy, The University of Texas Health Science Center at Tyler, among other functions, shall serve as the primary facility in this state to:

(1) conduct research relating to respiratory diseases;

(2) develop diagnostic and treatment techniques and procedures for respiratory diseases;

(3) provide training and teaching programs; and

(4) provide diagnosis and treatment of inpatients and outpatients with respiratory diseases.

(b) The center may provide education and training in allied health and related health science fields, and for that purpose may prescribe courses and conduct professional or other degree programs in those fields. The center may prescribe a course or conduct a degree program under this subsection jointly or in collaboration with any other appropriate educational entity or institution.

(c) The degree programs to be offered under Subsection (b) are subject to approval by the Texas Higher Education Coordinating Board.

Added by Acts 1989, 71st Leg., ch. 678, Sec. 2, eff. Sept. 1, 1989.
Amended by:

Acts 2005, 79th Leg., Ch. 266 (S.B. 276), Sec. 1, eff. June 1, 2005.

Sec. 74.603. SERVICE AS STATE CHEST HOSPITAL. (a) The University of Texas Health Science Center at Tyler serves as a state chest hospital under Subchapter B, Chapter 13, Health and Safety Code, among other functions, for tuberculosis patients sent by the Texas Department of Health.

(b) Sections 13.034 and 13.044, Health and Safety Code, do not apply to the center.

(c) It is the intent of the legislature that:

(1) The University of Texas System shall provide and pay

for the care and treatment of tuberculosis patients in The University of Texas Health Science Center at Tyler from funds appropriated to the center for that purpose;

(2) The University of Texas System shall honor and perform all contracts in existence on September 1, 1977, entered into by, for, or on behalf of the center, including contracts related to the training and education of osteopathic resident physicians at the center; and

(3) if additional contracts are required to provide for the care and treatment of outpatients, The University of Texas System shall, as appropriate:

(A) pay for the care and treatment from funds appropriated for that purpose; or

(B) transfer to the Texas Department of Health, out of funds appropriated to the center for that purpose, money to pay for the care and treatment.

Added by Acts 1989, 71st Leg., ch. 678, Sec. 2, eff. Sept. 1, 1989.

Sec. 74.604. EAST TEXAS CENTER FOR RURAL GERIATRIC STUDIES. (a) In this section:

(1) "Board" means the board of regents of The University of Texas System.

(2) "Center" means the East Texas Center for Rural Geriatric Studies.

(b) The board may establish the East Texas Center for Rural Geriatric Studies at The University of Texas Health Science Center at Tyler for purposes of:

(1) researching issues in geriatrics, gerontology, and long-term care for the elderly, with an emphasis on the elderly living in rural and nonmetropolitan areas; and

(2) providing related resources in East Texas and other rural areas in this state for training and research for:

(A) professionals in medicine, including psychiatry, and in nursing, pharmacy, and allied health fields who provide health care to the elderly;

(B) caregivers and advocates for the elderly; and

(C) individuals employed by agencies that provide services to the elderly.

(c) The organization, control, and oversight of the center are vested in the board.

(d) If the board establishes the center, the board shall:

(1) provide for the employment of staff and an operating budget for the center; and

(2) select a site for the center at The University of Texas Health Science Center at Tyler.

(e) The center may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

(f) Establishment of the center is subject to the availability of federal funding, gifts, grants, or other funding for that purpose.

(g) An employee of the center is an employee of The University of Texas System.

(h) The center may enter into an agreement with a public or private entity to operate or participate in the operation of the center.

Added by Acts 2003, 78th Leg., ch. 1243, Sec. 1, eff. June 20, 2003.

SUBCHAPTER L. LOWER RIO GRANDE VALLEY ACADEMIC HEALTH CENTER

Sec. 74.611. AUTHORITY TO ESTABLISH OR PARTICIPATE IN CENTER. (a) The board of regents of The University of Texas System may establish a regional academic health center serving Cameron, Hidalgo, Starr, and Willacy counties, and may include any medical institutions for participation in the program in the aforementioned counties, if general revenue funds are specifically appropriated by the legislature for that purpose. The center may consist of facilities located throughout the region. The board may execute and carry out affiliation or coordination agreements with any other entity or institution in the region to establish or to participate in the establishment or operation of the center, which includes all traditional and all other providers of health services to the counties listed in this subsection.

(b) The board of regents may assign responsibility for the management of the regional academic health center to any component institution or institutions of The University of Texas System. The operating costs of the regional academic health center shall be paid from operating funds of the component institution and from available

funds of any other public or private entity.

(c) The regional academic health center may be used to provide undergraduate clinical education, graduate education, including residency training programs, or other levels of medical education work in the counties identified in Subsection (a) in connection with any component institution or institutions of The University of Texas System as the board of regents determines appropriate.

Added by Acts 1997, 75th Leg., ch. 672, Sec. 1, eff. Sept. 1, 1997.

Sec. 74.612. GIFTS AND GRANTS. The board of regents may accept and administer gifts and grants from any public or private person or entity for the use and benefit of the regional academic health center.

Added by Acts 1997, 75th Leg., ch. 672, Sec. 1, eff. Sept. 1, 1997.

Sec. 74.613. FACILITIES. The physical facilities of the regional academic health center used in its teaching and research programs, including libraries, auditoriums, research facilities, and medical education buildings, may be provided by a public or private entity. A physical facility may be constructed, maintained, or operated with state money appropriated for that purpose.

Added by Acts 1997, 75th Leg., ch. 672, Sec. 1, eff. Sept. 1, 1997.

Sec. 74.614. TEACHING HOSPITAL. A teaching hospital considered suitable by the board of regents may be provided by a public or private entity. The hospital may not be constructed, maintained, or operated with state funds.

Added by Acts 1997, 75th Leg., ch. 672, Sec. 1, eff. Sept. 1, 1997.

Sec. 74.615. COORDINATING BOARD SUPERVISION. The regional academic health center is subject to the continuing supervision of the Texas Higher Education Coordinating Board under Chapter 61 and to the rules of the coordinating board adopted under Chapter 61.

Added by Acts 1997, 75th Leg., ch. 672, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER M. UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO CAMPUS EXTENSION

Sec. 74.701. AUTHORITY TO ESTABLISH CAMPUS EXTENSION. The board of regents of The University of Texas System shall establish and operate a campus extension of The University of Texas Health Science Center at San Antonio in the city of Laredo if:

(1) a public or private entity offers the board of regents sufficient land in that city to construct a campus extension; and

(2) public or private entities agree to provide funds necessary to construct an administrative building for the campus extension.

Added by Acts 1999, 76th Leg., ch. 1270, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.702. MANAGEMENT AND OPERATION OF CAMPUS EXTENSION. (a) The board of regents may exercise any power granted to the board under Subchapter D in establishing and operating the campus extension.

(b) The board of regents shall assign responsibility for management of the campus extension to The University of Texas Health Science Center at San Antonio.

(c) The operating costs of the campus extension shall be paid from the operating funds of The University of Texas Health Science Center at San Antonio for that purpose and from available funds from any public or private entity.

(d) The primary purpose of the campus extension is to support educational activities. The campus extension may be used to provide undergraduate and graduate medical and dental education, including residency training programs, and other levels of health education work in collaboration with Texas A&M International University or any component institution of The Texas A&M University System or The University of Texas System.

Added by Acts 1999, 76th Leg., ch. 1270, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.703. GIFTS AND GRANTS. The board of regents may accept

and administer gifts and grants from any public or private person or entity for the use and benefit of the campus extension, including accepting and administering gifts and grants of land and physical facilities.

Added by Acts 1999, 76th Leg., ch. 1270, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.704. FACILITIES. (a) The physical facilities of the campus extension used in teaching and research programs, including libraries, auditoriums, research facilities, and health education buildings, may be provided by a public or private entity. The board of regents is authorized to lease the facilities that are to be used as the physical facilities of the campus extension.

(b) A teaching hospital considered suitable by the board of regents may be provided by a public or private entity. The hospital may not be constructed, maintained, or operated with state funds.

Added by Acts 1999, 76th Leg., ch. 1270, Sec. 1, eff. Sept. 1, 1999.

Sec. 74.705. COORDINATING BOARD SUPERVISION. The campus extension is subject to the continuing supervision of the Texas Higher Education Coordinating Board under Chapter 61 and to the rules of the coordinating board adopted under Chapter 61.

Added by Acts 1999, 76th Leg., ch. 1270, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER N. THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER--SOUTH TEXAS

Sec. 74.751. HEALTH SCIENCE CENTER. (a) The board of regents of The University of Texas System may operate The University of Texas Health Science Center--South Texas as provided by Section 79.02, with its administrative offices to be located in Hidalgo and Cameron Counties. The health science center shall consist of a medical school, as provided by Section 74.752, other health and health-related degree programs, and related programs and facilities as the board considers appropriate.

(b) The board of regents may include facilities located in Bee, Brooks, Cameron, Hidalgo, Jim Hogg, Jim Wells, Kenedy, Kleberg,

Nueces, Starr, Willacy, and Zapata Counties in the health science center and may operate programs and activities and provide related services of the center in those counties.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 2, eff. June 14, 2013.

Sec. 74.752. MEDICAL SCHOOL. The medical school established as a component of the health science center and as a component institution of The University of Texas System under the management and control of the board of regents of The University of Texas System is subject to this section. The offices overseeing undergraduate medical education shall be located in Hidalgo County and the offices overseeing graduate medical education shall be located in Cameron County. The board shall ensure that educational programs for first-year and second-year students shall be primarily located in Hidalgo County, and the educational programs for third-year and fourth-year students shall be primarily located in Cameron County; and the educational programs for all medical students shall take full advantage of the existing educational facilities and programs at The University of Texas--Pan American's Edinburg campus or successor campus, The University of Texas at Brownsville campus or successor campus, and the Lower Rio Grande Valley Academic Health Center established under Subchapter L, Chapter 74, in Harlingen and Edinburg. Graduate medical education programs and activities shall be conducted throughout the region.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 3, eff. June 14, 2013.

Sec. 74.753. PARTICIPATION IN AVAILABLE UNIVERSITY FUND. In accordance with Section 18(c), Article VII, Texas Constitution, if the Act enacting this section receives a vote of two-thirds of all

the members elected to each house of the legislature, and if an institution is established under this subchapter, the institution is entitled to participate in the funding provided by Section 18, Article VII, Texas Constitution, for The University of Texas System.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.754. COURSES AND DEGREES; RULES. The board of regents may prescribe courses leading to customary degrees and may adopt rules for the operation, control, and management of the health science center as may be necessary for the conduct of a medical school and other health science center programs of the first class.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.755. AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. (a) The board of regents may execute and carry out affiliation or coordination agreements with any other entity or institution in the region.

(b) The board of regents may make joint appointments in the health science center, its component institutions, and other institutions under the board's governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.756. GIFTS AND GRANTS; OTHER FUNDING. (a) The board of regents may accept and administer gifts and grants from any public or private person or entity for the use and benefit of the health science center and its component institutions.

(b) Notwithstanding any other provision of this subchapter, establishment of the health science center is subject to the availability of funding, either through appropriation or from another source.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.757. OTHER FACILITIES. In addition to the facilities of the health science center and its component institutions, the board of regents may enter into agreements under which additional facilities used in the center's teaching and research programs, including libraries, auditoriums, research facilities, and medical education buildings, may be provided by a public or private entity.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.758. TEACHING HOSPITAL. A teaching hospital considered suitable by the board of regents for the health science center may be provided by a public or private entity. The hospital may not be constructed, maintained, or operated with state funds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.759. COORDINATING BOARD SUPERVISION. The health science center is subject to the continuing supervision of the Texas Higher Education Coordinating Board under Chapter 61 and to the rules of the coordinating board adopted under Chapter 61.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

Sec. 74.760. EFFECT OF HEALTH SCIENCE CENTER ON LOWER RIO GRANDE VALLEY ACADEMIC HEALTH CENTER. (a) The board of regents may convert the regional academic health center established under Subchapter L into The University of Texas Health Science Center--South Texas and may establish The University of Texas Medical School--South Texas at the health science center as soon as the board considers appropriate considering available resources and the best interests of The University of Texas System and the people of this

state and the South Texas region. In establishing the health science center and medical school, the board of regents shall ensure that the programs, students, and faculty and staff of the regional academic health center are not affected other than as the board considers necessary to implement this subchapter.

(b) It is the intent of the legislature that The University of Texas Health Science Center--South Texas and its component institutions be established by conversion of the regional academic health center established under Subchapter L and that those entities be considered to be the same institution. A reference in law to the regional academic health center applies to The University of Texas Health Science Center--South Texas to the extent it can be made applicable. All contracts and agreements, including bonds and other financial obligations, entered into by The University of Texas System or any of its officers or employees relating to the regional academic health center apply to The University of Texas Health Science Center--South Texas when the health science center is established.

(c) The permanent endowment fund established under Section 63.101 for the benefit of the regional academic health center established under Subchapter L is transferred to the benefit of The University of Texas Health Science Center--South Texas and its component institutions when the health science center is established. It is the intent of the legislature that the transfer of the permanent endowment fund be made so as not to interrupt the research or other programs supported by distributions from the fund.

Added by Acts 2009, 81st Leg., R.S., Ch. 1341 (S.B. 98), Sec. 1, eff. June 19, 2009.

CHAPTER 75. OTHER UNITS OF THE UNIVERSITY OF TEXAS SYSTEM

SUBCHAPTER A. THE INSTITUTE OF TEXAN CULTURES

Sec. 75.001. INSTITUTE OF TEXAN CULTURES. The Institute of Texan Cultures and the Texas State Exhibits Building at HemisFair 1968, and all land and improvements related to them, are under the management and control of The University of Texas at San Antonio.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 10, eff. June 14, 1989.

Sec. 75.002. PURPOSE OF INSTITUTE. The institute shall continue to be used principally as a center concerned with subjects relating to the history and culture of the people of Texas, with collecting, organizing, and interpreting information on Texas subjects, and with producing films, filmstrips, slides, tapes, publications, and exhibits on these subjects for statewide use on television, in classrooms, in museums, and at public gatherings for the benefit of the people of Texas.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 75.003. GIFTS OF LAND. The board may accept gifts of land for the benefit of the institute.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. INSTITUTE FOR URBAN STUDIES

Sec. 75.101. CREATION OF INSTITUTE; LOCATION. The board of regents of The University of Texas System shall establish and maintain an institute for urban studies in the Fort Worth-Dallas metropolitan area.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 75.102. ADMINISTRATION. The administration of the institute for urban studies shall be under the direction of the chancellor and board of regents of The University of Texas System. The administrative officer of the institute shall be appointed by the chief academic executive of his university with the approval of the board. The administrative officer shall appoint the professional and administrative staff of the institute according to usual procedures and with the approval of the board.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 75.103. ROLE AND SCOPE OF INSTITUTE. The institute of urban studies shall conduct basic and applied research into urban problems and public policy and make available the results of this research to private groups and public bodies and officials. It may offer consultative and general advisory services concerning urban problems and their solutions. According to the policies of the Coordinating Board, Texas College and University System, and with its approval, the institute may conduct instructional and training programs for those who are working in or expect to make careers in urban public service. The training programs may be conducted by the institute either in its own name or by agreement and cooperation with other public and private organizations.

Acts 1971, 62nd Leg., p. 3188, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 75.104. CORRELATION OF PROGRAMS. In order to correlate the programs offered by the institute and the institute established by the University of Houston under Subchapter D, Chapter 111, of this code, there shall be maintained regular liaison between the institutes concerning programs undertaken, a joint committee for future planning, and a union catalogue of research resources. This correlation shall be achieved by utilizing regular administrative channels, including the staff of the Coordinating Board, Texas College and University System.

Acts 1971, 62nd Leg., p. 3189, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 75.105. RECEIPT AND DISBURSEMENT OF FUNDS, PROPERTY, AND SERVICES. In addition to state appropriations, the institute may receive and expend or use funds, property, or services from any source, public or private, under rules established by the chief academic executive of the university and the board and under applicable state laws.

Acts 1971, 62nd Leg., p. 3189, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

SUBCHAPTER C. SAN ANTONIO LIFE SCIENCES INSTITUTE

Sec. 75.201. DEFINITIONS. In this subchapter:

(1) "Board" means the board of regents of The University of Texas System.

(2) "Health science center" means The University of Texas Health Science Center at San Antonio.

(3) "Institute" means the San Antonio Life Sciences Institute.

(4) "University" means The University of Texas at San Antonio.

Added by Acts 2001, 77th Leg., ch. 863, Sec. 1, eff. Sept. 1, 2001.

Sec. 75.202. ESTABLISHMENT. The board may establish and maintain the San Antonio Life Sciences Institute as a joint partnership of the health science center and the university.

Added by Acts 2001, 77th Leg., ch. 863, Sec. 1, eff. Sept. 1, 2001.

Sec. 75.203. ROLE AND SCOPE. (a) The institute shall specialize in research and teaching in the life sciences.

(b) The institute shall develop joint degree programs and joint research programs for the health science center and the university.

(c) The institute may accept gifts, grants, and donations from any source for the purposes of the program. The institute may develop or use land, buildings, equipment, facilities, and other improvements in connection with the program. To the extent that any funds are appropriated in the General Appropriations Act by the 77th Legislature, the institute may accept any amount authorized.

(d) The institute shall seek private, local, and federal funding to support the operation and management of the institute.

Added by Acts 2001, 77th Leg., ch. 863, Sec. 1, eff. Sept. 1, 2001.

Sec. 75.204. OPERATION AND MANAGEMENT. (a) The administration

of the institute is under the direction of the chancellor of The University of Texas System and the board through the presidents of the health science center and the university.

(b) The costs of the operation and management of the institute may be paid from money appropriated for that purpose and from other money from any public or private source. The institute shall retain all indirect costs received or recovered under a grant or contract.

(c) The board may make joint appointments of faculty or other personnel to the institute and to either or both the health science center and the university. The salary of a person receiving a joint appointment shall be apportioned on the basis of services rendered.

(d) The institute shall be located in facilities determined appropriate by the board.

Added by Acts 2001, 77th Leg., ch. 863, Sec. 1, eff. Sept. 1, 2001.

Sec. 75.205. COACHING EDUCATION PROGRAM. (a) The institute shall establish a coaching education program to be administered by The University of Texas Sport Sciences Institute.

(b) A program established under this section must address:

(1) the development of coaching philosophies consistent with local school district and school board goals;

(2) sport psychology that emphasizes coaching techniques, including communication, that motivate and reinforce the efforts of athletes;

(3) sport pedagogy that studies how athletes learn athletic skills and how to best teach athletes skills for sports;

(4) sport physiology, including principles of training, fitness for sport, nutrition for athletes, and development of training programs;

(5) sport management, including team management, risk management, and working within the context of an overall school program;

(6) training in other relevant subjects and skills, including cardiopulmonary resuscitation (CPR) and first aid instruction and certification;

(7) knowledge of and adherence to applicable federal, state, and local rules, including rules concerning gender equity and discrimination;

(8) knowledge of the essentials of character development and character education; and

(9) the development of the student athlete as a positive peer role model.

Added by Acts 2003, 78th Leg., ch. 355, Sec. 1, eff. Sept. 1, 2003.

CHAPTER 76. THE UNIVERSITY OF TEXAS AT TYLER

Sec. 76.01. ESTABLISHMENT. The University of Texas at Tyler is a coeducational institution of higher education within The University of Texas System. It is under the control and management of the Board of Regents of The University of Texas System.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979.

Sec. 76.02. ROLE AND SCOPE. (a) The institution shall offer undergraduate programs and graduate programs, both of which are subject to the authority of the Texas Higher Education Coordinating Board.

(b) The institution may not offer a lower division course off the campus of the institution until the fall semester of 2001.

(c) If the Texas Higher Education Coordinating Board approves an engineering degree program at the institution, the institution may offer lower division courses relating to that program. The enrollment limits provided by Section 76.026 do not apply to that program.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979. Amended by Acts 1995, 74th Leg., ch. 470, Sec. 1, eff. June 10, 1995; Acts 1997, 75th Leg., ch. 313, Sec. 1, eff. Sept. 1, 1997.

Sec. 76.025. UNIVERSITY ADMISSIONS. (a) The institution may not adopt or use an open enrollment policy.

(b) The board shall adopt admission standards for the institution for first-time freshman students that are at least as stringent as the 1997 fall semester admission standards for first-time freshman students at The University of Texas at Arlington.

(c) Expired.

Added by Acts 1997, 75th Leg., ch. 313, Sec. 2, eff. Sept. 1, 1997.

Sec. 76.026. PHARMACY SCHOOL. (a) The board may establish and maintain a school of pharmacy as a professional school of the institution.

(b) The board may prescribe courses leading to customary degrees offered at other leading American schools of pharmacy and may award those degrees.

(c) The board shall provide for the operations and capital expenses of the school to be supported by tuition, gifts, grants, and other institutional or system funds available for that purpose, except that the school is not eligible for funding under the formulas established under Section 61.059 for instruction, operations, or infrastructure.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1326 (S.B. 566), Sec. 1, eff. June 14, 2013.

Sec. 76.03. PRESIDENT. The board may appoint and remove the president, any faculty member, or other officer or employee of the institution. The president is the executive officer of the institution and is responsible for its general management. The president shall recommend a plan of organization and orderly course development for the institution.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979.

Sec. 76.04. SUITS; VENUE; CITATION. The board may sue and be sued in the name of the institution. Venue is in Smith or Travis County. The institution may be impleaded by service of citation on its president, and legislative consent to suits against the institution is granted.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979.

Sec. 76.05. GIFTS AND GRANTS. (a) The board may accept donations, gifts, and endowments for the institution. They are to be held in trust and administered by the board according to the purposes, directions, limitations, and provisions declared in writing in the donation, gift, or endowment. The provisions of the donation, gift, or endowment shall be followed to the extent that they are not inconsistent with the laws of this state or with the objective and proper management of the institution.

(b) The board shall solicit and may accept donations, gifts, and endowments from private sources to provide equipment and other personal property for the engineering degree program, if one is established. The board shall establish an account for the deposit of money accepted under this subsection. Money in the account may be used only to provide and maintain equipment and other personal property used by the engineering degree program.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979. Amended by Acts 1995, 74th Leg., ch. 470, Sec. 2, eff. June 10, 1995.

Sec. 76.06. MANAGEMENT OF PROPERTY. The board is vested with the exclusive management of all property owned by the institution. The board may make any agreements necessary to the effective management of the institution's property. All money received shall be deposited in the State Treasury to the credit of a special fund that may be invested and the principal and income of the fund may be expended on appropriation by the legislature for the administration of the institution.

Added by Acts 1979, 66th Leg., p. 699, ch. 303, Sec. 4, eff. Sept. 1, 1979.

Sec. 76.07. PARTNERSHIPS WITH JUNIOR COLLEGES AND OTHER INSTITUTIONS. (a) The institution shall seek to build and expand partnership agreements in the same manner as authorized by Subchapter N, Chapter 51. With the approval of the Texas Higher Education Coordinating Board, the institution may enter into a partnership agreement with a private institution of higher education located in the same county as any campus of the institution, subject to the same

provisions as provided by Subchapter N, Chapter 51, for a partnership agreement between an institution covered by that section and a public junior college.

(b) In developing programs and courses subject to a partnership agreement, the institution and any other party to an agreement shall take into account the need in the service region to recruit minority and lower-income students into degree-granting programs of institutions of higher education.

(c) A nonresident student who is simultaneously enrolled in the institution and another public institution of higher education under a program offered jointly by the two institutions under a partnership agreement and who pays the fees and charges required of Texas residents at one of the institutions as provided by Section 54.213 because the student holds a competitive scholarship is entitled to pay the fees and charges required of Texas residents at each public institution of higher education in which the student is simultaneously enrolled under the program.

(d) The institution and other parties to a partnership agreement may contract with any person to provide shuttle bus service or other transportation service for or among the campuses of the institutions that are parties to the agreement and may charge and collect a fee from students registered in courses at the campuses of two or more of the institutions in the same semester or term in an amount determined by the institutions to pay for all or part of the costs of that service.

Added by Acts 1995, 74th Leg., ch. 470, Sec. 3, eff. June 10, 1995.
Amended by Acts 1997, 75th Leg., ch. 313, Sec. 3, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 9, eff. January 1, 2012.

Text of chapter effective until date designated for abolition of The University of Texas--Pan American and The University of Texas--Brownsville under Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4

CHAPTER 78. THE UNIVERSITY OF TEXAS AT BROWNSVILLE

Sec. 78.01. DEFINITIONS. In this chapter:

(1) "Board" means the board of regents of The University of

Texas System.

(2) "University" means The University of Texas at Brownsville.

Added by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.02. ESTABLISHMENT; SCOPE. (a) The board shall establish an institution of higher education in the City of Brownsville, to be known as The University of Texas at Brownsville.

(b) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 935, Sec. 4, eff. June 17, 2011.

(c) The university may enter into any agreement with the Texas Southmost College District to facilitate higher education advancement and opportunity in the district's service area and the transition of students from Texas Southmost College to the university. An agreement may cover any matter related to those purposes, including the facilitation of the transfer of course credit and the alignment of courses between the university and the college.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 935, Sec. 4, eff. June 17, 2011.

Added by Acts 1989, 71st Leg., ch. 181, Sec. 6, eff. Sept. 1, 1989. Redesignated from Education Code, Sec. 77.31 and amended by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991. Amended by Acts 1997, 75th Leg., ch. 920, Sec. 1, eff. June 18, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 935 (S.B. 1909), Sec. 1, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 935 (S.B. 1909), Sec. 4, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.03. COURSES AND DEGREES. (a) The board may prescribe courses leading to customary degrees offered at leading American universities and may award those degrees, including bachelor's,

master's, and doctoral degrees and their equivalents.

(a-1) A department, school, or degree program may not be instituted without the prior approval of the Texas Higher Education Coordinating Board.

(b) The board shall offer a broad array of courses at the university.

(c) The board shall award degrees in the name of The University of Texas at Brownsville.

Added by Acts 1989, 71st Leg., ch. 181, Sec. 6, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 77.32 and amended by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 935 (S.B. 1909), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.04. FACILITIES. (a) The board shall make provisions for adequate physical facilities for use by the university. Subject to the agreement of the parties as provided by Subsection (b), the facilities may include facilities on land committed by the board of trustees of the Texas Southmost College District on the district's Texas Southmost College campus. The provision of facilities is subject to the normal requirements of the board and the Texas Higher Education Coordinating Board.

(b) The board and the board of trustees of the Texas Southmost College District may contract with each other for the use of facilities. The terms of the contract shall be negotiated between the parties and must provide for reasonable compensation for the use of facilities.

Added by Acts 1989, 71st Leg., ch. 181, Sec. 6, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 77.33 and amended by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991. Amended by Acts 1997, 75th Leg., ch. 920, Sec. 2, eff. June 18, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 935 (S.B. 1909), Sec. 3, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff.

June 14, 2013.

Sec. 78.05. GIFTS AND GRANTS. The board may accept and administer, on terms and conditions acceptable to it, gifts, grants, or donations of any kind and from any source for use by The University of Texas at Brownsville.

Added by Acts 1989, 71st Leg., ch. 181, Sec. 6, eff. Sept. 1, 1989. Redesignated from Education Code, Sec. 77.34 and amended by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.06. TRANSFER OF FUNDS; JOINT APPOINTMENTS. (a) Unless otherwise specifically restricted, funds may be transferred to the university to implement this chapter.

(b) The board may make joint faculty appointments to a position in the university and to a position in another institution under its governance. The salary of a person receiving a joint appointment shall be apportioned between the university and the other institution on the basis of services rendered.

Added by Acts 1989, 71st Leg., ch. 181, Sec. 6, eff. Sept. 1, 1989. Redesignated from Education Code, Sec. 77.35 and amended by Acts 1991, 72nd Leg., ch. 305, Sec. 1, eff. Sept. 1, 1991.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.09. CENTER FOR BORDER ECONOMIC AND ENTERPRISE DEVELOPMENT. (a) The board shall establish a center for border economic and enterprise development at The University of Texas at Brownsville.

(b) The center established under this section may:

(1) develop and manage an economic database concerning the Texas-Mexico border;

(2) perform economic development planning and research;

(3) provide technical assistance to industrial and governmental entities; and

(4) in cooperation with other state agencies, coordinate economic and enterprise development planning activities of state agencies to ensure that the economic needs of the Texas-Mexico border are integrated within a comprehensive state economic development plan.

(c) The center may offer seminars and conduct conferences and other educational programs concerning the Texas-Mexico border economy and economic and enterprise development within the state.

(d) The board may solicit and accept gifts, grants, and donations to aid in the establishment, maintenance, and operation of the center.

(e) The center established under this section shall cooperate fully with similar programs operated by Texas A&M International University, The University of Texas--Pan American, The University of Texas at El Paso, and other institutions of higher education.

Added by Acts 2001, 77th Leg., ch. 632, Sec. 1, eff. June 13, 2001.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

Sec. 78.10. TEXAS ACADEMY OF MATHEMATICS AND SCIENCE. (a) In this section, "academy" means the Texas Academy of Mathematics and Science at The University of Texas at Brownsville.

(b) The Texas Academy of Mathematics and Science is a division of The University of Texas at Brownsville and is under the management and control of the board. The academy serves the following purposes:

(1) to provide academically gifted and highly motivated junior and senior high school students with a challenging university-level curriculum that:

(A) allows students to complete high school graduation requirements for the foundation high school program and the distinguished level of achievement under the foundation high school program and earn appropriate endorsements as provided by Section 28.025, while attending for academic credit a public institution of higher education;

(B) fosters students' knowledge of real-world

mathematics and science issues and applications and teaches students to apply critical and computational thinking and problem-solving skills to those issues and problems;

(C) includes the study of English, foreign languages, social studies, mathematics, science, and technology; and

(D) offers students learning opportunities related to mathematics and science through in-depth research and field-based studies;

(2) to provide students with an awareness of mathematics and science careers and professional development opportunities through seminars, workshops, collaboration with postsecondary and university students including opportunities for summer studies, internships in foreign countries, and similar methods; and

(3) to provide students with social development activities that enrich the academic curriculum and student life, including, as determined appropriate by the academy, University Interscholastic League activities and other extracurricular activities.

(c) The academy is a coeducational institution for selected Texas high school students with an interest in and the potential to excel in mathematics and science studies. The academy shall admit only high school juniors and seniors, except that the academy may admit a student with exceptional abilities who is not yet a high school junior. The board shall set aside adequate space on the university campus in Brownsville to operate the academy and implement the purposes of this section. The academy must operate on the same fall and spring semester basis as the university. Full-time students of the academy must enroll for both the fall and spring semesters. Faculty members of the university shall teach all academic classes at the academy. A student of the academy may attend a college course offered by the university and receive college credit for that course.

(d) Except as otherwise provided by this subsection, the university administration has the same powers and duties with respect to the academy that the administration has with respect to the university. The board shall consult with the vice president for academic affairs and the dean of the School of Education and other members of the administration as the board considers necessary concerning the academy's administrative design and support, personnel and student issues, and faculty development. The board shall consult with the dean of the College of Science, Mathematics and Technology and other members of the administration as the board considers

necessary concerning the academy's curriculum development, program design, and general faculty issues. The board, in consultation with university administration, shall:

(1) establish an internal management system for the academy and appoint an academy principal who serves at the will of the board and reports to the vice president for academic affairs;

(2) provide for one or more academy counselors;

(3) establish for the academy a site-based decision-making process similar to the process required by Subchapter F, Chapter 11, that provides for the participation of academy faculty, parents of academy students, and other members of the community; and

(4) establish an admissions process for the academy.

(e) The student-teacher ratio in all regular academic classes at the academy may not exceed 30 students for each classroom teacher, except that the student-teacher ratio may exceed that limit:

(1) in a program provided for the purposes prescribed by Subsection (b)(2) or another special enrichment course or in a physical education course;

(2) if the board determines that a class with a higher student-teacher ratio would contribute to the educational development of the students in the class; or

(3) if an academy class is combined with a university class with more than 30 students.

(f) The academy shall provide the university-level curriculum in a manner that is appropriate for the social, psychological, emotional, and physical development of high school juniors and seniors. The administrative and counseling personnel of the academy shall provide continuous support to and supervision of students.

(g) For each student enrolled in the academy, the academy is entitled to allotments from the foundation school fund under Chapter 42 as if the academy were a school district without a tier one local share for purposes of Section 42.253. If in any academic year the amount of the allotments under this subsection exceeds the amount of state funds paid to the academy in the first fiscal year of the academy's operation, the commissioner of education shall set aside from the total amount of funds to which school districts are entitled under Section 42.253(c) an amount equal to the excess amount and shall distribute that amount to the academy. After deducting the amount set aside and paid to the academy by the commissioner of education under this subsection, the commissioner of education shall

reduce the amount to which each district is entitled under Section 42.253(c) in the manner described by Section 42.253(h). A determination of the commissioner of education under this subsection is final and may not be appealed.

(h) The board may use any available money, enter into contracts, and accept grants, including matching grants, federal grants, and grants from a corporation or other private contributor, in establishing and operating the academy. Money spent by the academy must further the purposes of the academy under Subsection (b).

(i) The liability of the state under Chapters 101 and 104, Civil Practice and Remedies Code, is limited for the academy and employees assigned to the academy and acting on behalf of the academy to the same extent that the liability of a school district and an employee of the school district is limited under Sections 22.0511, 22.0512, and 22.052 of this code and Section 101.051, Civil Practice and Remedies Code. An employee assigned to the academy is entitled to representation by the attorney general in a civil suit based on an action or omission of the employee in the course of the employee's employment, to limits on liability, and to indemnity under Chapters 104 and 108, Civil Practice and Remedies Code.

(j) Except as otherwise provided by this section, the academy is not subject to the provisions of this code, or to the rules of the Texas Education Agency, regulating public schools.

Added by Acts 2005, 79th Leg., Ch. 887 (S.B. 1452), Sec. 1, eff. June 17, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 75(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 4(b), eff. June 14, 2013.

CHAPTER 79. THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY

Sec. 79.01. DEFINITIONS. In this chapter:

(1) "Board" means the board of regents of The University of Texas System.

(2) "University" means The University of Texas Rio Grande Valley.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 110 (S.B. 317), Sec. 2, eff. May 23, 2015.

Sec. 79.02. ESTABLISHMENT; SCOPE. (a) The university is a general academic teaching institution under the governance, management, and control of the board of regents of The University of Texas System.

(b) As necessary to achieve the maximum operating efficiency of the university, the board shall provide for the organization, administration, location, and name of the university and of the colleges, schools, and other institutions and entities of the university, which must include:

(1) an academic campus and other academic operations in Cameron County;

(2) an academic campus and other academic operations in Hidalgo County;

(3) the medical school and other programs authorized for The University of Texas Health Science Center--South Texas under Subchapter N, Chapter 74, subject to the provisions of that subchapter regarding the location of certain facilities and programs of the health science center;

(4) the facilities and operations of the Lower Rio Grande Valley Academic Health Center established under Subchapter L, Chapter 74; and

(5) an academic center in Starr County.

(c) The board shall equitably allocate the primary facilities and operations of the university among Cameron, Hidalgo, and Starr Counties.

(d) The board shall ensure that the medical and research programs of the medical school component of the university are conducted across the region and have a substantial presence in Hidalgo County and Cameron County. The board shall also ensure the provision of interdisciplinary education across health professions within the university.

(e) The authority of the board under this section to achieve the maximum operating efficiency of the university and to provide for

the organization, administration, and location of colleges, schools, and other institutions and entities of the university prevails over other law, including Section 74.611.

(f) The board has all the powers and duties provided by prior law, as that law existed at the time the applicable university or other entity was abolished, in regard to:

(1) The University of Texas at Brownsville, The University of Texas--Pan American, and any other institution, college, school, or entity abolished under the Act authorizing creation of the university; and

(2) any facility, operation, or program that is transferred to the university under that Act.

(g) The board may impose and collect any fee authorized by prior law, as that law existed at the time the applicable university was abolished, for The University of Texas at Brownsville or The University of Texas--Pan American, as determined by the board and subject to the limitations provided by the prior law authorizing the fee. The abolition of The University of Texas at Brownsville and The University of Texas--Pan American does not affect any pledge of revenue from a fee made by or on behalf of either of those universities to pay obligations issued in connection with facilities for which the fee was imposed and the obligations were issued.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.03. COURSES AND DEGREES. (a) The board may prescribe courses leading to customary degrees offered at leading American universities and medical schools as applicable and may award those degrees, including:

(1) bachelor's, master's, and doctoral degrees and their equivalents; and

(2) medical school degrees and other health science degrees.

(b) The board shall award degrees in the name of the university.

(c) A department, school, or degree program may not be instituted without the prior approval of the Texas Higher Education Coordinating Board, except that the university may include any

department or school or offer any degree program previously approved for The University of Texas--Pan American or The University of Texas at Brownsville or expressly authorized by this chapter or other law.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.04. UNIVERSITY OF THE FIRST CLASS. The board shall make any other rules and regulations for the operation, control, and management of the university as may be necessary for the conduct of the university as a university of the first class.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.05. FACILITIES. The board shall provide for adequate physical facilities for use by the university.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.06. GIFTS AND GRANTS. The board may solicit, accept, and administer, on terms and conditions acceptable to the board, gifts, grants, or donations of any kind and from any source for use by the university.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.07. JOINT APPOINTMENTS. The board may make joint faculty appointments to positions in the university and to positions in other institutions under the governance of the board.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.08. PARTICIPATION IN PERMANENT UNIVERSITY FUND. The legislature finds that the university is an institution of higher education "created at a later date" for purposes of Section 18(c), Article VII, Texas Constitution. If the Act enacting this chapter receives a vote of two-thirds of the membership of each house of the legislature, when established the university is entitled to participate in the funding provided by Section 18, Article VII, Texas Constitution, to the same extent as similar component institutions of The University of Texas System.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.09. CENTER FOR BORDER ECONOMIC AND ENTERPRISE DEVELOPMENT. (a) The board shall establish a center for border economic and enterprise development at the university.

(b) The center established under this section may:

(1) develop and manage an economic database concerning the Texas-Mexico border;

(2) perform economic development planning and research;

(3) provide technical assistance to industrial and governmental entities; and

(4) in cooperation with other state agencies, coordinate economic and enterprise development planning activities of state agencies to ensure that the economic needs of the Texas-Mexico border are integrated within a comprehensive state economic development plan.

(c) The center may offer seminars and conduct conferences and other educational programs concerning the Texas-Mexico border economy and economic and enterprise development within this state.

(d) The board may solicit and accept gifts, grants, and donations to aid in the establishment, maintenance, and operation of the center.

(e) The center shall cooperate fully with similar programs operated by Texas A&M International University, The University of Texas at El Paso, and other institutions of higher education.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

Sec. 79.10. TEXAS ACADEMY OF MATHEMATICS AND SCIENCE. (a) The board shall establish The Texas Academy of Mathematics and Science at the university. The academy serves the following purposes:

(1) to provide academically gifted and highly motivated junior and senior high school students with a challenging university-level curriculum that:

(A) allows students to complete high school graduation requirements, including requirements adopted under Section 28.025 for the advanced high school program, while attending for academic credit a public institution of higher education;

(B) fosters students' knowledge of real-world mathematics and science issues and applications and teaches students to apply critical thinking and problem-solving skills to those issues;

(C) includes the study of English, foreign languages, social studies, mathematics, science, and technology; and

(D) offers students learning opportunities related to mathematics and science through in-depth research and field-based studies;

(2) to provide students with an awareness of mathematics and science careers and professional development opportunities through any appropriate means such as:

(A) seminars;

(B) workshops;

(C) collaboration with postsecondary and university students, including opportunities for summer studies; and

(D) internships in foreign countries; and

(3) to provide students with social development activities that enrich the academic curriculum and student life, including, as determined appropriate by the academy, University Interscholastic League activities and other extracurricular activities.

(b) The academy is a coeducational program for selected Texas high school students with an interest in and the potential to excel in mathematics and science studies. The academy shall admit only high school juniors and seniors, except that the academy may admit a student with exceptional abilities who is not yet a high school junior. The board shall set aside adequate space at the new university to operate the academy and implement the purposes of this section. The academy must operate on the same fall and spring semester basis as the university. Full-time students of the academy

must enroll for both the fall and spring semesters. Faculty members of the university shall teach all academic classes at the academy. A student of the academy may attend a college course offered by the university and receive college credit for that course.

(c) The university administration has the same powers and duties with respect to the academy that the administration has with respect to the university. The board, in consultation with university administration, shall:

(1) establish an internal management system for the academy and appoint an academy principal, who serves at the will of the board and reports to the vice president for academic affairs;

(2) provide for one or more academy counselors;

(3) establish for the academy a site-based decision-making process similar to the process required by Subchapter F, Chapter 11, that provides for the participation of academy faculty, parents of academy students, and other members of the community; and

(4) establish an admissions process for the academy.

(d) The student-teacher ratio in all regular academic classes at the academy may not exceed 30 students for each classroom teacher, except that the student-teacher ratio may exceed that limit:

(1) in a program provided for the purposes prescribed by Subsection (a)(2) or another special enrichment course or in a physical education course;

(2) if the board determines that a class with a higher student-teacher ratio would contribute to the educational development of the students in the class; or

(3) if an academy class is combined with a university class with more than 30 students.

(e) The academy shall provide the university-level curriculum in a manner that is appropriate for the social, psychological, emotional, and physical development of high school juniors and seniors. The administrative and counseling personnel of the academy shall provide continuous support to and supervision of students.

(f) For each student enrolled in the academy, the academy is entitled to allotments from the foundation school fund under Chapter 42 as if the academy were a school district without a tier one local share for purposes of Section 42.253. If in any academic year the amount of the allotments under this subsection exceeds the amount of state funds paid to the academy in the first fiscal year of the academy's operation, the commissioner of education shall set aside

from the total amount of funds to which school districts are entitled under Section 42.253(c) an amount equal to the excess amount and shall distribute that amount to the academy. After deducting the amount set aside and paid to the academy by the commissioner of education under this subsection, the commissioner of education shall reduce the amount to which each district is entitled under Section 42.253(c) in the manner described by Section 42.253(h). A determination of the commissioner of education under this subsection is final and may not be appealed.

(g) The board may use any available money, enter into contracts, and accept grants, including matching grants, federal grants, and grants from a corporation or other private contributor, in establishing and operating the academy. Money spent by the academy must further the purposes of the academy under Subsection (a).

(h) The liability of this state under Chapters 101 and 104, Civil Practice and Remedies Code, is limited for the academy and employees assigned to the academy and acting on behalf of the academy to the same extent that the liability of a school district and an employee of the school district is limited under Sections 22.0511, 22.0512, and 22.052 of this code and Section 101.051, Civil Practice and Remedies Code. An employee assigned to the academy is entitled to representation by the attorney general in a civil suit based on an action or omission of the employee in the course of the employee's employment, to limits on liability, and to indemnity under Chapters 104 and 108, Civil Practice and Remedies Code.

(i) Except as otherwise provided by this section, the academy is not subject to the provisions of this code or to the rules of the Texas Education Agency regulating public schools.

Added by Acts 2013, 83rd Leg., R.S., Ch. 726 (S.B. 24), Sec. 1, eff. June 14, 2013.

SUBTITLE D. THE TEXAS A & M UNIVERSITY SYSTEM
CHAPTER 85. ADMINISTRATION OF THE TEXAS A & M UNIVERSITY SYSTEM
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 85.01. DEFINITIONS. In this chapter:

(1) "System" or "university system" means The Texas A&M University System.

(2) "Board" means the board of regents of The Texas A&M University System.

Acts 1971, 62nd Leg., p. 3191, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 598, ch. 247, Sec. 1, eff. Sept. 1, 1975.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 85.11. BOARD OF REGENTS. The government of the university system is vested in a board of nine regents appointed by the governor with the advice and consent of the senate.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 598, ch. 247, Sec. 2, eff. Sept. 1, 1975.

Sec. 85.12. QUALIFICATIONS; TERMS. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered years.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 2837, ch. 484, art. III, Sec. 2, eff. June 19, 1983.

Sec. 85.13. CERTIFICATE OF APPOINTMENT. The secretary of state shall forward a certificate to each regent within 10 days after his appointment, notifying him of the fact of his appointment. If any person so appointed and notified fails for 10 days to give notice to the governor of his acceptance, his appointment shall be deemed void and his place shall be filled as in the case of a vacancy.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 598, ch. 247, Sec. 3, eff. Sept. 1, 1975.

Sec. 85.14. CHAIRMAN OF BOARD. The board shall elect from its members a chairman of the board, who shall call the board together for the transaction of business whenever he deems it expedient.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 599, ch. 247, Sec. 4, eff. Sept. 1, 1975.

Sec. 85.15. EXPENSES OF REGENTS. The regents shall serve without compensation but are entitled to reimbursement for actual expenses incurred in attending board meetings and in transacting the official business of the board.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 599, ch. 247, Sec. 5, eff. Sept. 1, 1975.

Sec. 85.16. SEAL. The board may make and use a common seal.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.17. SYSTEM CENTRAL ADMINISTRATION OFFICE; EXECUTIVE OFFICER. (a) The central administration office of the university system shall provide oversight and coordination of the activities of each component institution within the system.

(b) The board shall appoint a chief executive officer of the university system and determine the chief executive officer's term of office, salary, and duties.

(c) The chief executive officer shall recommend a plan for the organization of the university system and the appointment of a chief administrative officer for each component institution, agency, and service, within the system.

(d) The chief executive officer is responsible to the board for the general management and success of the university system, and the board may delegate authority, establish guidelines, and cooperate with the executive officer to carry out that responsibility. The chief executive officer may delegate his authority if approved by the

board.

(e) In addition to other powers and duties provided by this code or other law, the central administration office of the system shall recommend necessary policies and rules to the governing board of the system to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

Added by Acts 1989, 71st Leg., ch. 464, Sec. 2, eff. June 14, 1989.

Sec. 85.18. MANDATORY VENUE. (a) Venue for a suit filed against the board or a member of the board in the member's official capacity is in Brazos County.

(b) Venue for a suit filed against The Texas A&M University System, any component of The Texas A&M University System, or any officer or employee of The Texas A&M University System is in the county in which the primary office of the chief executive officer of the system or component, as applicable, is located.

(c) This section does not waive any defense to or immunity from suit or liability that may be asserted by an entity or individual described by this section.

(d) In case of a conflict between this section and any other law, this section controls.

(e) The changes in law made by the adoption of this section apply only to an action brought on or after September 1, 2003.

Added by Acts 2003, 78th Leg., ch. 1266, Sec. 4.10, eff. June 20, 2003.

SUBCHAPTER C. POWERS AND DUTIES OF BOARD

Sec. 85.21. GENERAL POWERS AND DUTIES. (a) The board shall make bylaws, rules, and regulations it deems necessary and proper for the government of the university system and its institutions, agencies, and services. The board shall regulate the course of study and prescribe the course of discipline necessary to enforce the faithful discharge of the duties of the officers, faculty, and students.

(b) The board is specifically authorized, upon terms and conditions acceptable to it, to accept and administer gifts,

donations, grants, and endowments, from any source, for use by the system or any of the components of the system. The board may retain such funds in local fund accounts.

Acts 1971, 62nd Leg., p. 3191, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 2053, ch. 377, Sec. 1, eff. June 17, 1983.

Sec. 85.22. EXPENDITURES. All expenditures may be made by order of the board and shall be paid on warrants from the comptroller based on vouchers approved by the president of the board or by some officer or officers designated by him in writing to the comptroller.

Acts 1971, 62nd Leg., p. 3192, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.23. PERMANENT IMPROVEMENTS; CONTRACTS; LAND TRANSACTIONS. The board may enter into an agreement with any person for the purchase, sale, lease, lease-purchase, acquisition, or construction of permanent improvements and may purchase, sell, lease, lease-purchase, encumber, or contract with reference to the divesting or encumbering title to lands and other appurtenances for the construction of the permanent improvements. However, no debt or liability shall be incurred by the State of Texas under this section.

Acts 1971, 62nd Leg., p. 3193, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 774, Sec. 1, eff. Sept. 1, 2001.

Sec. 85.24. UTILITIES. (a) The board from time to time may improve and equip existing central power plants and may construct, acquire, improve, and equip steam plants and additions to them, and the board may acquire land for these purposes for the institutions under its control, when the total cost, type of construction, capacity, and plans and specifications have been approved by the board. As used in this subsection, "steam plants" does not include electrical generating facilities, but "central power plants" does include electrical generating facilities.

(b) The board from time to time may construct, extend, and improve the water systems, sewer systems, or both, for any or all institutions under its control, when the total cost, type of construction, capacity, and plans and specifications have been approved by the board.

(c) The board may furnish water, sewer, steam, power, electricity, or any or all of those services from the power and steam plant or plants and other facilities located at each institution to any or all dormitories, kitchens and dining halls, hospitals, student activity buildings, gymnasiums, athletic buildings and stadiums, the dormitory for help, laundry, and other buildings or facilities that may have been or may be constructed at each institution, and may determine the amount to be charged as a part of the maintenance and operation expense of those buildings or facilities for the service or services. The board may allocate the cost of furnishing the services to revenue-producing buildings and facilities and to other buildings and facilities at the institutions. The board may pledge the net revenues from the amounts thus received for the services to pay the principal of and interest on, and to create and maintain the reserve for, the negotiable revenue bonds issued for the purpose of constructing, acquiring, improving, extending, or equipping the power and steam plants, or additions thereto, or other facilities, and may secure the bonds additionally by pledging rentals, rates, charges, and fees for the use or availability of all or any property, buildings, structures, activities, operations, or facilities, of any nature, which may be fixed and collected from all or any designated part of the students enrolled in the institution or institutions or from others in the amounts and in the manner determined and provided by the board in the resolution authorizing the issuance of the bonds.

Acts 1971, 62nd Leg., p. 3193, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.25. LANDS AND MINERAL INTERESTS. (a) The board is vested with the sole and exclusive management and control of lands and mineral interests under its jurisdiction and that may be acquired by it.

(b) The board may grant, sell, lease, or otherwise dispose of the lands and mineral interests under its jurisdiction to other units

or agencies of government, or to any individual, group of individuals, corporation, or other entity, under terms and conditions the board considers best in the public interest.

(c) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1366, Sec. 6, and Acts 2013, 83rd Leg., R.S., Ch. 369, Sec. 2, eff. June 14, 2013.

(d) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 1366, Sec. 6, and Acts 2013, 83rd Leg., R.S., Ch. 369, Sec. 2, eff. June 14, 2013.

(e) Proceeds received from the grant, sale, lease, or other disposition of surface interests covered by this section may be retained in local funds subject to disposition by the board for any lawful purpose.

(f) This section is cumulative of existing statutes relating to the authority of the board to lease for oil, gas, sulphur, mineral ore, and other mineral developments, and otherwise to buy, sell, and lease certain lands under its jurisdiction and supervision.

(g) This section does not cover any lands or minerals held by the general land office.

Acts 1971, 62nd Leg., p. 3194, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 851, ch. 198, Sec. 1, eff. Aug. 29, 1983; Acts 1991, 72nd Leg., ch. 338, Sec. 1, eff. Aug. 26, 1991.

Amended by:

Acts 2005, 79th Leg., Ch. 462 (S.B. 1883), Sec. 1, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 739 (H.B. 2834), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 478 (S.B. 504), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 369 (H.B. 2892), Sec. 1, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 369 (H.B. 2892), Sec. 2, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1366 (S.B. 1604), Sec. 5, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1366 (S.B. 1604), Sec. 6, eff. June 14, 2013.

Sec. 85.26. LEASES AND EASEMENTS; RIGHTS-OF-WAY FOR ELECTRIC

LINES, PIPELINES, IRRIGATION CANALS, ETC. (a) The board may execute leases and grant easements for rights-of-way for telephone, telegraph, electric transmission, and power lines, for oil pipelines, gas pipelines, sulphur pipelines, water pipelines and other electric lines and pipelines of any nature whatsoever, and for irrigation canals, and laterals, and may execute easements or leases for the erection and maintenance of electric substations, pumping stations, loading racks, tank farms, and other structures, and may execute easements for rights-of-way to the Texas Department of Transportation, to any county in the state, or to any corporation, group, organization, firm, or individual for highway or roadway purposes, on or across any lands belonging to the state and under the control of the board, if the board in its discretion deems it apparent that the interest of the state can best be served by the granting of the easements and leases.

(b) Each easement granted under this section shall be on forms approved by the attorney general and shall include a complete description of the land on which the easement is to be granted, the period of time covered by the easement, the amount of money to be paid by the grantee to the grantor, or other consideration for the granting of such easement. It shall also specify the terms and conditions, penalties for failure to comply with its provisions, and other pertinent information necessary and desirable to effect a complete understanding of the transaction.

(c) The grant of an easement for right-of-way, except an easement for right-of-way for highway or roadway purposes which may be for an indefinite term shall be limited to a term of not longer than 10 years, but any such easement may be renewed by the board.

(d) All income received by the board under the provisions of this section shall be accounted for and used in the same manner as other money available to the part of the system to which the land from which the easement is granted is assigned.

(e) No person, firm, group, organization, agency, or corporation shall hereafter construct any telephone, telegraph, transmission, or electric line, pipeline, electric substation, tank farm, loading rack, pumping station, irrigation canal or lateral, highway, or roadway of the kind and character enumerated in Subsection (a) of this section, across or on any section or part of a section of land of the character described in Subsection (a) of this section, who has not obtained a proper easement as provided by this

section; or continue in possession of any such land without obtaining from the board a grant of a right-of-way easement or other easement across or on such land where the telephone, telegraph, transmission, or electric lines, pipelines, or any other transmission or pipelines, electric substation, tank farm, loading rack, or pumping station, irrigation canal or lateral, highway, or roadway is to constructed. Any person, firm, group, organization, agency, or corporation violating this subsection shall be liable for a penalty of $100 for each day of the violation, to be recovered by the attorney general.

Acts 1971, 62nd Leg., p. 3194, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 165, Sec. 22(31), eff. Sept. 1, 1995.

Sec. 85.27. FLOOD CONTROL EASEMENTS. The board may convey flood control easements over land under its jurisdiction and control to water control and improvement districts of this state. No flood control easement shall be conveyed unless the board receives from the district reasonable consideration for the conveyance. The conveyance shall be under the terms and conditions that the board deems in the best interest of the university system.

Acts 1971, 62nd Leg., p. 3195, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.28. AIRPORTS. (a) The board may construct or otherwise acquire an airport for any institution within the system. It may maintain and operate the airports in connection with the teaching of courses in aeronautical engineering and for purposes in cooperation with the national defense program and for other purposes which will not interfere with those uses.

(b) The board may acquire by purchase, lease, gift, condemnation, or otherwise, and may use, operate, and maintain any kind of property or property interest necessary or convenient to the exercise of powers under this section. The power of eminent domain shall be exercised in the manner provided by general law, including Title 52, Revised Civil Statutes of Texas, 1925, as amended, except that the board shall not be required to give bond for appeal or bond

for costs.

Acts 1971, 62nd Leg., p. 3195, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.29. RESEARCH AND EXPERIMENTATION FOR TEXAS DEPARTMENT OF TRANSPORTATION. (a) The department may contract with the university system or a component or agency of the university system to conduct research relating to transportation, including the economics, planning, design, construction, maintenance, or operation of transportation facilities.

(b) An agreement entered into under this section is not subject to Chapter 771, Government Code.

(c) The comptroller may draw proper warrants in favor of any part of the university system based on vouchers or claims submitted by the system through the department covering reasonable fees and charges for services rendered by members of the staff of the system to the department and for equipment and materials necessary for research and experimentation under a contract entered into under this section.

(d) The comptroller shall pay warrants issued under this section against any funds appropriated by the legislature to the department. The payments made to the system shall be credited and deposited to local institutional funds under its control.

(e) In this section:

(1) "Department" means the Texas Department of Transportation.

(2) "Transportation facilities" means highways, turnpikes, airports, railroads, including high-speed railroads, bicycle and pedestrian facilities, waterways, pipelines, electric utility facilities, communication lines and facilities, public transportation facilities, port facilities, and facilities appurtenant to other transportation facilities.

Acts 1971, 62nd Leg., p. 3195, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 165, Sec. 22(32), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 382, Sec. 1, eff. May 28, 1997; Acts 1997, 75th Leg., ch. 1423, Sec. 5.21, eff. Sept. 1, 1997.

Sec. 85.30. DONATIONS AND TRUSTS. (a) Donations of property may be made and accepted by the board for the purpose of establishing or assisting in the establishment of a professorship, chair, or scholarship in the university system or any of its component institutions or for creating in the university system or any of its component institutions any trust for any lawful, educational, or charitable purpose, either temporarily or permanently, and the donations or trusts thereby created will be governed by the rules prescribed by this section.

(b) The legal title to the property shall be vested in the board acting as an entity, or the State of Texas, to be held in trust for the purpose under any directions, limitations, and provisions that may be declared in the donation or trust agreement, not inconsistent with the objectives and proper management of the system or its component institutions.

(c) The donor may declare and direct the manner in which the title to the property shall thereafter be transmitted from the trustee in continued succession, to be held for and appropriated to the declared purposes.

(d) The donor may declare and direct the person or class of persons who shall receive the benefit of the donation and the manner of their selection.

(e) The declarations, directions, and limitations shall not be inconsistent with the objects and proper management of the system or its institutions.

(f) The title to the property donated shall be received, and the trust conferred in the donation shall be assumed, subject to laws that may be passed and carried into effect from time to time which may be necessary to prevent the loss of or damage to the property donated or an abuse or neglect of the trust so as to defeat, materially change, or prevent the objects of the donation.

(g) Copies of the donation shall be filed with the board.

Added by Acts 1983, 68th Leg., p. 2053, ch. 377, Sec. 2, eff. June 17, 1983.

Sec. 85.31. FUNDS RECEIVED FOR TRUST SERVICES. (a) The board may at its discretion charge administrative fees for services rendered in the management and administration of any trust estate

under the control of the system or any component of the system.

(b) Funds received pursuant to such charges may be deposited in an appropriate system or university account and may be expended by the board for any purpose of the system.

Added by Acts 1983, 68th Leg., p. 2053, ch. 377, Sec. 2, eff. June 17, 1983.

Sec. 85.32. EMINENT DOMAIN. (a) The board may exercise the power of eminent domain to acquire any real property that the board considers necessary and proper to carry out its powers and duties.

(b) The board shall exercise the power of eminent domain in the manner prescribed by Chapter 21, Property Code, except that the board is not required to deposit a bond or the amount equal to the award of damages by the special commissioners under Sections 21.021(a)(2) and (3), Property Code.

Added by Acts 2001, 77th Leg., ch. 774, Sec. 2, eff. Sept. 1, 2001.

SUBCHAPTER D. LEASE OF LANDS FOR OIL, GAS, AND OTHER MINERAL DEVELOPMENT

Sec. 85.51. AUTHORITY TO LEASE. (a) The board may lease for oil, gas, sulphur, mineral ore, and other mineral developments all lands and mineral interests under its control, owned or in the future acquired by the state for the use of the university system.

(b) The board shall offer oil and gas leases at public auction, by sealed bid, by negotiated agreement, or through any other means that the board considers to be in the best interest of the university system.

Acts 1971, 62nd Leg., p. 3196, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 4.09, eff. June 20, 2003.

Sec. 85.52. SALE OF MINERAL ORE IN PLACE. Mineral ore located in and on the land may also be sold in place by the board at not less than the fair market value as determined by the same methods as are provided for leasing of lands under this subchapter for development

of the minerals in the lands.

Acts 1971, 62nd Leg., p. 3196, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.53. TRACTS, LOTS, BLOCKS. The board may cause the lands to be surveyed or subdivided into tracts, lots, or blocks that will, in its judgment, be most conducive and convenient to facilitate the advantageous sale of lease for oil, gas, sulphur, mineral ore, and other minerals, and may make maps and plats that may be thought necessary to carry out the purposes of this subchapter. The board may obtain authentic abstracts of title to all the lands as it deems necessary from time to time, and may take any steps necessary to perfect a merchantable title to the lands in the State of Texas.

Acts 1971, 62nd Leg., p. 3196, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.54. PLACING LEASES ON MARKET; ADVERTISING. (a) Whenever, in the opinion of the board, there is a demand for the purchase of oil, gas, sulphur, mineral ore, or other mineral leases on any tract or part of any tract of land that will reasonably insure an advantageous sale, the board shall place the oil, gas, sulphur, mineral ore, or other mineral leases on the land on the market in any tract or tracts, or any part thereof, that the board may designate.

(b) The board shall cause to be advertised a brief description of the land from which the oil, gas, sulphur, mineral ore, or other minerals is proposed to be leased. The advertisement shall be made by inserting in two or more papers of general circulation in this state; and in addition the board may, in its discretion, cause the advertisement to be placed in an oil and gas journal published in and out of the state, mail copies of the proposals to the county judge of the county where the lands are located, and mail copies of the proposals to other persons the board thinks would be interested.

Acts 1971, 62nd Leg., p. 3196, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.55. PUBLIC AUCTION; BIDS; ACCEPTANCE; REJECTION; PAYMENTS. (a) The board may sell the lease or leases to the highest bidder at public auction, at Texas A & M University, in College Station, at any hour between 10 a.m. and 5 p.m.

(b) The board may reject all bids. However, the highest bidder shall pay to the board on the day of the sale 25 percent of the bonus bid, and the balance of the bid shall be paid to the board within 24 hours after notification that the bid has been accepted. Payments shall be in cash, certified check, or cashier's check, as the board may direct. Failure to pay the balance of the amount bid will forfeit to the board the 25 percent paid.

(c) A separate bid shall be made for each tract or subdivision thereof. No bids shall be accepted which offer less than the fair market price per ton for the mineral ore or a royalty of less than one-eighth of the gross production of oil, gas, sulphur, and other minerals in the land bid upon, and this minimum royalty may be increased at the discretion of the board. Every bid shall carry the obligation to pay an amount not less than $1 per acre for delay in drilling or development. The amount shall be fixed by the board in advance of the advertisement and shall be paid every year for five years unless in the meantime production in paying quantities is had upon the land or the land is re-leased by the lessee.

Acts 1971, 62nd Leg., p. 3197, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.56. SUBSEQUENT PROCEDURE IF NO BIDS ACCEPTED. If no bid is accepted by the board at the public auction, any subsequent procedure for the sale of oil, gas, sulphur, mineral ore, and other mineral leases shall be in the manner prescribed by this subchapter.

Acts 1971, 62nd Leg., p. 3197, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.57. WITHDRAWAL OF LAND ADVERTISED. The board may withdraw any lands advertised for lease or for the sale of mineral ore in place.

Acts 1971, 62nd Leg., p. 3197, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 85.58. ACCEPTANCE OF BIDS; AWARD OF LEASE. (a) If in the opinion of the board any one of the bidders has offered a reasonable and proper price for any tract and not less than the price fixed by the board, the lands advertised may be leased for oil, gas, sulphur, mineral ore, and other mineral purposes under the provisions of this subchapter and any regulations the board may prescribe which are not inconsistent with the provisions of this subchapter.

(b) On acceptance of a bid, the board shall prepare a lease contract. The bid and a copy of the lease contract shall be filed in the general land office.

Acts 1971, 62nd Leg., p. 3197, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.59. EXPLORATORY TERM; EXTENSION; OTHER PROVISIONS OF LEASE. (a) The exploratory term of the lease as determined by the board prior to the promulgation of the advertisement shall in no case exceed five years, and each lease shall provide that the lease will terminate at the expiration of its exploratory term unless by unanimous vote of members of the board the lease may be extended for a period of three years. The lease may be extended if the board finds that there is likelihood of oil, gas, sulphur, mineral ore, and other minerals being discovered by lessees, and that the lessees have proceeded with diligence to protect the interest of the state. However, if oil, gas, sulphur, mineral ore, and other minerals are being produced in paying quantities from the premises, the lease shall continue in force and effect as long as the oil, gas, sulphur, mineral ore, and other minerals are being so produced. No extension under this subsection may be made by the board until the last 30 days of the original term of the lease.

(b) When, in the discretion of the board, it is deemed for the best interest of the state to extend a lease issued by the board, the board by unanimous vote may extend the lease for a period not to exceed three years, on the condition that the lessee shall continue to pay yearly rental as provided in the lease and any additional terms the board may see fit and proper to demand. The board may

extend the lease and execute an extension agreement.

(c) The lease shall include any additional provisions and regulations the board may prescribe to preserve the interest of the state, not inconsistent with the provisions of this subchapter.

Acts 1971, 62nd Leg., p. 3197, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.60. DISCONTINUANCE OF YEARLY PAYMENTS; TERMINATION FOR NONPRODUCTION. When the royalties amount to as much as the yearly payments as fixed by the board, the yearly payments may be discontinued. If before the expiration of five years oil, gas, sulphur, mineral ore, and other minerals have not been produced in paying quantities, the lease shall terminate unless extended as provided by this subchapter.

Acts 1971, 62nd Leg., p. 3198, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.61. OPERATIONS UNDER LEASE: EFFECT ON RENTAL PAYMENTS, TERM OF LEASE. If, during the term of any lease issued under the provisions of this subchapter, the lessee is engaged in actual drilling and mining operations for the discovery of oil, gas, sulphur, mineral ore, and other minerals on land covered by any such lease, no rentals shall be payable as to the tract on which the operations are being conducted as long as the operations are proceeding in good faith; and if oil, gas, sulphur, mineral ore, and other minerals are discovered in paying quantities on any tract of land covered by any lease, then the lease as to that tract shall remain in force as long as oil, gas, sulphur, mineral ore, and other minerals are produced in paying quantities from the tract.

Acts 1971, 62nd Leg., p. 3198, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.62. PRORATION OR REDUCTION OF PRODUCTION. When, in the discretion of the board, it is for the best interest of the state to prorate or reduce production of any land, the board may execute the

necessary contract to carry out that purpose.

Acts 1971, 62nd Leg., p. 3198, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.63. INTERFERENCE WITH SURFACE USES. No lease for oil, gas, sulphur, mineral ore, and other minerals shall be made by the board which will permit the drilling or mining for oil, gas, sulphur, mineral ore, and other minerals within 300 feet of any building on the land without the consent of the board. A lease on any experimental station or farm shall provide that the operations for oil, gas, sulphur, mineral ore, and other minerals shall not in any way interfere with use of the land as an experimental station and shall not cause the abandonment of the property or its use for experimental farm purposes; and the lessee shall drill, mine, and carry on his operations in such a way as not to cause the abandonment of the property for experimental farm purposes, and any such leased property shall be subject to the use by the State of Texas for all experimental purposes and the board shall continue to operate the experimental station.

Acts 1971, 62nd Leg., p. 3198, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.64. PROTECTION FROM DRAINAGE. In every case where the area in which oil, gas, sulphur, mineral ore, and other minerals sold shall be contiguous or adjacent to lands which are not lands belonging to and held by the university system, the acceptance of the bid and the sale made thereby shall constitute an obligation on the owner to adequately protect the land leased from drainage from the adjacent lands to the extent that a reasonably prudent operator would do under the same and similar circumstances. In cases where the area in which the oil, gas, sulphur, mineral ore, and other minerals are sold is contiguous to other lands belonging to and held by the university system which have been leased or sold at a lesser royalty, the owner shall likewise protect the land from drainage from the lands so leased or sold for a lesser royalty. On failure to protect the land from drainage as herein provided, the sale and all rights thereunder may be forfeited by the board in the manner provided in

this subchapter for forfeitures.

Acts 1971, 62nd Leg., p. 3199, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.65. RIGHTS OF PURCHASER; ASSIGNMENT; RELINQUISHMENT. (a) Title to all rights purchased may be held by the owners as long as the area produces oil, gas, sulphur, mineral ore, and other minerals in paying quantities.

(b) All rights purchased may be assigned. All assignments shall be filed in the general land office as prescribed by rule, accompanied by 10 cents per acre for each acre assigned and the filing fee as prescribed by rule. An assignment shall not be effective unless filed as required by rule. An assignment shall not relieve the assignor of any liabilities or obligations incurred prior to the assignment.

(c) All rights to all or any part of a leased tract may be released to the state at any time by recording a release instrument in the county or counties in which the tract is located. Releases must also be filed with the chairman of the board and the general land office, accompanied by the filing fee prescribed by rule. A release shall not relieve the owner of any obligations or liabilities incurred prior to the release.

(d) The board shall authorize the laying of pipeline, telephone line, and the opening of roads as deemed reasonably necessary for and incident to the purpose of this subchapter.

Acts 1971, 62nd Leg., p. 3199, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 948, Sec. 35, eff. Sept. 1, 1987.

Sec. 85.66. ROYALTY PAYMENTS; INSPECTION OF RECORDS; REPORT OF LAND COMMISSIONER. (a) If oil or other minerals are developed on any of the lands leased by the board, the royalty or money as stipulated in the sale shall be paid to the general land office at Austin on or before the last day of each month for the preceding month during the life of the rights purchased, and shall be set aside as specified in Section 85.70. The royalty or money paid to the general land office shall be accompanied by the sworn statement of

the owner, manager, or other authorized agent showing the gross amount of oil, gas, sulphur, mineral ore, and other minerals produced and saved since the last report, the amount of oil, gas, sulphur, mineral ore, and other minerals produced and sold off the premises, and the market value of the oil, gas, sulphur, mineral ore, and other minerals, together with a copy of all daily gauges, or vats, tanks, gas meter readings, pipeline receipts, gas line receipts and other checks and memoranda of the amounts produced and put into pipelines, tanks, vats, or pool and gas lines, gas storage, other places of storage, and other means of transportation.

(b) The books and accounts, receipts and discharges of all wells, tanks, vats, pools, meters, pipelines, and all contracts and other records pertaining to the production, transportation, sale, and marketing of oil, gas, sulphur, mineral ore, and other minerals shall at all times be subject to inspection and examination of any member of the board or any duly authorized representative of the board.

(c) The commissioner of the general land office shall tender to the board on or before the 10th day of each month a report of all receipts that are collected from the lease or sale of oil, gas, sulphur, mineral ore, and other minerals and that are deposited as provided by Section 85.70 during the preceding month.

(d) Each lease shall contain a provision enabling the Board, at its discretion, to require that payment of royalty, as stipulated in the lease, be in kind. The Board shall have all powers necessary to negotiate and execute sales contracts or any other instruments necessary for the disposition of any royalty taken in kind. Such other reasonable provisions, not inconsistent with this subchapter, that will facilitate the efficient and equitable payment of royalty in kind may be included in the lease by the Board.

Acts 1971, 62nd Leg., p. 3199, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 846, ch. 382, Sec. 1, eff. Aug. 27, 1973; Acts 1989, 71st Leg., ch. 105, Sec. 8, eff. Sept. 1, 1989.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 55.01, eff. September 28, 2011.

Sec. 85.67. FORFEITURE; OTHER REMEDIES; LIEN. (a) If the

owner of the rights acquired under this subchapter fails or refuses to make the payment of any sum due thereon, either as rental, royalty on production, or other payment, within 30 days after same becomes due, or if the owner or his authorized agent makes any false return or false report concerning production, royalty, drilling, or mining, or if the owner fails or refuses to drill any offset well or wells in good faith, as required by his lease, or if the owner or his agent refuses the proper authority access to the records and other data pertaining to the operations under this subchapter, or if the owner or his authorized agent fails or refuses to give correct information to the proper authorities, or fails or refuses to furnish the log of any well within 30 days after production is found in paying quantities, or if any of the material terms of the lease are violated, the lease is subject to forfeiture by the board by an order entered upon the minutes of the board reciting the facts constituting the default and declaring the forfeiture.

(b) The board may have suit instituted for forfeiture through the attorney general.

(c) On proper showing by the forfeiting owner, within 30 days after the declaration of forfeiture, the lease may, at the discretion of the board and on such terms as it may prescribe, be reinstated.

(d) In case of violation by the owner of the lease contract, the remedy of the state by forfeiture is not the exclusive remedy, but suit for damages or specific performance, or both, may be instituted.

(e) The state shall have a first lien upon all oil, gas, sulphur, mineral ore, and other minerals produced upon the leased area and upon all rigs, tanks, vats, pipeline, telephone lines, and machinery and appliances used in the production and handling of oil, gas, sulphur, mineral ore, and other minerals produced thereon, to secure any amount due from the owner of the lease.

Acts 1971, 62nd Leg., p. 3200, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.68. FILING OF RECORDS. All surveys, files, records, copies of sale and lease contracts, and all other records pertaining to the sales and leases hereby authorized, shall be filed in the general land office and constitute archives thereof.

Acts 1971, 62nd Leg., p. 3201, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 85.69. PAYMENTS; DISPOSITION. Payments under this subchapter shall be made to the commissioner of the general land office at Austin, who shall transmit to the board all royalties, lease fees, rentals for delay in drilling or mining, and all other payments, including all filing assignments and relinquishment fees, to be deposited as provided by Section 85.70.

Acts 1971, 62nd Leg., p. 3201, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 105, Sec. 9, eff. Sept. 1, 1989; Acts 1997, 75th Leg., ch. 1423, Sec. 5.22, eff. Sept. 1, 1997.
Amended by:
Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 55.02, eff. September 28, 2011.

Sec. 85.70. CERTAIN MINERAL LEASES; DISPOSITION OF MONEY; SPECIAL FUNDS; INVESTMENT. (a) Except as provided by Subsection (c), all money received under and by virtue of this subchapter shall be deposited in a special fund managed by the board to be known as The Texas A&M University System Special Mineral Investment Fund. Money in the fund is considered to be institutional funds, as defined by Section 51.009, of the system and its component institutions. The special fund may be invested so as to produce income which may be expended under the direction of the board for the general use of any component of The Texas A&M University System, including erecting permanent improvements and in payment of expenses incurred in connection with the administration of this subchapter. The unexpended income likewise may be invested as provided by this section.

(b) The income from the investment of the special mineral investment fund created by Subsection (a) shall be deposited in a fund managed by the board to be known as The Texas A&M University System Special Mineral Income Fund, and is considered to be institutional funds, as defined by Section 51.009, of the system and its component institutions.

(c) The board shall lease for oil, gas, sulphur, or other mineral development, as prescribed by this subchapter, all or part of the land under the exclusive control of the board owned by the State of Texas and acquired for the use of Texas A&M University--Kingsville and its divisions. Any money received by the board concerning such land under this subchapter shall be deposited in a special fund managed by the board to be known as the Texas A&M University--Kingsville special mineral fund. Money in the fund is considered to be institutional funds, as defined by Section 51.009, of the university and is to be used exclusively for the university and its branches and divisions.

(d) All deposits in and investments of the fund under this section shall be made in accordance with Section 51.0031.

(e) Section 34.017, Natural Resources Code, does not apply to funds created by this section.

Acts 1971, 62nd Leg., p. 3201, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 105, Sec. 9, eff. Sept. 1, 1989; Acts 1997, 75th Leg., ch. 227, Sec. 5, eff. May 23, 1997; Acts 1997, 75th Leg., ch. 1311, Sec. 3, eff. Sept. 1, 1997. Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 55.03, eff. September 28, 2011.

Sec. 85.71. FORMS; CONTRACTS; REGULATIONS. The board shall adopt forms and contracts and shall promulgate rules and regulations that in its best judgment will protect the income from lands leased under this subchapter. A majority of the board may act in all cases, except where otherwise provided by this subchapter.

Acts 1971, 62nd Leg., p. 3201, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 86. TEXAS A & M UNIVERSITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 86.01. DEFINITIONS. In this chapter:

(1) "University" means Texas A & M University.

(2) "Board" means the board of directors of The Texas A & M University System.

Acts 1971, 62nd Leg., p. 3202, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.02. TEXAS A & M UNIVERSITY. Texas A & M University is an institution of higher education located in the city of College Station. It is under the management and control of the board of directors of The Texas A & M University System.

Acts 1971, 62nd Leg., p. 3202, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.03. LEADING OBJECT. The leading object of the university shall be, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanical arts, in such manner as the legislature may prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

Acts 1971, 62nd Leg., p. 3202, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 86.11. APPOINTMENT OF PRESIDENT, OFFICERS, PROFESSORS. The board shall appoint the president, the professors, and other officers it deems proper to keep the university in successful operation. It may abolish any office it deems unnecessary.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.12. ENTOMOLOGIST. The president and board shall employ an expert entomologist, one or more, as may be deemed necessary, whose duty it shall be to devise, if possible, means of destroying the Mexican boll weevil, boll worm, caterpillar, sharpshooter, chinch bug, peach bug, fly and worm and other insect pests and to perform the duties of professor of entomology in the university.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.13. CIVIL ENGINEER; SOIL CONSERVATION DEMONSTRATIONS. The board shall employ a graduate civil engineer of the university who has a practical and scientific knowledge of the conservation of moisture and soil fertility, who understands the practical art of terracing farmland to preserve the moisture and soil fertility and to prevent the washing away and the destruction of the properties of the soil, and who has had five years' actual experience in terracing farmlands in some southern state. He shall make his headquarters at the university, where he shall instruct the students by lecture and practical demonstration in the best method of such conservation and terracing so as to enable them to do the work successfully. He shall devote one-half of his time to such instruction, and the other half shall be spent in field work, giving practical demonstrations in terracing to farmers' institutes and other farmers' organizations; and the president of the university shall require him to go over the state on the application of farmers desiring expert instruction in terracing farmlands and in conserving the moisture and soil fertility. He shall be furnished with the necessary instruments and equipment for the demonstration and instruction.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.14. SPECIAL SUMMER SCHOOL. The board shall provide for a special summer school of at least two months each year for the training of special students who shall be admitted without an entrance examination, and may make provisions for the summer school, purchase the necessary equipment, and generally do and perform all acts necessary to establish and maintain the summer school.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.15. SUMMER SESSIONS; ELEMENTARY AGRICULTURE FOR TEACHERS. The board shall require the teaching of elementary

agriculture for teachers in the summer sessions.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.16. FIREMEN'S TRAINING SCHOOL. (a) The Texas A&M University System shall conduct and maintain a firemen's training school through the Texas Engineering Extension Service as a unit of the university system in the manner deemed expedient and advisable by the system's board of regents. The Texas Engineering Extension Service shall serve as the recognized statewide fire and rescue training agency liaison to the National Fire Academy. In their capacity as the National Fire Academy liaison, the extension service shall distribute National Fire Academy student manuals on request to associations, fire departments, state agencies, and institutions of higher education which meet National Fire Academy qualifications.

(b) The firemen's training school advisory board is composed of:

(1) three members of the staff of the system appointed by the system's board of regents, one of whom shall be the director of the engineering extension service who serves ex officio as the chairman of the advisory board;

(2) four members or representatives of the State Firemen's and Fire Marshals' Association of Texas or its successor, appointed by the president or other managing officer of that association;

(3) one person who is fire protection personnel as defined by Section 419.021, Government Code, and who is the head of a training division for the fire department of a political subdivision, appointed by the Texas Commission on Fire Protection; and

(4) one fire chief appointed by the president or other managing officer of the Texas Fire Chiefs Association or its successor.

(c) The advisory board shall confer with and advise the engineering extension service with reference to the organization of the school, the purchasing of equipment, the curriculum and program, and the conduct and management of the school.

(d) Expenditures for the per diem expenses of members of the advisory board and all other necessary expenses of the school shall be made only on the order of the system's board of regents, and no

warrants shall be paid unless also approved in writing by the director of the engineering extension service.

Acts 1971, 62nd Leg., p. 3203, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 628, Sec. 6, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 241, Sec. 1, eff. May 22, 1993.

Sec. 86.17. ADJUNCT IN KIMBLE COUNTY. The board may establish in Kimble County an adjunct of the university to be located on land furnished without cost to the state. The board may provide at the adjunct any services which conform to the leading object of the university as prescribed by Section 86.03 of this code, including research, subject to the exception that not more than $300,000 may be expended from available plant funds for buildings and improvements without the specific authorization of the legislature.

Acts 1971, 62nd Leg., p. 3204, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.18. GRADUATE PROGRAMS; CONTRACTS WITH BAYLOR UNIVERSITY. The university may enter into contracts and agreements with Baylor University for joint participation in graduate programs that may be designed to benefit the state.

Acts 1971, 62nd Leg., p. 3204, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.20. AIRPORT. The university may own and operate an airport, may accept federal aid and money for those purposes, and may enter into sponsor's assurance agreements with the federal government. It may operate the airport separately or in cooperation with a city, a county, the state, or the federal government, with the approval of the appropriate governing body, but without any expense to or liability against the state in any manner.

Acts 1971, 62nd Leg., p. 3204, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.21. PERPETUAL FUND. The money arising from the sale of the 180,000 acres of land donated to this state by the United States under the provisions of an Act of Congress passed on the second day of July, 1862, and an amended Act of Congress of July 23, 1866, shall constitute a perpetual fund, under the conditions and restrictions imposed by the above recited Acts, for the benefit of Texas A & M University; and the investment of the money, heretofore made in the bonds of the state, when those bonds are redeemed, may be made by the board in United States government securities in furtherance of the interests of the university and in accordance with the terms on which it was received.

Acts 1971, 62nd Leg., p. 3204, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 86.22. ACCRUED INTEREST. The interest heretofore collected by the State Board of Education in accordance with the provisions of the act of August 21, 1876, due at the end of the fiscal year of 1876, on the bonds belonging to the Agricultural and Mechanical College and invested in six percent state bonds, shall also constitute a part of the perpetual fund of the university until the legislature shall otherwise provide. The state board shall collect the semiannual interest on the bonds as it becomes due, and place the money in the state treasury to the credit of the fund. The interest on all such bonds is set apart exclusively for the use of the university and shall be drawn from the treasury by the board of directors on vouchers audited by the board, or approved by the governor and attested by the secretary of the board. On the vouchers being filed with the comptroller, he shall draw his warrant on the state treasury as necessary to pay the directors, professors and officers of the university.

Acts 1971, 62nd Leg., p. 3205, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.23, eff. Sept. 1, 1997.

Sec. 86.23. NAME OF SYSTEM AND COMPONENT INSTITUTIONS AND

AGENCIES. (a) The board by resolution may change the name of the system or of any institution, agency, or service under the control and management of the board.

(b) This section does not apply to:

(1) Tarleton State University; or

(2) Prairie View A&M University.

Added by Acts 1991, 72nd Leg., ch. 132, Sec. 1, eff. Aug. 26, 1991. Amended by:

Acts 2005, 79th Leg., Ch. 1234 (H.B. 1409), Sec. 1, eff. June 18, 2005.

Sec. 86.24. ESTABLISHMENT OF A CEMETERY. (a) The board may dedicate land owned by The Texas A&M University System within the Bush Presidential Library site to be used as a cemetery.

(b) Subchapter C, Chapter 711, Health and Safety Code, does not apply to a cemetery established under this section.

(c) Appropriations from the general revenue fund may not be used to establish or operate a cemetery under this section.

Added by Acts 1995, 74th Leg., ch. 120, Sec. 1, eff. May 17, 1995.

SUBCHAPTER C. REAL ESTATE RESEARCH CENTER

Sec. 86.51. REAL ESTATE RESEARCH CENTER. There is established at Texas A&M University a Real Estate Research Center, hereinafter referred to as the center. The operating budget, staffing, and activities of the center shall be approved by the board of regents of The Texas A&M University System.

Added by Acts 1971, 62nd Leg., p. 3342, ch. 1024, art. 2, Sec. 12, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 319, Sec. 1, eff. June 11, 1987.

Sec. 86.52. REAL ESTATE RESEARCH ADVISORY COMMITTEE. (a) The Real Estate Research Advisory Committee is created.

(b) The advisory committee is composed of nine persons appointed by the governor, without regard to the race, creed, sex, religion, or national origin of the appointee and with the advice and

consent of the senate, with the following representation:

(1) six members shall be real estate brokers, licensed as such for at least five years preceding the date of their appointment, who are representative of each of the following real estate specialties:

(A) one member shall be principally engaged in real estate brokerage;

(B) one member shall be principally engaged in real estate financing;

(C) one member shall be principally engaged in the ownership or construction of real estate improvements;

(D) one member shall be principally engaged in the ownership, development or management of residential properties;

(E) one member shall be principally engaged in the ownership, development or management of commercial properties; and

(F) one member shall be principally engaged in the ownership, development or management of industrial properties;

(2) three members shall be representatives of the general public;

(3) members representative of the general public who are appointed after the effective date of this Act shall not be licensed real estate brokers or salesmen and shall not have, other than as consumers, a financial interest in the practice of a licensed real estate broker or salesman; and

(4) it is grounds for removal from the advisory committee if:

(A) a broker member of the committee ceases to be a licensed real estate broker; or

(B) a public member of the committee appointed after the effective date of this Act or a person related to the member within the second degree by consanguinity or within the second degree by affinity, as determined under Chapter 573, Government Code, acquires a real estate license or a financial interest in the practice of a licensed real estate broker or salesman.

(c) Except for the initial appointees, members of the advisory committee hold office for staggered terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year. In making the initial appointments, the governor shall designate three members, including two representatives of the real estate industry and one representative of the general public, for

terms expiring in 1973, three for terms expiring in 1975, and three for terms expiring in 1977. Any vacancy shall be filled by appointment for the unexpired portion of the term. Each member shall serve until his successor is qualified.

(d) The chairman of the Texas Real Estate Commission, or a member of the commission designated by him, shall serve as an ex officio, nonvoting member of the advisory committee.

(e) The committee shall elect a presiding officer and an assistant presiding officer from its membership, and each officer shall serve for a term of one year.

(f) The first meeting of the advisory committee shall be called by the president of Texas A & M University or his designated representative. The committee shall meet not less than semiannually, and in addition on call of its chairman, or on petition of any six of its members, or on call of the president of Texas A & M University or his designated representative.

(g) The advisory committee shall review and approve proposals to be submitted to the board of directors of The Texas A & M University System relating to staffing and general policies including priority ranking of research studies and educational and other studies.

(h) The president of Texas A & M University or his designated representative shall submit to the advisory committee in advance of each fiscal year a budget for expenditures of all funds provided for the center in a form that is related to the proposed schedule of activities for the review and approval of the advisory committee. The proposed budget approved by the advisory committee shall be forwarded with the comments of the committee to the board of directors of The Texas A & M University System prior to its action on the proposed budget, and the board of directors of The Texas A & M University System shall not authorize any expenditure that has not had the prior approval of the advisory committee.

(i) The president of Texas A & M University or his designated representative shall submit to the advisory committee for its review and approval a research agenda at the beginning of each fiscal year and shall continuously inform the advisory committee of changes in its substance and scheduling.

(j) Each member of the board is entitled to a per diem as set by legislative appropriation for each day that the member engages in the business of the board. A member may not receive any compensation

for travel expenses, including expenses for meals and lodging, other than transportation expenses. A member is entitled to compensation for transportation expenses as prescribed by the General Appropriations Act.

(k) The advisory committee is subject to Chapter 551, Government Code, Chapter 2001, Government Code, and the provisions of Chapter 572, Government Code.

(l) The financial transactions of the center are subject to audit by the state auditor in accordance with Chapter 321, Government Code.

(m) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(22), eff. June 17, 2011.

Added by Acts 1971, 62nd Leg., p. 3342, ch. 1024, art. 2, Sec. 12, eff. Sept 1, 1971. Amended by Acts 1981, 67th Leg., p. 3251, ch. 856, Sec. 1, 2, eff. June 18, 1981; Acts 1989, 71st Leg., ch. 584, Sec. 87, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 561, Sec. 13, eff. Aug. 26, 1991; Acts 1995, 74th Leg., ch. 76, Sec. 5.95(27), (39), (63), (81), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 641, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(22), eff. June 17, 2011.

Sec. 86.53. PURPOSES, OBJECTIVES, AND DUTIES OF THE CENTER. The purposes, objectives, and duties of the center are as follows:

(1) to conduct studies in all areas that relate directly or indirectly to real estate and/or urban or rural economics and to publish and disseminate the findings and result of the studies;

(2) to assist the teaching program in real estate offered by the colleges and universities in the State of Texas when requested to do so, and to award scholarships and establish real estate chairs when funds are available;

(3) to supply material to the Texas Real Estate Commission for the preparation of the examinations for real estate salesmen and brokers, if requested to do so by the commission;

(4) to develop and from time to time revise and update materials for use in the extension courses in real estate offered by the universities and colleges in the State of Texas when requested to

do so;

(5) to assist the Texas Real Estate Commission in developing standards for the accreditation of vocational schools and other teaching agencies giving courses in the field of real estate, and standards for the approval of courses in the field of real estate, as and when requested to do so by the commission;

(6) to make studies of and recommend changes in state statutes and municipal ordinances, providing however that no staff member of the center shall directly contact legislators or locally elected officials concerning the recommendations except to provide a factual response to an inquiry as to the method of research or nature of the findings;

(7) provided and except, however, that those conducting such research and studies shall periodically review their progress with the advisory committee or its designated representative, and the results of any research project, or study, shall not be published or disseminated until it has been reviewed and approved in writing by the advisory committee or its designated representative; and

(8) to prepare information of consumer interest describing the functions of the center and to make the information available to the general public and appropriate state agencies.

Added by Acts 1971, 62nd Leg., p. 3342, ch. 1024, art. 2, Sec. 2, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3252, ch. 856, Sec. 4, eff. June 18, 1981.

Sec. 86.54. PUBLICATION CHARGES; GIFTS AND GRANTS. The center may make a charge for its publications and may receive gifts and grants from foundations, individuals, and other sources for the benefit of the research center.

Added by Acts 1971, 62nd Leg., p. 3342, ch. 1024, art. 2, Sec. 12, eff. Sept. 1, 1971.

Sec. 86.55. ANNUAL REPORT. A report of the activities and accomplishments of the center shall be published annually.

Added by Acts 1971, 62nd Leg., p. 3342, ch. 1024, art. 2, Sec. 12, eff. Sept. 1, 1971.

SUBCHAPTER E. OTHER COMPONENTS OF UNIVERSITY

Sec. 86.81. CENTER FOR TEXAS BEACHES AND SHORES. (a) The Center for Texas Beaches and Shores is a component of Texas A&M University.

(b) The center is under the management and direction of the board.

(c) The center shall:

(1) research problems at coastal conservation areas;

(2) study the effects of nature and humans on coastal conservation areas;

(3) develop ways to control the loss of shoreline in coastal conservation areas and to avoid ecological damage to coastal conservation areas using innovative technologies; and

(4) cooperate and consult with the General Land Office and other state agencies to manage coastal conservation areas.

(d) The board may employ personnel for the center, including experts in coastal engineering, marine geology, ecology, biology, and economics.

(e) The board may accept a gift or grant from any public or private source for the benefit of the center.

(f) In this section:

(1) "Center" means the Center for Texas Beaches and Shores.

(2) "Coastal conservation areas" has the meaning assigned by Section 33.052(d), Natural Resources Code.

Added by Acts 1993, 73rd Leg., ch. 832, Sec. 1, eff. Aug. 30, 1993.

CHAPTER 87. OTHER ACADEMIC INSTITUTIONS IN THE TEXAS A & M UNIVERSITY SYSTEM

SUBCHAPTER A. TARLETON STATE UNIVERSITY

Sec. 87.001. TARLETON STATE UNIVERSITY. Tarleton State University is a coeducational institution of higher education located in the city of Stephenville. It is under the management and control of the board of regents of The Texas A&M University System.

Acts 1971, 62nd Leg., p. 3206, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 800, ch. 360, Sec. 2, eff. June 12, 1973; Acts 1983, 68th Leg., p. 2152, ch. 394, Sec. 1,

eff. June 17, 1983.

Sec. 87.002. STUDENT LOAN FUND. The sum of $75,000 donated by the citizenship of Stephenville and Erath County shall be administered by the board of regents for the benefit of the students of Tarleton State University in such manner as the board may deem advisable.

Acts 1971, 62nd Leg., p. 3206, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 800, ch. 360, Sec. 2, eff. June 12, 1973; Acts 1983, 68th Leg., p. 2152, ch. 394, Sec. 2, eff. June 17, 1983.

Sec. 87.004. TEXAS INSTITUTE FOR APPLIED ENVIRONMENTAL RESEARCH. (a) The Texas Institute for Applied Environmental Research at Tarleton State University is established.

(b) The organization, control, and management of the institute is vested in the board of regents of The Texas A&M University System.

(c) The board of regents shall approve the employment of personnel by and the operating budget of the institute. An employee of the institute is an employee of Tarleton State University.

(d) The institute shall:

(1) conduct applied research on environmental issues that have public policy implications;

(2) provide a setting for environmental studies that focus on the interface between government and the private sector;

(3) provide national leadership on emerging environmental policy; and

(4) establish interdisciplinary programs or partnerships with public or private institutions of higher education, governmental agencies, or private entities to develop and implement new policies, technology, strategies, relationships, and sources of funding.

(e) The institute may cooperate or contract with a public or private entity to perform the duties of the institute.

(f) The board of regents may accept gifts and grants from a public or private source for the benefit of the institute.

Added by Acts 1991, 72nd Leg., ch. 270, Sec. 1, eff. June 5, 1991.

SUBCHAPTER B. PRAIRIE VIEW A&M UNIVERSITY

Sec. 87.101. PRAIRIE VIEW A & M UNIVERSITY. Prairie View A&M University is a coeducational institution of higher education located at Prairie View, in Waller County.

Acts 1971, 62nd Leg., p. 3206, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 580, ch. 249, Sec. 2, eff. Aug. 27, 1973.

Sec. 87.102. GOVERNING BOARD. The university is under the control and supervision of the board of directors of The Texas A&M University System. The board has the same powers and duties with respect to this university as are conferred on it by statute with respect to Texas A&M University.

Acts 1971, 62nd Leg., p. 3206, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 580, ch. 249, Sec. 2, eff. Aug. 27, 1973.

Sec. 87.103. CERTAIN LAND IN WALLER COUNTY UNDER CONTROL OF BOARD. (a) The 110 acres, more or less, of land in Waller County near Prairie View A&M University, but not adjoining its campus, conveyed as a gift to the Governor of the State of Texas when the site for then Prairie View Normal and Industrial College was purchased, is placed under the control and supervision of the Board of Directors of The Texas A&M University System for the use and benefit of Prairie View A&M University.

(b) The land is described in the deed of record in Record Book 3, pages 496, 497, and 498 of the records of the County Clerk of Waller County as being 110 acres of land off a 320-acre survey patented to the heirs of Solomon Smith No. 276, Vol. 11, the said 110 acres lying on the south side of said 320-acre survey and adjoining the Law Survey and is described by metes and bounds in Decree of Partition in District Court of Austin County in Matters Probate between Helen M. Kirby and the estate of Jared E. Kirby, deceased.

(c) The board of directors is authorized to lease the land for oil, gas, sulphur, and other mineral development under existing law applicable to other lands under its control and supervision and to apply the proceeds from such lease to the use and benefit of Prairie

View A&M University.

Added by Acts 1975, 64th Leg., p. 570, ch. 229, Sec. 1, eff. May 20, 1975.

Sec. 87.104. PURPOSE OF THE UNIVERSITY. In addition to its designation as a statewide general purpose institution of higher education and its designation as a land-grant institution, Prairie View A&M University is designated as a statewide special purpose institution of higher education for instruction, research, and public service programs dedicated to:

(1) enabling students of diverse economic, ethnic, and cultural backgrounds to realize their full potential;

(2) assisting small and medium-sized communities to achieve their optimal growth and development; and

(3) assisting small and medium-sized agricultural, business, and industrial enterprises to manage their growth and development effectively.

Added by Acts 1981, 67th Leg., p. 3040, ch. 795, Sec. 1, eff. June 17, 1981. Amended by Acts 2001, 77th Leg., ch. 47, Sec. 1, eff. May 3, 2001.

Sec. 87.105. CENTER FOR THE STUDY AND PREVENTION OF JUVENILE CRIME AND DELINQUENCY. (a) The Center for the Study and Prevention of Juvenile Crime and Delinquency is established at Prairie View A&M University.

(b) The organization, control, and management of the center is vested in the board of regents of The Texas A&M University System.

(c) The board of regents shall approve the employment of personnel by and the operating budget of the center. An employee of the center is an employee of Prairie View A&M University.

(d) The center may:

(1) conduct, coordinate, collect, and evaluate research in all areas relating to juvenile crime and delinquency;

(2) provide a setting for educational programs relating to juvenile crime and delinquency, including degree programs at Prairie View A&M University and other educational programs such as continuing education and in-service training for criminal justice and social

service professionals;

(3) serve as a state and national resource for information on juvenile crime and delinquency; and

(4) in connection with its research and educational programs:

(A) develop programs, policies, and strategies to address juvenile crime and delinquency and related social problems; and

(B) create partnerships, collaborative efforts, or outreach, public service, or technical assistance programs to assist communities, governmental agencies, or private entities to implement programs, policies, and strategies that address juvenile crime and delinquency and related social problems.

(e) The center may enter into a cooperative agreement or contract with a public or private entity to perform the duties of the center.

(f) The board of regents may accept gifts and grants from a public or private source for the benefit of the center.

(g) Establishment of the center is subject to the availability of funds for that purpose.

Added by Acts 1997, 75th Leg., ch. 1086, Sec. 45, eff. Sept. 1, 1997.

Sec. 87.106. INSTITUTE FOR PRESERVATION OF HISTORY AND CULTURE. (a) The board of regents of The Texas A&M University System shall establish at Prairie View A&M University an institute for the preservation of Texas and American history and culture.

(b) The organization, control, and management of the institute is vested in the board of regents.

(c) The employment of personnel by and the operating budget of the institute are subject to the approval of the board of regents. An employee of the institute is an employee of Prairie View A&M University.

(d) The mission of the institute is to collect, preserve, study, and make available for research information, records, documents, artifacts, and other items relating to Texas history and culture and to the history and culture of the United States and the Americas as that history and culture relates to Texas. The institute shall give special emphasis to collecting, preserving, and studying

information and items relating to the role and contributions of African Americans to Texas history and culture, including:

(1) the history of African-American education in Texas;

(2) the contributions of African Americans to military history; and

(3) the role and contributions of African Americans in the settlement, development, and culture of Texas, including in the areas of government, agriculture, science and industry, labor and demography, business, nursing and medicine, public health, architecture and engineering, the professions, sports, and the arts.

(e) Consistent with its mission, the institute may:

(1) establish and operate a museum, archives, automated systems for data access and retrieval, or similar facilities; and

(2) operate educational and awareness programs, particularly for students in public education.

(f) The board of regents or the university may solicit and accept gifts and grants from a public or private source for the benefit of the institute.

Added by Acts 1999, 76th Leg., ch. 317, Sec. 1, eff. May 29, 1999.

Sec. 87.107. CENTER FOR RELATIONSHIP VIOLENCE PREVENTION AND INTERVENTION. (a) The Center for Relationship Violence Prevention and Intervention is established at Prairie View A&M University.

(b) The organization, control, and management of the center is vested in the board of regents of The Texas A&M University System.

(c) The board of regents shall approve the employment of personnel by and the operating budget of the center. An employee of the center is an employee of Prairie View A&M University.

(d) The center may:

(1) provide services to victims and perpetrators of relationship violence;

(2) serve as a shelter for victims of relationship violence in Waller County and surrounding communities;

(3) conduct, coordinate, collect, and evaluate research in all areas relating to relationship violence;

(4) provide a setting for educational programs relating to relationship violence, including:

(A) educational programs for students; and

(B) continuing education and training programs for campus personnel;

(5) serve as a state and national resource for information on relationship violence; and

(6) in connection with its research and educational programs:

(A) develop programs, policies, and strategies to address relationship violence and related social problems; and

(B) create partnerships, collaborative efforts, or outreach, public service, or technical assistance programs to assist communities, governmental agencies, or private entities to implement programs, policies, and strategies addressing relationship violence and related social problems.

(e) The center may enter into a cooperative agreement or contract with a public or private entity to perform the duties of the center.

(f) The board of regents may accept gifts and grants from a public or private source for the benefit of the center.

(g) Establishment of the center is subject to the availability of federal funding or other funding for that purpose. The board of regents may not use legislative appropriations, other than any gifts or grants subject to appropriation, to establish or operate the center.

Added by Acts 2001, 77th Leg., ch. 369, Sec. 1, eff. Sept. 1, 2001.

Sec. 87.108. PRAIRIE VIEW A&M UNDERGRADUATE MEDICAL ACADEMY. (a) The Prairie View A&M Undergraduate Medical Academy is established at Prairie View A&M University.

(b) The organization, control, and management of the academy is vested in the board of regents of The Texas A&M University System.

(c) The employment of personnel by and the operating budget of the institute are subject to the approval of the board of regents. An employee of the academy is an employee of Prairie View A&M University.

(d) The primary purpose of the academy is to prepare students for medical school.

(e) A student is eligible to apply for admission into the academy if the student:

(1) is enrolled in Prairie View A&M University with a major that requires completion of the prescribed core of basic science and mathematics courses needed as a foundation preparation for gaining admission into medical study at an accredited medical school in the United States;

(2) has completed at least one year of undergraduate college-level or university-level courses approved by the academy;

(3) has demonstrated interest in a medical career; and

(4) has met the academic achievement standards established for the academy by the academy's admissions committee in the student's undergraduate courses.

(f) The academy shall provide:

(1) academic and career counseling for academy students;

(2) faculty mentorship for each academy student;

(3) enriched undergraduate courses designed to strengthen academic preparation, including preparation for the Medical College Admission Test (MCAT), for future medical school applicants;

(4) preparation for the MCAT and instruction in standardized testing techniques;

(5) long-distance educational technology to allow interactive participation with medical schools, as appropriate;

(6) visitation to medical school educational sites; and

(7) visitation of medical school faculty to the academy for academic enrichment.

(g) A student admitted to the academy must enter into an agreement with the university under which the student agrees to:

(1) maintain the student's eligibility for continued enrollment in the academy; and

(2) repay any scholarship or stipend the student receives in connection with enrollment in the academy if the student:

(A) fails to apply to medical school in Texas and enrolls in a medical school outside of Texas; or

(B) declines an offer to attend medical school in Texas and enrolls in a medical school outside of Texas.

(h) The academy shall consult with the medical schools in Texas to ensure that its curriculum and practices are consistent with current medical school needs and requirements.

(i) The academy shall enter into cooperative programs, as appropriate, with medical schools in Texas to help achieve the goals of the academy.

(j) The academy shall incorporate into its curriculum current medical school educational practices, such as small group tutorials using problem-based instruction.

(k) The university shall enhance the facilities of the university as necessary to achieve the purposes of the academy.

Added by Acts 2003, 78th Leg., ch. 394, Sec. 1, eff. Sept. 1, 2003.

SUBCHAPTER C. TEXAS A&M UNIVERSITY AT GALVESTON

Sec. 87.201. TEXAS A&M UNIVERSITY AT GALVESTON; ROLE AND MISSION. (a) Texas A&M University at Galveston is a special purpose institution of higher education for undergraduate and graduate instruction in marine and maritime studies in science, engineering, and business and for research and public service related to the general field of marine resources. The institution is under the management and control of the board of regents of The Texas A&M University System, with degrees offered under the name and authority of Texas A&M University at College Station. The board of regents of The Texas A&M University System shall have the authority to designate Texas A&M University at Galveston as a branch of Texas A&M University; however, such designation, if made, shall not change the role and mission of Texas A&M University at Galveston as specified in this section.

(b) Texas A&M University at Galveston shall be a research institute supporting the marine sciences and oceanography programs at Texas A&M University and The University of Texas at Austin. Research endeavors benefitting the academic strength of Texas A&M University and The University of Texas at Austin or the economic strength of the State of Texas shall be conducted, with emphasis on establishing and maintaining an internationally recognized research institute to be named the Texas Institute of Oceanography. The Texas Institute of Oceanography may also contract with other institutions of higher education to provide research and other related services. Texas A&M University at College Station and The University of Texas at Austin are authorized to offer upper-level and graduate courses in marine sciences and oceanography at the Texas Institute of Oceanography that are supportive to their marine sciences and oceanography academic programs. Funding for research should be from private sources, competitively acquired sources, and appropriated public funding.

Acts 1971, 62nd Leg., p. 3206, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3051, ch. 799, Sec. 1, eff. June 17, 1981; Acts 1987, 70th Leg., ch. 1098, Sec. 1, eff. June 20, 1987; Acts 1989, 71st Leg., ch. 638, Sec. 1, eff. Aug. 28, 1989; Acts 1997, 75th Leg., ch. 132, Sec. 1, eff. May 19, 1997; Acts 1999, 76th Leg., ch. 173, Sec. 1, eff. Aug. 30, 1999.

Sec. 87.202. GENERAL POWERS AND DUTIES. The board shall have the same powers and duties with respect to this university as are conferred on it by statute with respect to Texas A&M University.

Acts 1971, 62nd Leg., p. 3207, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3051, ch. 799, Sec. 1, eff. June 17, 1981; Acts 1987, 70th Leg., ch. 1098, Sec. 2, eff. June 20, 1987.

Sec. 87.203. ADMISSION, DISCIPLINE, INSTRUCTION. The board shall prescribe the standards of admission and admit the applicants who meet the requirements. Students shall be subject to the regulations of conduct and discipline prescribed by the board. The board shall make provision for the proper instruction, for courses of study, and for the care, supervision, and management of the school; and the board is vested with all powers necessary for the proper discharge of these duties.

Acts 1971, 62nd Leg., p. 3207, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 87.204. FUNDS, PROPERTIES, AGREEMENTS. The board may receive any funds or property that may be subscribed, loaned, or bequeathed for the organization or maintenance of the university and shall execute all necessary agreements for the faithful application of the funds or property.

Acts 1971, 62nd Leg., p. 3207, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3051, ch. 799, Sec. 1, eff. June 17, 1981.

Sec. 87.205. FEES AND CHARGES. The fact that this university offers United States Maritime Service Cadet (license-option) students practical and technical instruction in the arts and sciences relating to the foregoing subjects, and the further fact that training in these fields will lead to immediate licensing in the United States Flag Fleet and remunerative employment for those who have finished the prescribed courses, make it necessary that larger fees be charged license-option students who enter the university than are now paid by non-license-option students enrolled in state-supported institutions of higher education. Therefore, the provisions of Subchapter E, Chapter 54 of this Code, do not apply to the license-option students enrolled in the university. The board is specifically charged with the duty of assessing such fees and charges against the students who enter the university as may be necessary to provide for the maintenance and support of the university.

Acts 1971, 62nd Leg., p. 3207, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3051, ch. 799, Sec. 1, eff. June 17, 1981; Acts 1987, 70th Leg., ch. 1098, Sec. 3, eff. June 20, 1987.

Sec. 87.206. INSTRUCTION IN FIELD OF MARINE RESOURCES. In addition to the instruction authorized in Section 87.201 of this code, the school or any other school created under this subchapter may provide instruction for all students in educational programs related to the general field of marine resources. Such courses must have the prior approval of the Coordinating Board, Texas College and University System.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 22, eff. Sept. 1, 1971.

Sec. 87.207. MOLLUSCAN SHELLFISH PROGRAMS. (a) The marine biology department of Texas A&M University at Galveston may:

(1) evaluate the expansion and production of oysters from private oyster leases during the months of May through October of each year; and

(2) study the possible impacts of conditions observed on public harvest outside that period.

(b) The marine biology department may investigate and provide information about oyster diseases and other concerns that may affect the availability of oysters for harvest. The investigation shall consider the effects of natural environmental conditions, including salinity, temperature, turbidity, and other natural environmental conditions, and shall also consider factors that may not be part of the natural environment, including chemical contamination, freshwater inflow alterations, and ballast water discharges.

(c) The marine biology department may investigate and provide information about organisms that may be associated with human illness that can be transmitted through the consumption of oysters, particularly Vibrio parahaemolyticus and Vibrio vulnificus. The investigation must consider factors such as natural occurrence, contamination, and the effects of time, temperature, and handling practices on the organisms.

(d) The marine biology department shall give priority to activities related to public health.

Added by Acts 1999, 76th Leg., ch. 1298, Sec. 5, eff. June 18, 1999.

Sec. 87.208. SEABORNE CONSERVATION CORPS. If the board of regents of The Texas A&M University System administers a program that is substantially similar to the Seaborne Conservation Corps as it was administered by the board during the 1998-1999 school year, the program is entitled, for each student enrolled, to allotments from the Foundation School Program under Chapter 42 as if the program were a school district, except that the program has a local share applied that is equivalent to the local fund assignment of the school district in which the principal facilities of the program are located.

Added by Acts 1999, 76th Leg., ch. 1305, Sec. 1, eff. June 18, 1999. Renumbered from Education Code Sec. 87.207 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(25), eff. Sept. 1, 2001.

SUBCHAPTER D. TEXAS A&M UNIVERSITY--KINGSVILLE

Sec. 87.301. ESTABLISHMENT. (a) Texas A&M University--Kingsville is a coeducational institution of higher education located in the city of Kingsville. The university is a component institution

of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(b) The board has the same powers and duties concerning Texas A&M University--Kingsville as are conferred on it by statute concerning Texas A&M University.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989. Amended by Acts 1997, 75th Leg., ch. 227, Sec. 2, eff. May 23, 1997.

Sec. 87.302. COURSES AND DEGREES; RULES; JOINT APPOINTMENTS. (a) The board, with the approval of the Texas Higher Education Coordinating Board, may prescribe courses leading to customary degrees as are offered at leading American universities and may award those degrees, including baccalaureate, master's, and doctoral degrees and their equivalents.

(b) A new department, school, or degree program may not be instituted without the prior approval of the Texas Higher Education Coordinating Board.

(c) The board shall adopt other rules for the operation, control, and management of the university as may be necessary for the conduct of the university as one of the first class.

(d) The board may make joint faculty appointments in the university and in other institutions under its governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institution on the basis of services rendered.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989.

SUBCHAPTER E. TEXAS A&M UNIVERSITY--CORPUS CHRISTI

Sec. 87.401. ESTABLISHMENT; SCOPE. (a) Texas A&M University--Corpus Christi is a general academic teaching institution located in the city of Corpus Christi.

(b) Texas A&M University--Corpus Christi is a component institution of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(c) The board has the same powers and duties concerning Texas A&M University--Corpus Christi as are conferred on the board by

statute concerning Texas A&M University.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 16, Sec. 5.06(a), (b), eff. Aug. 26, 1991; Acts 1997, 75th Leg., ch. 126, Sec. 3, eff. May 19, 1997. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 618 (S.B. 633), Sec. 1, eff. June 17, 2011.

Sec. 87.402. COURSES AND DEGREES; RULES; JOINT APPOINTMENTS. (a) The board, with the approval of the Texas Higher Education Coordinating Board, may prescribe courses leading to customary degrees as are offered at leading American educational institutions and may award those degrees, including baccalaureate, master's, and doctoral degrees and their equivalents.

(b) A new department, school, or degree program may not be instituted without the prior approval of the Texas Higher Education Coordinating Board.

(c) The board shall adopt other rules for the operation, control, and management of the institution, including the determination of the number of students that may be admitted to any school, college, or degree-granting program, as may be necessary for the conduct of the institution as one of the first class.

(d) The board may make joint faculty appointments in Texas A&M University--Corpus Christi and in other institutions under its governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institution on the basis of services rendered.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 16, Sec. 5.06(c), eff. Aug. 26, 1991; Acts 1997, 75th Leg., ch. 126, Sec. 3, eff. May 19, 1997.

SUBCHAPTER F. TEXAS A&M INTERNATIONAL UNIVERSITY

Sec. 87.501. ESTABLISHMENT; SCOPE. (a) Texas A&M International University is a coeducational educational institution located in the city of Laredo. The institution is a component institution of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M

University System.

(b) The board has the same powers and duties concerning Texas A&M International University as are conferred on it by statute concerning Texas A&M University.

(c) The institution may teach undergraduate or graduate level courses.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 134, Sec. 1, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 260, Sec. 1, eff. Sept. 1, 1993; Acts 1993, 73rd Leg., ch. 260, Sec. 2, eff. Sept. 1, 1995.

Sec. 87.502. COURSES AND DEGREES; RULES; JOINT APPOINTMENTS. (a) The board, with the approval of the Texas Higher Education Coordinating Board, may prescribe courses leading to customary degrees as are offered at leading American educational institutions and may award those degrees.

(b) The degrees offered by the institution may include baccalaureate, master's, and doctoral degrees and their equivalents.

(c) A new department, school, or degree program may not be instituted without the prior approval of the Texas Higher Education Coordinating Board.

(d) The board shall adopt other rules for the operation, control, and management of Texas A&M International University as may be necessary for the institution to be a first-class institution of higher education.

(e) The board may make joint faculty appointments in Texas A&M International University and in other institutions under its governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institution on the basis of services rendered.

(f) The board, with the approval of the Texas Higher Education Coordinating Board, may contract with the governing board of another general academic teaching institution, as defined by Section 61.003 of this code, or with the governing board of a college or university in Mexico and Canada, to offer joint degree programs.

Added by Acts 1989, 71st Leg., ch. 105, Sec. 7, eff. Sept. 1, 1989. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 3, 5, eff. Sept. 1, 1993; Acts 1993, 73rd Leg., ch. 260, Sec. 4, eff. Sept. 1, 1995.

Sec. 87.503. GRADUATE SCHOOL OF INTERNATIONAL TRADE. Subject to the approval of the governing board of Texas A&M International University and the Texas Higher Education Coordinating Board, a graduate school of international trade at Texas A&M International University shall be established.

Added by Acts 1989, 71st Leg., ch. 195, Sec. 1, eff. Sept. 1, 1989. Renumbered from Education Code Sec. 104.431 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(29), eff. Aug. 26, 1991. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 6, eff. Sept. 1, 1993.

Sec. 87.504. CENTER FOR BORDER ECONOMIC AND ENTERPRISE DEVELOPMENT. (a) The board shall establish a center for border economic and enterprise development at Texas A&M International University.

(b) The center established under this section may:

(1) develop and manage an economic data base concerning the Texas-Mexico border;

(2) perform economic development planning and research;

(3) provide technical assistance to industrial and governmental entities; and

(4) in cooperation with other state agencies, coordinate economic and enterprise development planning activities of state agencies to ensure that the economic needs of the Texas-Mexico border are integrated within a comprehensive state economic development plan.

(c) The center may offer seminars and conduct conferences and other educational programs concerning the Texas-Mexico border economy and economic and enterprise development within the state.

(d) The board may solicit and accept gifts, grants, and donations to aid in the establishment, maintenance, and operation of the center.

(e) The center established under this section shall cooperate fully with similar programs operated by The University of Texas at El Paso, The University of Texas--Pan American, The University of Texas at Brownsville, and other institutions of higher education.

Added by Acts 1989, 71st Leg., ch. 586, Sec. 2, eff. Sept. 1, 1989.

Renumbered from Education Code Sec. 104.431 by Acts 1991, 72nd Leg., ch. 16, Sec. 19.01(30), eff. Aug. 26, 1991. Amended by Acts 1993, 73rd Leg., ch. 260, Sec. 7, eff. Sept. 1, 1993; Acts 2001, 77th Leg., ch. 632, Sec. 4, eff. June 13, 2001.

Sec. 87.505. TEXAS ACADEMY OF INTERNATIONAL STUDIES. (a) In this section:

(1) "Academy" means the Texas Academy of International Studies.

(2) "Board" means the board of regents of The Texas A&M University System.

(3) "University" means Texas A&M International University.

(b) The Texas Academy of International Studies is a division of Texas A&M International University and is under the management and control of the board. The academy serves the following purposes:

(1) to provide academically gifted and highly motivated junior and senior high school students with a challenging university-level curriculum that:

(A) allows students to complete high school graduation requirements for the foundation high school program and the distinguished level of achievement under the foundation high school program and earn appropriate endorsements as provided by Section 28.025, while attending for academic credit a public institution of higher education;

(B) fosters students' knowledge of real-world international issues and problems and teaches students to apply critical thinking and problem-solving skills to those issues and problems;

(C) includes the study of English, foreign languages, social studies, anthropology, and sociology;

(D) is presented through an interdisciplinary approach that introduces and develops issues, especially issues related to international concerns, throughout the curriculum; and

(E) offers students learning opportunities related to international issues through in-depth research and field-based studies;

(2) to provide students with an awareness of international career and professional development opportunities through seminars, workshops, collaboration with postsecondary students from other

countries, summer academic international studies internships in foreign countries, and similar methods; and

(3) to provide students with social development activities that enrich the academic curriculum and student life, including, as determined appropriate by the academy, University Interscholastic League activities and other extracurricular activities generally offered by public high schools.

(c) The academy is a residential, coeducational institution for selected Texas high school students with an interest and the potential to excel in international studies. The academy shall admit only high school juniors and seniors, except that the academy may admit a student with exceptional abilities who is not yet a high school junior. The board shall set aside adequate space on the university campus in Laredo to operate the academy and implement the purposes of this section. The academy must operate on the same fall and spring semester basis as the university. Full-time students of the academy must enroll for both the fall and spring semesters. Faculty members of the university shall teach all academic classes at the academy. A student of the academy may attend a college course offered by the university and receive college credit for that course.

(d) Except as otherwise provided by this subsection, the university administration has the same powers and duties with respect to the academy that the administration has with respect to the university. The board shall consult with the dean of the College of Education and other members of the administration as the board considers necessary concerning the academy's administrative design and support, personnel and student issues, and faculty development. The board shall consult with the dean of the College of Arts and Sciences and other members of the administration as the board considers necessary concerning the academy's curriculum development, program design, and general faculty issues. The board, in consultation with university administration, shall:

(1) establish an internal management system for the academy and appoint an academy principal who serves at the will of the board and reports to the university provost;

(2) provide for one or more academy counselors;

(3) establish for the academy a site-based decision-making process similar to the process required by Subchapter F, Chapter 11, that provides for the participation of academy faculty, parents of academy students, and other members of the community; and

(4) establish an admissions process for the academy.

(e) The student-teacher ratio in all regular academic classes at the academy may not exceed 30 students for each classroom teacher, except that the student-teacher ratio may exceed that limit:

(1) in a program provided for the purposes prescribed by Subsection (b)(2) or another special enrichment course or in a physical education course; or

(2) if the board determines that a class with a higher student-teacher ratio would contribute to the educational development of the students in the class.

(f) The academy shall provide the university-level curriculum in a manner that is appropriate for the social, psychological, emotional, and physical development of high school juniors and seniors. The administrative and counseling personnel of the academy shall provide continuous support to and supervision of students.

(g) For each student enrolled in the academy, the academy is entitled to allotments from the foundation school fund under Chapter 42 as if the academy were a school district without a tier one local share for purposes of Section 42.253. If in any academic year the amount of the allotments under this subsection exceeds the amount of state funds paid to the academy in the first fiscal year of the academy's operation, the commissioner of education shall set aside from the total amount of funds to which school districts are entitled under Section 42.253(c) an amount equal to the excess amount and shall distribute that amount to the academy. After deducting the amount set aside and paid to the academy by the commissioner of education under this subsection, the commissioner of education shall reduce the amount to which each district is entitled under Section 42.253(c) in the manner described by Section 42.253(h). A determination of the commissioner of education under this subsection is final and may not be appealed.

(h) The board may use any available money, enter into contracts, and accept grants, including matching grants, federal grants, and grants from a corporation or other private contributor, in establishing and operating the academy. Money spent by the academy must further the purposes of the academy prescribed by Subsection (b).

(i) The liability of the state under Chapters 101 and 104, Civil Practice and Remedies Code, is limited for the academy and employees assigned to the academy and acting on behalf of the academy

to the same extent that the liability of a school district and an employee of the school district is limited under Sections 22.0511, 22.0512, and 22.052 of this code and Section 101.051, Civil Practice and Remedies Code. An employee assigned to the academy is entitled to representation by the attorney general in a civil suit based on an action or omission of the employee in the course of the employee's employment, limits on liability, and indemnity under Chapters 104 and 108, Civil Practice and Remedies Code.

(j) Except as otherwise provided by this section, the academy is not subject to the provisions of this code, or to the rules of the Texas Education Agency, regulating public schools.

Added by Acts 2005, 79th Leg., Ch. 1339 (S.B. 151), Sec. 5, eff. June 18, 2005.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 76(a), eff. June 10, 2013.

SUBCHAPTER G. EAST TEXAS STATE UNIVERSITY

Sec. 87.551. ESTABLISHMENT. (a) East Texas State University is a coeducational institution of higher education with its main campus located in the City of Commerce. The university is a component of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(b) The board has the same powers and duties concerning the university as are conferred on the board by law concerning Texas A&M University.

Added by Acts 1995, 74th Leg., ch. 128, Sec. 8, eff. Sept. 1, 1996.

Sec. 87.552. COURSES AND DEGREES; RULES; JOINT APPOINTMENTS. (a) The board may award baccalaureate, master's, and doctoral degrees and their equivalents, but the board may not institute a department, school, or program without the prior approval of the Texas Higher Education Coordinating Board.

(b) A program offered by the metroplex commuter program:

(1) must be approved by the Texas Higher Education Coordinating Board; and

(2) may not duplicate a program offered by another institution of higher education in the Dallas area.

(c) The board shall adopt other rules for the operation, control, and management of East Texas State University as may be necessary for the institution to be a first-class institution of higher education. The board may establish different rules for the operation of the facilities and programs at different locations of the institution.

(d) The board may make joint faculty appointments in East Texas State University and in other institutions under its governance. The salary of a person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Added by Acts 1995, 74th Leg., ch. 128, Sec. 8, eff. Sept. 1, 1996.

SUBCHAPTER H. EAST TEXAS STATE UNIVERSITY AT TEXARKANA

Sec. 87.571. ESTABLISHMENT; POWERS AND DUTIES. (a) Texas A&M University--Texarkana is a coeducational institution of higher education located in the City of Texarkana. The university is a component of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(b) The board has the same powers and duties concerning the university as are conferred on the board by law concerning Texas A&M University. The university may offer lower-division courses, but is not required to do so in any academic year for which the legislature does not appropriate money specifically for that purpose.

(c) The university may offer lower-division courses on the campus of Texarkana College or in a permanent building located on property acquired by the university for a permanently relocated campus. The university may not offer lower-division courses on the campus of Texarkana College without prior approval from Texarkana College.

(d) A student enrolled at Texarkana College may be simultaneously enrolled at the university as long as the student meets the requirements for enrollment at the university.

Added by Acts 1995, 74th Leg., ch. 128, Sec. 8, eff. Sept. 1, 1996.
Amended by Acts 2001, 77th Leg., ch. 203, Sec. 1, eff. May 21, 2001;

Acts 2003, 78th Leg., ch. 1259, Sec. 1, eff. Sept. 1, 2003.

SUBCHAPTER K. TEXAS A&M UNIVERSITY--SAN ANTONIO

Sec. 87.841. TEXAS A&M UNIVERSITY--SAN ANTONIO. (a) Texas A&M University--San Antonio is a general academic teaching institution located in Bexar County. The university is a component institution of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(b) The board may prescribe courses leading to such customary degrees as are offered at leading American universities and may award those degrees. Those degrees may include baccalaureate, master's, and doctoral degrees in all fields of study, including professional degrees. No department, school, or degree program may be instituted except with the prior approval of the Texas Higher Education Coordinating Board.

(c) The board also has the same powers and duties concerning Texas A&M University--San Antonio as are conferred on the board by statute concerning Texas A&M University.

Text of subsection effective until May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding any other provision of this subchapter, Texas A&M University--San Antonio may not operate as a general academic teaching institution until the Texas Higher Education Coordinating Board certifies that enrollment at the Texas A&M University--Kingsville System Center--San Antonio has reached an enrollment equivalent of:

(1) 1,000 full-time students for one semester if the legislature authorizes revenue bonds to be issued to finance educational and related facilities for the institution, and the bonds are issued for that purpose; or

(2) 2,500 full-time students for one semester if the conditions specified by Subdivision (1) are not satisfied.

Text of subsection effective on May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S.,

Ch. 129, Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding any other provision of this subchapter, Texas A&M University--San Antonio may not operate as a general academic teaching institution until the Texas Higher Education Coordinating Board certifies that enrollment at the Texas A&M University--Kingsville System Center--San Antonio has reached an enrollment equivalent of 1,000 full-time students for one semester.

Added by Acts 2003, 78th Leg., ch. 1188, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 793 (S.B. 296), Sec. 1, eff. June 17, 2005.

Acts 2009, 81st Leg., R.S., Ch. 129 (S.B. 629), Sec. 1, eff. May 23, 2009.

SUBCHAPTER L. TEXAS A&M UNIVERSITY--CENTRAL TEXAS

Sec. 87.861. TEXAS A&M UNIVERSITY--CENTRAL TEXAS. (a) Texas A&M University--Central Texas is a general academic teaching institution located in Bell County. The university is a component institution of The Texas A&M University System and is under the management and control of the board of regents of The Texas A&M University System.

(b) The board may prescribe courses leading to such customary degrees as are offered at leading American universities and may award those degrees. Those degrees may include baccalaureate, master's, and doctoral degrees in all fields of study, including professional degrees. No department, school, or degree program may be instituted except with the prior approval of the Texas Higher Education Coordinating Board.

(c) The board also has the same powers and duties concerning Texas A&M University--Central Texas as are conferred on the board by statute concerning Texas A&M University.

(d) Notwithstanding any other provision of this subchapter, Texas A&M University--Central Texas may not operate as a general academic teaching institution until the Texas Higher Education Coordinating Board certifies that enrollment at the Tarleton State

University System Center--Central Texas in Killeen has reached an enrollment equivalent of 1,000 full-time students for one semester.

Added by Acts 2003, 78th Leg., ch. 1188, Sec. 2, eff. June 20, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 1198 (H.B. 495), Sec. 1, eff. June 18, 2005.

CHAPTER 88. AGENCIES AND SERVICES OF THE TEXAS A & M UNIVERSITY SYSTEM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 88.001. AGENCIES AND SERVICES. The agencies and services of the Texas A & M University System are:

(1) the Texas Forest Service (see Subchapter B of this chapter);

(2) the Texas Agricultural Experiment Station (see Subchapter C of this chapter);

(3) the Texas Agricultural Extension Service, established by action of the board of directors;

(4) the Texas Engineering Experiment Station, established by action of the board of directors;

(5) the Texas Engineering Extension Service, established by action of the board of directors; and

(6) other agencies and services that may be established by law or by action of the board of directors.

Acts 1971, 62nd Leg., p. 3209, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.002. DEFINITION. In this chapter, "board" means the board of regents of The Texas A&M University System.

Added by Acts 1985, 69th Leg., ch. 488, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER B. THE TEXAS FOREST SERVICE

Sec. 88.101. DIRECTOR OF TEXAS FOREST SERVICE. The board shall appoint a director of the Texas Forest Service, who shall be a technically trained forester with not less than two years of

experience in professional forestry work.

Acts 1971, 62nd Leg., p. 3209, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985; Acts 1993, 73rd Leg., ch. 209, Sec. 1, eff. May 19, 1993.

Sec. 88.1015. DEFINITIONS. In this subchapter:

(1) "Director" means the director of the Texas Forest Service.

(2) "Wildfire" means any fire occurring on wildland or in a place where urban areas and rural areas meet. The term does not include a fire that constitutes controlled burning within the meaning of Section 28.01, Penal Code.

(3) "Wildland" means an area in which there is virtually no development except for:

(A) roads, railroads, transmission lines, and similar transportation facilities; or

(B) development related to use of the land for park purposes or for timberland or other agricultural purposes.

Added by Acts 1993, 73rd Leg., ch. 209, Sec. 2, eff. May 19, 1993.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 1, eff. September 1, 2011.

Sec. 88.1016. SUNSET PROVISION. The Texas Forest Service is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the Texas Forest Service is abolished September 1, 2023.

Added by Acts 2009, 81st Leg., 1st C.S., Ch. 2 (S.B. 2), Sec. 1.02, eff. July 10, 2009.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 2, eff. September 1, 2011.

Sec. 88.102. GENERAL DUTIES. Under the general supervision of

the board, the director shall:

(1) assume direction of all forest interests and all matters pertaining to forestry within the jurisdiction of this state;

(2) subject to the approval and confirmation of the board, appoint the assistants and employees necessary in executing the director's duties and the purposes of the board, their compensation to be fixed by the board;

(3) take any action deemed necessary by the board to prevent and extinguish wildfires;

(4) enforce all laws pertaining to the protection of forests and woodlands and prosecute violations of those laws;

(5) collect data relating to forest conditions; and

(6) prepare for the board an annual report stating the progress and condition of state forestry work and recommending plans for improving the state system of forest protection, management, and replacement.

Acts 1971, 62nd Leg., p. 3209, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 3, eff. September 1, 2011.

Sec. 88.103. ENFORCEMENT; APPOINTMENT OF PEACE OFFICERS. The director may appoint not to exceed 25 employees of the Texas Forest Service who are certified by the Texas Commission on Law Enforcement as qualified to be peace officers to serve as peace officers under the direction of the director in executing the enforcement duties of that agency. The appointments must be approved by the board which shall commission the appointees as peace officers. Any officer commissioned under this section is vested with all the powers, privileges, and immunities of peace officers in the performance of the officer's duties. The officer shall take the oath required of peace officers.

Acts 1971, 62nd Leg., p. 3209, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1840, ch. 570, Sec. 1, eff. June 19, 1975; Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985; Acts 1999, 76th Leg., ch. 689, Sec. 1, eff. June 18,

1999; Acts 2003, 78th Leg., ch. 285, Sec. 6, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 4, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.15, eff. May 18, 2013.

Sec. 88.1035. USE OF FUNDS TO SUPPORT PEACE OFFICER TRAINING. The Texas Forest Service, subject to director approval, may use appropriated funds to purchase food and beverages for training functions required of peace officers of the Texas Forest Service.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1270 (H.B. 78), Sec. 1, eff. June 17, 2011.

Sec. 88.104. AUTHORITY TO ENTER PRIVATE LAND. (a) Authority is hereby granted to every employee of the Texas Forest Service and any outside labor or assistance the employee deems necessary to enter upon any privately-owned land in the performance of fire suppression duties which are by state law under the direction of the director. These entries on privately-owned land may be made whenever it is necessary to investigate forest and grass fires and to ascertain whether they are burning uncontrolled, and whenever it is necessary to suppress forest and grass fires that are known to be burning uncontrolled.

(b) An individual providing labor or assistance to the Texas Forest Service under Subsection (a) is not liable for civil damages, including personal injury, wrongful death, property damage, death, or other loss resulting from any act, error, or omission by the individual in providing that labor or assistance unless the act, error, or omission:

(1) proximately caused the loss; and

(2) was performed with malice or constitutes gross negligence, recklessness, or intentional misconduct.

Acts 1971, 62nd Leg., p. 3210, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 34 (S.B. 1267), Sec. 1, eff. May 10, 2013.

Sec. 88.105. COOPERATION WITH PERSONS AND AGENCIES. On request, under the sanction of the board, and whenever the director deems it essential to the best interests of the people of the state, the director shall cooperate with counties, towns, corporations, or individuals in preparing plans for the protection, management, and replacement of trees, woodlots, and timber tracts, under an agreement that the parties obtaining the assistance pay at least the field expenses of the persons employed in preparing the plans. The board may cooperate with the National Forest Service under terms it deems desirable.

Acts 1971, 62nd Leg., p. 3210, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 5, eff. September 1, 2011.

Sec. 88.106. COOPERATION WITH FEDERAL AGENCIES; RURAL FIRE PROTECTION PLANS; FIRE TRAINING; DISPOSITION OF USED OR OBSOLETE EQUIPMENT. (a) The director, under the supervision of the board, may cooperate on forestry projects with the National Forest Service and other federal agencies. Subject to the authorization of the board, the director may execute agreements relating to forest protection projects in cooperation with federal agencies and timberland owners and may also execute agreements with timberland owners involving supervision of forest protection and forest development projects when the projects are developed with the aid of loans from a federal agency and when the supervision by the state is required by federal statute or is deemed necessary by the federal agency.

(b) Under the supervision of the board, the director may:

(1) cooperate in the development of rural fire protection plans;

(2) provide training in suppression of fires; and

(3) sell, lend, or otherwise make available to volunteer fire departments used or obsolete fire control or fire rescue equipment available to the Texas Forest Service, including federal excess or surplus property.

(c) A person may donate used or obsolete fire control or fire rescue equipment to the Texas Forest Service for the service's use or the service's distribution to other volunteer fire departments.

(d) A person is not liable in civil damages for personal injury, property damage, or death resulting from a defect in equipment donated in good faith by the person under this section unless the person's act or omission proximately causing the claim, damage, or loss constitutes malice, gross negligence, recklessness, or intentional misconduct. The Texas Forest Service and its director and other officers and employees are not liable in civil damages for personal injury, property damage, or death resulting from a defect in equipment sold, loaned, or otherwise made available in good faith by the director under this section unless the act or omission of the service or its director, officer, or employee proximately causing the claim, damage, or loss constitutes malice, gross negligence, recklessness, or intentional misconduct.

(e) In this section, "fire control or fire rescue equipment" includes a vehicle, fire fighting tool, protective gear, breathing apparatus, and other supplies and tools used in fire fighting or fire rescue. A breathing apparatus that is donated to the Texas Forest Service will be recertified to manufacturer's specifications before it is made available to an authorized group by a technician certified by the manufacturer.

Acts 1971, 62nd Leg., p. 3210, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 240, ch. 115, Sec. 1, eff. May 18, 1973; Acts 1985, 69th Leg., ch. 488, Sec. 2, eff. Sept. 1, 1985; Acts 1997, 75th Leg., ch. 28, Sec. 1, eff. Sept. 1, 1997. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 6, eff. September 1, 2011.

Sec. 88.107. FOREST LAND: ACQUISITION BY GIFT OR PURCHASE. (a) On the recommendation of the board, the governor may accept gifts of land to the state to be held, protected, and administered by

the board as state forests and to be used to demonstrate the practical utility of timber culture and water conservation and for game preserves. The gifts may be on terms and conditions agreed upon between the grantors of the property and the board.

(b) The board may purchase lands in the name of the state suitable chiefly for the production of timber as state forests, using for that purpose any special appropriation.

(c) All conveyances of property, by gift or otherwise, shall be submitted to the attorney general for approval as to form.

Acts 1971, 62nd Leg., p. 3210, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.108. ACQUISITION OF LAND FOR FORESTRY PURPOSES; DISPOSITION. (a) The board may accept gifts, donations, or contributions of land suitable for forestry purposes and may enter into agreements with the federal government or other agencies for acquiring by lease, purchase, or otherwise any land that in the judgment of the board is desirable for state forests.

(b) When land is acquired or leased under this section, the board may make expenditures, from any funds not otherwise obligated, for its management, development, and utilization. The board may sell or otherwise dispose of products from the land and may make rules and regulations that may be necessary to carry out the purposes of this section.

(c) All revenue derived from land now owned or later acquired under the provisions of this section shall be segregated by the board for use in the acquisition, management, development, and use of the land until all obligations incurred have been paid in full. Thereafter, net profits accruing from the administration of the land shall be applicable for the purposes that the legislature may prescribe.

(d) Obligations for the acquisition of land incurred by the board under the authority of this section shall be paid solely and exclusively from revenue derived from the land and shall not impose any liability on the general credit and taxing power of the state.

(e) The board may sell, exchange, or lease state forest land under its jurisdiction when in its judgment it is advantageous to the state to do so in the highest orderly development and management of

state forests. However, no sale or exchange of any such land belonging to the state or the university shall be made until the sale or exchange is authorized by the legislature. The sale, lease or exchange shall not be contrary to the terms of any contract into which it has entered.

Acts 1971, 62nd Leg., p. 3211, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.109. USE OF CERTAIN DEPARTMENT OF CRIMINAL JUSTICE LAND FOR REFORESTATION. The several tracts of land in Cherokee County near Maydelle, consisting of approximately 2,150 acres, owned by the Texas Department of Criminal Justice, is set aside for reforestation purposes to be used by Texas A&M University to demonstrate reforestation work.

Acts 1971, 62nd Leg., p. 3211, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.054, eff. September 1, 2009.

Sec. 88.110. PURCHASE OF LAND FOR SEEDLING NURSERY. The board may acquire by purchase in the name of the State of Texas for the use and benefit of the Texas Forest Service, and may improve, a sufficient quantity of land suitable for the operation of a forest tree seedling nursery in the reforestation program of the Texas Forest Service and for the production of other forest products. However, not more than 400 acres of land may be purchased under this section; and the selling price of seedlings produced on the land, as far as practical, shall represent the cost of production plus at least 10 percent.

Acts 1971, 62nd Leg., p. 3211, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.111. FOREST LAND ACQUIRED BY STATE UNDER TAX SALE. When pine forest land is sold to the state for the payment of taxes,

interest, penalty, and costs adjudged against the land, as provided in Article 7328, Revised Civil Statutes of Texas, 1925, as amended, and not redeemed or resold as provided in Article 7328, the land shall be withdrawn from the market and shall be held, protected, and administered by the board as state forest; and the board may manage, use, and improve the pine forest land as fully and to the same extent as in the case of other forest land held by it in accordance with the law. Forest land, as used in this section, includes all land on which is growing pine timber of any material value and all cutover pine timberland which may reasonably be expected to produce, by reason of natural or other methods of reforestation, another growth of pine timber of any material value.

Acts 1971, 62nd Leg., p. 3211, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.112. SOUTH CENTRAL INTERSTATE FOREST FIRE PROTECTION COMPACT. The South Central Interstate Forest Fire Protection Compact has been ratified by the states of Texas, Arkansas, Louisiana, Mississippi, and Oklahoma. The text of the compact is set out in Section 88.116 of this code, and an authenticated copy is on file in the office of the secretary of state.

Acts 1971, 62nd Leg., p. 3212, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.113. COMPACT ADMINISTRATOR. The director of the Texas Forest Service shall act as compact administrator for the State of Texas and represent Texas in the South Central Interstate Forest Fire Protection Compact.

Acts 1971, 62nd Leg., p. 3212, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.114. ADVISORY COMMITTEE. The advisory committee referred to in Article III of the compact shall be composed of four members selected as follows: One member shall be named from the membership of the Senate of the State of Texas by the Lieutenant

Governor; one member shall be named from the membership of the House of Representatives of the State of Texas by the Speaker; and two members shall be appointed by the governor, one of whom shall be selected from among the persons who comprise the board of directors of The Texas A & M University System, and one of whom shall be a person associated with forestry or a forest products industry.

Acts 1971, 62nd Leg., p. 3212, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.115. LEGISLATIVE INTENT. It is the intent of the Legislature of the State of Texas, in ratifying the South Central Interstate Forest Fire Protection Compact, that this compact is and shall be a joint program of the member states and that representatives of the United States government shall participate in compact meetings or in other activities under the compact only in the manner and to the extent authorized by the representatives of the member states, appointed pursuant to the terms of this compact.

Acts 1971, 62nd Leg., p. 3212, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.116. TEXT OF COMPACT. The South Central Interstate Forest Fire Protection Compact reads as follows:

SOUTH CENTRAL INTERSTATE FOREST FIRE PROTECTION COMPACT

ARTICLE I.

The purpose of this compact is to promote effective prevention and control of forest fires in the South Central region of the United States by the development of integrated forest fire plans, by the maintenance of adequate forest fire fighting services by the member States, by providing for mutual aid in fighting forest fires among the compacting States of the region and with States which are party to other Regional Forest Fire Protection compacts or agreements, and for more adequate forest development.

ARTICLE II.

This compact shall become operative immediately as to those States ratifying it whenever any two or more of the States of Arkansas, Louisiana, Mississippi, Oklahoma, and Texas which are contiguous have ratified it and Congress has given consent thereto.

Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the legislature of each of the member States.

ARTICLE III.

In each State, the State Forester or officer holding the equivalent position who is responsible for forest fire control shall act as compact administrator for that State and shall consult with like officials of the other member States and shall implement cooperation between such States in forest fire prevention and control.

The compact administrators of the member States shall organize to coordinate the services of the member States and provide administrative integration in carrying out the purposes of this compact.

There shall be established an advisory committee of legislators, representatives of the Board of Directors of the Texas Agricultural and Mechanical College System, and forestry or forest products industries representatives, which shall meet from time to time with the compact administrators. Each member State shall name one member of the Senate and one member of the House of Representatives, and the Governor of each member State shall appoint one representative who shall be associated with forestry or forest products industries, and a member of the Board of Directors of the Texas Agricultural and Mechanical College System, to comprise the membership of the advisory committee. Action shall be taken by a majority of the compacting States, and each State shall be entitled to one vote.

The compact administrators shall formulate and, in accordance with need, from time to time, revise a regional forest fire plan for the member States.

It shall be the duty of each member State to formulate and put in effect a forest fire plan for that State and take such measures as may be necessary to integrate such forest fire plan with the regional forest fire plan formulated by the compact administrators.

ARTICLE IV.

Whenever the State forest fire control agency of a member State requests aid from the State forest fire control agency of any other member State in combating, controlling or preventing forest fires, it shall be the duty of the State forest fire control agency of that State to render all possible aid to the requesting agency which is consonant with the maintenance of protection at home.

ARTICLE V.

Whenever the forces of any member State are rendering outside aid pursuant to the request of another member State under this compact, the employees of such State shall, under the direction of the officers of the State to which they are rendering aid, have the same powers (except the power of arrest), duties, rights, privileges and immunities as comparable employees of the State to which they are rendering aid.

No member State or its officers or employees rendering outside aid pursuant to this compact shall be liable on account of any act or omission on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith; provided, that nothing herein shall be construed as relieving any person from liability for his own negligent act or omission, or as imposing liability for such negligent act or omission upon any State.

All liability, except as otherwise provided herein, that may arise either under the laws of the requesting State or under the laws of the aiding State or under the laws of a third State on account of or in connection with a request for aid, shall be assumed and borne by the requesting State.

Any member State rendering outside aid pursuant to this compact shall be reimbursed by the member State receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment answering a request for aid, and for the cost of all materials, transportation, wages, salaries and maintenance of employees and equipment incurred in connection with such request; provided, that nothing herein contained shall prevent any assisting member State from assuming such loss, damage, expense or other cost or from loaning such equipment or from donating such service to the receiving member State without charge or cost.

Each member State shall provide for the payment of compensation and death benefits to injured employees and the representatives of deceased employees in case employees sustain injuries or are killed while rendering outside aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

For the purposes of this compact the term "employee" shall include any volunteer or auxiliary legally included within the forest fire fighting forces of the aiding State under the laws thereof.

The compact administrators shall formulate procedures for claims and reimbursement under the provisions of this article, in accordance with the laws of the member States.

ARTICLE VI.

Ratification of this compact shall not be construed to affect any existing statute so as to authorize or permit curtailment or diminution of the forest fire fighting forces, equipment, services or facilities of any member State.

Nothing in this compact shall be construed to limit or restrict the powers of any State ratifying the same to provide for the prevention, control and extinguishment of forest fires, or to prohibit the enactment or enforcement of State laws, rules or regulations intended to aid in such prevention, control and extinguishment in such State.

Nothing in this compact shall be construed to affect any existing or future cooperative relationship or arrangement between the United States Forest Service and a member State or States.

ARTICLE VII.

The compact administrators may request the United States Forest Service to act as the primary research and coordinating agency of the South Central Interstate Forest Fire Protection Compact in cooperation with the appropriate agencies in each State, and the United States Forest Service may accept the initial responsibility in preparing and presenting to the compact administrators its recommendations with respect to the regional fire plan. Representatives of the United States Forest Service may attend meetings of the compact administrators.

ARTICLE VIII.

The provisions of Articles IV and V of this compact which relate to mutual aid in combating, controlling or preventing forest fires shall be operative as between any State party to this compact and any other State which is party to a regional forest fire protection compact in another region; provided, that the Legislature of such other State shall have given its assent to such mutual aid provisions of this compact.

ARTICLE IX.

This compact shall continue in force and remain binding on each State ratifying it until the legislature or the Governor of such State takes action to withdraw therefrom. Such action shall not be effective until six months after notice thereof has been sent by the

chief executive of the State desiring to withdraw to the chief executives of all States then parties to the compact.

Acts 1971, 62nd Leg., p. 3213, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.117. STATEWIDE FIRE CONTINGENCY ACCOUNT. (a) The statewide fire contingency account is established as an account in the general revenue fund.

(b) The governor, the board, and the director may accept gifts and grants, including federal grants, and other federal assistance for deposit into the account. This program will be funded through private gifts, grants, or assistance.

(c) Money in the account may be used only to:

(1) develop and deploy fire overhead management teams;

(2) pay the direct costs of using Texas Forest Service equipment and personnel to support local fire-fighting forces in the suppression of fires during wildfire emergencies or threatened wildfire emergencies;

(3) pay the direct costs of local fire-fighting forces that are mobilized to respond to wildfire emergencies or threatened wildfire emergencies in aid of another fire-fighting force;

(4) pay for any expenses incurred by the Texas Forest Service, or otherwise by the state, when fires are combatted under the South Central Interstate Forest Fire Prevention Compact or with the assistance of the federal forest service; and

(5) pay for any other expenses that the director is required to pay from this account under federal law.

(d) Money in the account may not be used or transferred from the account except for the purposes prescribed by Subsection (c) of this section or as required by Subsection (e) of this section.

(e) Any unobligated amount over $1,000,000 remaining in the account on August 31 of each year shall be transferred into the undedicated portion of the general revenue fund except as prohibited by other law.

Added by Acts 1993, 73rd Leg., ch. 209, Sec. 2, eff. May 19, 1993.

Sec. 88.118. STATEWIDE FIRE COORDINATION CENTER. (a) The

director shall establish a statewide fire coordination center.

(b) The center may provide continuous dispatching services for wildfire control.

(c) The center shall provide a central location for statewide:

(1) wildfire monitoring;

(2) coordination of the response to each major or potentially major wildfire in the state, with the coordination function including a direct liaison with the state emergency operating center; and

(3) assistance to fire-fighting forces in obtaining the transfer of needed and available resources.

Added by Acts 1993, 73rd Leg., ch. 209, Sec. 2, eff. May 19, 1993.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 7, eff. September 1, 2011.

Sec. 88.119. REGIONAL WILDFIRE COORDINATORS. (a) The director shall divide the state into six wildfire control regions to coordinate wildfire control. The boundaries of the regions must be the same as existing Department of Public Safety regions that include state disaster district boundaries to the extent that the director determines that the same boundaries are practical.

(b) The director shall employ and assign a regional wildfire coordinator to each fire control region.

(c) Each regional wildfire coordinator shall, with respect to the coordinator's region:

(1) train, prepare, and coordinate fire fighters to respond to wildfire incidents locally, regionally, and statewide;

(2) inform the statewide coordination center of regional wildfire loads and of additional resources that may be required to handle a fire load;

(3) communicate as necessary with appropriate federal officials;

(4) assist and promote the development of mutual aid agreements among fire-fighting forces;

(5) develop wildfire strike teams and overhead strike teams;

(6) coordinate and assess the need for wildfire training;

(7) coordinate the rural community fire protection program;

(8) coordinate response activities through the appropriate state disaster district; and

(9) evaluate and acquire excess federal equipment and other property for use in the region.

(d) The director shall acquire and assign to each wildfire control region a regional command post that has the capability to assist in the management of wildfires and other disasters, including disasters not related to fire. The director and the director's designees shall determine when the regional command post may be used by personnel under the control of the director and when the regional command post may be used by local fire-fighting forces or other emergency response personnel. Each regional command post shall include mobile communications equipment, including a radio repeater and a supply of other necessary radio equipment.

Added by Acts 1993, 73rd Leg., ch. 209, Sec. 2, eff. May 19, 1993.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 8, eff. September 1, 2011.

Sec. 88.120. WILDFIRE TRAINING. The Texas Forest Service is the lead agency of the state for providing and coordinating training in fighting wildfires.

Added by Acts 1993, 73rd Leg., ch. 209, Sec. 2, eff. May 19, 1993.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 9, eff. September 1, 2011.

Sec. 88.122. INCIDENT MANAGEMENT TEAMS. (a) The Texas Forest Service may support the state's all-hazard response operations by:

(1) providing incident management training to Texas Forest Service personnel and other state, local, and volunteer responders to develop and enhance the all-hazard response capability of this state; and

(2) maintaining incident management teams to respond to all-hazard events, including natural, man-made, and planned events.

(b) An incident management team maintained under this section

may consist of Texas Forest Service employees and other state, local, and volunteer responders.

(c) The Texas Forest Service may mobilize an incident management team for a wildfire response operation.

(d) Under the direction of the Texas Division of Emergency Management, the Texas Forest Service may mobilize an incident management team to provide incident support for state, disaster district, or local jurisdiction operations.

Added by Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 10, eff. September 1, 2011.

Sec. 88.123. VOLUNTEER FIRE DEPARTMENT ASSISTANCE. (a) In this section:

(1) "Partially paid fire department" means a fire department operated by its members, some of whom are volunteers and some of whom are paid.

(2) "Volunteer fire department" means a fire department operated by its members, including a partially paid fire department, that is operated on a not-for-profit basis.

(3) "Volunteer firefighter" means a member of a volunteer fire department.

(b) The director may establish guidelines within which local volunteer fire departments may assist the Texas Forest Service in responding to a wildfire after other local firefighting resources have been exhausted.

(c) To the extent that resources are available, the Texas Forest Service may:

(1) compensate a volunteer firefighter or a volunteer fire department for labor and expenses related to the assistance provided by the firefighter or department under Subsection (b); and

(2) reimburse a volunteer fire department for equipment provided by the department under Subsection (b).

(d) The director shall determine:

(1) the rate at which a volunteer firefighter or a volunteer fire department may be compensated or reimbursed under this section;

(2) the types of labor and expenses for which a volunteer firefighter or a volunteer fire department may be compensated under

this section;

(3) the types of equipment for which a volunteer fire department may be reimbursed under this section; and

(4) the minimum qualifications a volunteer firefighter must meet in order to be compensated under this section, which may include certification under a program administered by:

(A) the State Firemen's and Fire Marshals' Association of Texas; or

(B) the Texas Forest Service according to standards determined by the National Wildfire Coordinating Group.

(e) A volunteer firefighter who receives compensation under this section is not subject to the certification requirements of Subchapter B, Chapter 419, Government Code.

(f) The Texas Forest Service may request reimbursement from the legislature for a payment made to a volunteer firefighter or a volunteer fire department under this section.

(g) The Texas Forest Service may issue National Wildfire Coordinating Group certification to a volunteer firefighter under terms determined by the director.

Added by Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 10, eff. September 1, 2011.

Sec. 88.124. WILDFIRE PROTECTION PLAN. (a) The Texas Forest Service shall hold public meetings to develop and regularly update a wildfire protection plan. At a minimum, the plan must:

(1) define the Texas Forest Service's role in managing wildfires and supporting local fire department responses, and the manner in which a community may engage the Texas Forest Service on issues related to wildfires;

(2) describe in detail the role of volunteer fire departments in wildfire response, including any role relating to guidelines established by the director under Section 88.123;

(3) describe the expected revenue, expenditures, staffing, and future funding necessary to implement and sustain the plan;

(4) estimate the expected savings resulting from the plan's implementation;

(5) provide performance measures by which the plan's success may be evaluated;

(6) describe the Texas Forest Service's role in conducting prescribed burns and assess statewide efforts to conduct those burns;

(7) identify, analyze, and make recommendations regarding wildfire trends and issues; and

(8) address any other matter determined to be relevant by the director.

(b) The Texas Forest Service shall submit its most recent wildfire protection plan together with the service's legislative appropriations request to:

(1) the lieutenant governor;

(2) the speaker of the house of representatives; and

(3) the appropriate standing legislative committees having jurisdiction over wildfire issues.

Added by Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 10, eff. September 1, 2011.

Sec. 88.125. COST-EFFECTIVE USE OF RESOURCES. In determining the appropriate wildfire response, the Texas Forest Service shall use the most cost-effective combination of volunteer firefighters, temporary employees of the Texas Forest Service, and out-of-state personnel and equipment available.

Added by Acts 2011, 82nd Leg., R.S., Ch. 52 (S.B. 646), Sec. 10, eff. September 1, 2011.

SUBCHAPTER C. THE TEXAS AGRICULTURAL EXPERIMENT STATION

Sec. 88.201. PURPOSES. There shall be established, at places in the state the board of directors deems proper, experiment stations for the purpose of making experiments and conducting investigations in the planting and growing of agricultural and horticultural crops and soils, and the breeding, feeding and fattening of livestock for slaughter.

Acts 1971, 62nd Leg., p. 3215, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.202. MAIN STATE EXPERIMENT STATION. The experiment

station located at College Station, which is in part supported by the federal government, shall remain there as a permanent institution. It shall be known as the Main State Experiment Station and shall be under the supervision of the board of directors. The board may accept from the federal government any aid in its support that may be provided by Congress.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.203. SUBSTATIONS. (a) The board may:

(1) establish experiment substations at places in this state it deems proper;

(2) abandon or discontinue any substation which may become undesirable for experiment purposes, and if deemed necessary establish others in their stead at places it deems advisable; and

(3) sell any land or other state property used in the operation of an experiment station when abandoned and apply the proceeds of the sale to the purchase of other land and property for the establishment of experiment stations.

(b) The board shall exercise a general supervision and direction over substations established under this subchapter.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.204. SALE OF STATIONS. If property used in the operation of a station is sold, the title to the property shall not pass from this state until a deed of conveyance is made to the purchaser, duly signed by the governor and attested by the secretary of state under the state seal. All funds received from the sale of station lands or property shall be deposited in the state treasury and shall be paid out in accordance with the provisions of this subchapter.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 300, Sec. 29, eff. Aug. 30, 1993.

Sec. 88.205. SALE OF CROPS. Proceeds from the sale, barter, or exchange of crops raised on any experiment station shall be applied to defray the expenses of operating the station.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.206. DONATIONS; LEASES. (a) The board may accept and receive donations of money and property when given to be used in connection with any experiment work authorized by this subchapter.

(b) In the location of any experiment station, the board may take into consideration and receive any donation of money, land, or other property to be used in the operation, equipment, or management of the station; and for experiment work may lease any land that in its judgment may be necessary for any of the purposes named in this subchapter.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.207. EXPENSES; PER DIEM. The necessary traveling expenses of the members of the board and those of the director and his assistants shall be paid out of the funds appropriated by this state for the maintenance and support of the experiment stations. In addition to actual traveling expenses, each member of the board, when traveling on the official business of the stations, shall be paid $5 per day while actually engaged in the discharge of his duties.

Acts 1971, 62nd Leg., p. 3216, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.208. INSPECTIONS. The board shall visit the stations once a year and shall make criticisms to the director and his assistants that it deems expedient and necessary.

Acts 1971, 62nd Leg., p. 3217, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.209. DIRECTOR. (a) The main station and the substations are under the supervision, control, management, and direction of the director of the Texas Agricultural Experiment Station at College Station. The director shall reside at College Station.

(b) The board may pay a part of the director's salary from money appropriated by the Legislature for the maintenance and support of the experiment stations in the proportion that in its judgment is just and proper, taking into consideration the division of his time between the main station and the substations and the sum appropriated for the purpose by the federal government.

(c) The director may employ the assistants and labor and may purchase the livestock, farming implements, tools, seed, and other materials and supplies that he deems necessary for the successful management of any or all of the experiment stations, subject to the approval of the board.

Acts 1971, 62nd Leg., p. 3217, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.211. BULLETIN. The director shall periodically issue and circulate among the farmers and livestock raisers of Texas printed bulletins showing the results of the experiments and the results accomplished and the progress made in the improvement of the agricultural and livestock interests of this state. The bulletins shall be mailed to all persons who desire them. The director shall invite the cooperation of persons engaged in those industries and shall give them advice when requested with reference to the management and cultivation of their farms and the care, management, and feeding of their stock.

Acts 1971, 62nd Leg., p. 3217, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.212. DISBURSEMENTS. Before warrants are issued by the comptroller in payment of state experiment station accounts, vouchers covering them shall be audited and signed by the director or an assistant designated by him, in writing, for that purpose, and also by a member of the board.

Acts 1971, 62nd Leg., p. 3217, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 88.213. AGRICULTURAL RESEARCH PRODUCTS. The board of regents of The Texas A&M University System shall generate revenues through agreements establishing equitable interests, royalties, and patent rights relating to releases of agricultural research products by the Texas agricultural experiment station when economically feasible.

Added by Acts 1985, 69th Leg., ch. 239, Sec. 69, eff. Sept. 1, 1985.

Sec. 88.215. FIRE ANT RESEARCH AND MANAGEMENT ACCOUNT ADVISORY COMMITTEE; OTHER AGENCIES. (a) The Fire Ant Research and Management Account Advisory Committee is established as an advisory committee within the Texas Agricultural Experiment Station.

(b) The advisory committee consists of 11 members appointed as follows:

(1) one representative of Texas A & M University appointed by the director of the Texas Agricultural Experiment Station;

(2) one representative of Texas Tech University appointed by the dean of the College of Agriculture of Texas Tech University;

(3) one representative of The University of Texas appointed by the vice president for research of The University of Texas System;

(4) one representative of the Department of Agriculture appointed by the commissioner of agriculture;

(5) one representative of the Parks and Wildlife Department appointed by the director of the department;

(6) one representative of the Public Utility Commission of Texas appointed by the executive director of the commission;

(7) one representative of municipal governments appointed by the governor;

(8) one representative of the general public appointed by the governor;

(9) one representative of the agribusiness industry appointed by the governor;

(10) one representative of the chemical industry appointed by the Texas Chemical Council; and

(11) one representative of the oil and gas industry appointed by the Texas Mid-Continent Oil and Gas Association.

(c) The members of the committee serve staggered two-year terms, with the terms of the members described by Subsections (b)(1)-(5) expiring on February 1 of each odd-numbered year and the terms of the other members expiring on February 1 of each even-numbered year. A member may serve more than one term.

(d) The members of the advisory committee shall elect a member of the committee to serve as presiding officer for a term of two years.

(e) The advisory committee shall meet not less than two times each year.

(f) The advisory committee may adopt rules for the advisory committee's internal procedures.

(g) The administrative expenses of the advisory committee may not exceed 20 percent of the total amount of funds available for expenditure by the advisory committee.

(h) Members of the advisory committee are not entitled to compensation for service on the advisory committee. A member of the advisory committee who represents a university or state agency may receive reimbursement for travel expenses from the university or agency the member represents. A member of the advisory committee who does not represent a university or state agency shall pay the member's own expenses.

(i) The advisory committee shall:

(1) advise, assist, and direct the Texas Agricultural Experiment Station in conducting fire ant research;

(2) encourage communication with other states that are infested with fire ants; and

(3) establish a framework for more efficient management of fire ant infestation problems.

(j) The Texas Agricultural Experiment Station shall:

(1) administer the fire ant basic research program under Section 77.022, Agriculture Code;

(2) solicit, distribute, and create competitive grant and other funding programs for fire ant research;

(3) engage in activities necessary to maximize funding received from the federal government for management of fire ants and research regarding fire ants; and

(4) with the advice of the advisory committee, plan a

program of research regarding fire ants.

(k) The Texas Agricultural Extension Service shall:

(1) provide educational programs regarding fire ant infestation and treatment; and

(2) conduct public awareness programs regarding fire ant infestation and treatment through the use of the media, publications, demonstrations, and other means of public education.

Added by Acts 1995, 74th Leg., ch. 218, Sec. 1, eff. May 23, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 890 (H.B. 2458), Sec. 2.01, eff. September 1, 2007.

Sec. 88.216. AGRICULTURE AND WILDLIFE RESEARCH AND MANAGEMENT ADVISORY COMMITTEE; OTHER AGENCIES. (a) The Agriculture and Wildlife Research and Management Advisory Committee is an advisory committee of the Texas Agricultural Experiment Station and is composed of:

(1) one representative of the Texas Agricultural Experiment Station, appointed by the director of the Texas Agricultural Experiment Station;

(2) one representative of the Texas AgriLife Extension Service, appointed by the director of the Texas AgriLife Extension Service;

(3) one representative of Texas Tech University, appointed by the dean of the College of Agriculture of Texas Tech University;

(4) one representative of The University of Texas at Austin, appointed by the vice president for research of The University of Texas System;

(5) one representative of the Department of Agriculture, appointed by the commissioner of agriculture;

(6) one representative of the Parks and Wildlife Department, appointed by the director of the department;

(7) one representative of the Texas Water Development Board, appointed by the executive administrator of the board;

(8) one representative of county government, appointed by the governor;

(9) one representative of the general public, appointed by the governor;

(10) one representative of the agribusiness industry, appointed by the governor;

(11) one representative of environmental interests, appointed by the governor;

(12) one representative of wildlife interests, appointed by the governor; and

(13) one representative of the Texas rice industry, appointed by the governor.

(b) The members of the committee serve staggered two-year terms, with the terms of the members appointed under Subsections (a)(1)-(6) expiring on February 1 of each odd-numbered year and the terms of the remaining members expiring on February 1 of each even-numbered year.

(c) The members of the committee shall select a presiding officer who shall serve for a term of two years.

(d) The advisory committee shall meet not less than two times each year.

(e) The administrative expenses of the advisory committee may not exceed 20 percent of the total amount of funds available for expenditure by the advisory committee.

(f) Members of the advisory committee are not entitled to compensation for service on the advisory committee or reimbursement for travel expenses, except that a member who represents a university or state agency may receive any reimbursement for travel expenses to which the member is otherwise entitled from the university or agency.

(g) The advisory committee shall:

(1) assist the Texas Agricultural Experiment Station in conducting agriculture and wildlife research;

(2) encourage communication with states that are interested in agriculture, wildlife, and water issues; and

(3) establish a plan for more efficient management of water resources related to wildlife habitats and agriculture production in the Gulf Coast Region.

(h) The Texas Agricultural Experiment Station shall:

(1) administer an agriculture and wildlife research program;

(2) solicit grants and create funding programs for agriculture and wildlife research;

(3) engage in activities designed to maximize funding from the federal government for agriculture and wildlife research and

management; and

(4) with the advice of the advisory committee, plan a program of research regarding agriculture production and its relationship with water use and wildlife habitats.

(i) The Texas Agricultural Extension Service shall:

(1) provide educational programs relating to agriculture production, water use, and wildlife habitats; and

(2) conduct public awareness programs relating to the interaction of agriculture production, water use, and wildlife habitats through the use of mass communications media, publications, demonstrations, and other means of public education.

Added by Acts 1999, 76th Leg., ch. 1074, Sec. 1, eff. June 18, 1999.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.012, eff. September 1, 2013.

SUBCHAPTER D. TEXAS TASK FORCE 1

Sec. 88.301. DEFINITIONS. In this subchapter:

(1) "Local government employee member" means a member employed by a local government as defined by Section 102.001, Civil Practice and Remedies Code.

(2) "Member" means an individual, other than an employee of The Texas A&M University System, who has been officially designated as a member of Texas Task Force 1.

(3) "Nongovernment member" means a member who is not a state employee member, a local government employee member, or an employee of The Texas A&M University System.

(4) "State employee member" means a member employed by an agency of the state other than a component of The Texas A&M University System.

Added by Acts 2003, 78th Leg., ch. 644, Sec. 1, eff. June 20, 2003.

Sec. 88.302. TEXAS TASK FORCE 1. Texas Task Force 1 is a program of the Texas Engineering Extension Service providing training and responding to assist in search, rescue, and recovery efforts following natural or man-made disasters.

Added by Acts 2003, 78th Leg., ch. 644, Sec. 1, eff. June 20, 2003.

Sec. 88.303. WORKERS' COMPENSATION INSURANCE COVERAGE. (a) Notwithstanding any other law, during any period in which Texas Task Force 1 is activated by the Texas Division of Emergency Management, or during any training session sponsored or sanctioned by Texas Task Force 1, a participating nongovernment member or local government employee member is included in the coverage provided under Chapter 501, Labor Code, in the same manner as an employee, as defined by Section 501.001, Labor Code.

(b) Service with Texas Task Force 1 by a state employee member who is activated is considered to be in the course and scope of the employee's regular employment with the state.

(c) Service with Texas Task Force 1 by an employee of The Texas A&M University System is considered to be in the course and scope of the employee's regular employment with The Texas A&M University System.

(d) Notwithstanding Section 412.0123, Labor Code, as added by Chapter 1098, Acts of the 75th Legislature, Regular Session, 1997, the Texas Division of Emergency Management shall reimburse the State Office of Risk Management for the actual medical and indemnity benefits paid on behalf of a covered member of Texas Task Force 1 at the beginning of the next state fiscal year occurring after the date the benefits are paid.

Added by Acts 2003, 78th Leg., ch. 644, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1146 (H.B. 2730), Sec. 2B.02, eff. September 1, 2009.

SUBCHAPTER E. TEXAS ENGINEERING EXPERIMENT STATION

Sec. 88.500. ESTABLISHMENT. The Texas Engineering Experiment Station is a part of The Texas A&M University System under the management and control of the board of regents of The Texas A&M University System.

Added by Acts 1989, 71st Leg., ch. 204, Sec. 1, eff. Aug. 28, 1989.

Sec. 88.501. PURPOSE. (a) The Texas Engineering Experiment Station serves as a state-supported engineering research and development agency.

(b) It is the purpose of the agency to foster innovations in research, education, and technology that support and aid the business and industrial communities and enhance the economic development of the state and nation.

(c) In order to carry out its purposes, the agency may enter into contracts and agreements with other entities.

Added by Acts 1989, 71st Leg., ch. 204, Sec. 1, eff. Aug. 28, 1989.

Sec. 88.502. ACCEPTANCE OF FUNDS. In addition to any other authority which it may possess, the board of regents is authorized to accept funds from both public and private sources, in addition to any amounts which shall be appropriated by the legislature for the use of any program or division of the agency.

Added by Acts 1989, 71st Leg., ch. 204, Sec. 1, eff. Aug. 28, 1989.

Sec. 88.503. SPATIAL REFERENCE CENTER. (a) The board may create and operate a spatial reference center at Texas A&M University--Corpus Christi for the purpose of:

(1) facilitating the federal height modernization project for the state;

(2) conducting basic and applied research regarding elevation and geodetic and vertical datums in the state;

(3) collecting geodetic data for state mapping and control; and

(4) establishing and maintaining an official digital spatial reference system for the state, in coordination with:

(A) the United States National Geodetic Survey;

(B) the National Oceanic and Atmospheric Administration; and

(C) the Texas Water Development Board.

(b) The board shall adopt rules relating to the operation of the spatial reference center.

(c) The spatial reference center may solicit and accept gifts, grants, and appropriations for the purposes of this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1323 (S.B. 1436), Sec. 13, eff. September 1, 2007.

SUBCHAPTER F. EQUINE RESEARCH

Sec. 88.521. DEFINITIONS. In this subchapter:

(1) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 522, Sec. 27(1), eff. September 1, 2011.

(2) "Director" means the executive director of Texas AgriLife Research, formerly known as the Texas Agricultural Experiment Station.

(3) "Institution of higher education" has the meaning assigned by Section 61.003 of this code.

Added by Acts 1991, 72nd Leg., ch. 386, Sec. 73, eff. Aug. 26, 1991. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 21, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 27(1), eff. September 1, 2011.

Sec. 88.522. ACCOUNT. (a) A special account known as the equine research account is created in the general revenue fund. Money in the account may be used only for the purposes described in this subchapter.

(b) The director shall administer the account through established procedures of Texas AgriLife Research, formerly known as the Texas Agricultural Experiment Station.

(c) The comptroller shall periodically transfer the amounts specified by Sections 6.08(f) and (h), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), to the account.

(d) The director may accept gifts and grants for deposit into the account.

(e) The transactions of the director with respect to the account are subject to audit by the state auditor in accordance with Chapter 321, Government Code.

(f) Not more than 10 percent of the account may be spent each year on the cost incurred in the operation or administration of the account.

(g) All money received by the account under this chapter is subject to Subchapter F, Chapter 404, Government Code.

(h) Sections 403.094 and 403.095, Government Code, do not apply to the account.

Added by Acts 1991, 72nd Leg., ch. 386, Sec. 73, eff. Aug. 26, 1991.
Amended by Acts 1995, 74th Leg., ch. 110, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 22, eff. September 1, 2011.

Sec. 88.525. GRANTS. (a) To be eligible for a grant under this subchapter, the applicant must be affiliated with an institution of higher education.

(a-1) In awarding grants under this section, the director shall comply with the conflict of interest provisions of The Texas A&M University System.

(b) The director shall develop annually a request for proposals for equine research grants. Each proposal received may be evaluated by a peer review committee appointed by the director and subject matter experts as necessary to evaluate the proposal. The peer review committee shall consider the applicant's research capacity and the relevance and scientific merit of the proposal and make recommendations to the director.

(b-1) The director may award a grant to an applicant who proposes to commingle grant money awarded under this section with other sources of funding or proposes to conduct research that includes equine research.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 522, Sec. 27(7), eff. September 1, 2011.

(d) A person shall use a grant awarded under this subchapter to defray the direct costs of the approved research project.

(e) A person may not use a grant awarded under this subchapter to:

(1) replace funds that the applicant would have otherwise received from another source; or

(2) defray operating costs of an institution of higher education that are the institution's prior responsibility.

Added by Acts 1991, 72nd Leg., ch. 386, Sec. 73, eff. Aug. 26, 1991.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 23, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 27(7), eff. September 1, 2011.

Sec. 88.526. REPORTING. (a) The director shall prepare an annual report on equine research funded under this subchapter. The director shall distribute the report to members of the Texas horse racing industry. The director shall make copies of the report available to interested parties.

(b) The director may prepare and distribute other publications regarding equine research as the director finds appropriate.

(c) The director shall, at least annually, consult with the Texas Racing Commission on the use of the account and the impact of equine research funded by the account.

Added by Acts 1991, 72nd Leg., ch. 386, Sec. 73, eff. Aug. 26, 1991.
Amended by Acts 1995, 74th Leg., ch. 110, Sec. 6, eff. Sept. 1, 1995.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 24, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 5, eff. September 1, 2015.

Sec. 88.527. CONFERENCE. Texas AgriLife Research shall conduct an annual conference on equine research. Money from the equine research account shall be used to defray the costs of the conference. The conference must be designed to bring to the attention of the Texas horse racing industry the latest research results and technological developments in equine research. The director shall make the report created under Section 88.526 available at the conference.

Added by Acts 1991, 72nd Leg., ch. 386, Sec. 73, eff. Aug. 26, 1991.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 522 (H.B. 2271), Sec. 25, eff. September 1, 2011.

SUBCHAPTER G. TEXAS CENTER FOR ADULT LITERACY AND LEARNING

Sec. 88.541. DUTIES OF TEXAS CENTER FOR ADULT LITERACY AND LEARNING. (a) The Texas Center for Adult Literacy and Learning shall evaluate instructional videotapes or similar recorded materials generally available for use in providing adult literacy instruction and from time to time shall publish a guide describing and evaluating those videotapes and materials. The center shall encourage cable companies and other appropriate entities to use the guide in selecting materials to use in broadcasting and may take other action to promote the broadcast or dissemination of workbooks and other materials the center considers effective in teaching adult literacy.

(b) The center shall develop voluntary standards for the curriculum and workbooks and other materials used in adult literacy programs, including programs for teaching English as a second language. To develop the standards, the center shall organize an advisory group and shall encourage the participation of major providers of adult literacy programs in this state, including private nonprofit organizations, institutions of education, and correctional facilities. The Texas Department of Criminal Justice shall designate an employee of the department to participate in the initial development of the standards.

(c) In connection with the standards developed under Subsection (b), the center shall develop workbooks and other materials to be used by teachers and students in adult literacy programs to track the progress of the student and to allow the student to understand and maintain a record of the student's progress and proficiency.

(d) The center shall develop and update as necessary informational brochures, promotional posters, workbooks, or similar materials suitable for distribution to state employees or the general public describing the need for adult literacy and education services in this state and encouraging qualified persons to support or volunteer to assist programs that provide those services. As the center determines is appropriate, the center may provide samples of those workbooks and other materials to the governing boards or chief executive officers of state agencies, including institutions of higher education, and to other employers and institutions in this state and shall encourage those entities to distribute or make available the workbooks and other materials to their employees.

Added by Acts 1995, 74th Leg., ch. 655, Sec. 7.03, eff. Sept. 1,

1995.

SUBCHAPTER H. CENTER FOR PORTS AND WATERWAYS

Sec. 88.601. DEFINITIONS. In this subchapter:

(1) "Center" means the Center for Ports and Waterways.

(2) "Consortium" means Lamar University, Texas A&M University-Corpus Christi, Texas A&M University at Galveston, The University of Texas at Brownsville, Texas A&M University, Texas Transportation Institute, and the Center for Transportation Research at The University of Texas at Austin.

(3) "Director" means the director of the Center for Ports and Waterways.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.602. ESTABLISHMENT. The Center for Ports and Waterways is established as a component of the Texas Transportation Institute, a component of The Texas A&M University System. The operating budget, staffing, and activities of the center shall be approved by the board of regents of The Texas A&M University System.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.603. PURPOSE. The center shall carry out a program of research, education, and technology transfer to support the state's role in the inland waterway and port system in Texas.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.604. PROGRAM. The program of the center shall be authorized to include:

(1) the development and testing of new marine and maritime technologies and supporting their implementation;

(2) aiding transportation planners to better prepare for future inland and coastal waterway transportation needs;

(3) studying complex policy issues and assisting the state in defining roles of marine and intermodal transportation for

sustainable development;

(4) conducting research and studies that foster productivity and competitiveness in the maritime/marine industry;

(5) fostering public awareness of the importance of ports and waterways to the economy of Texas;

(6) transferring knowledge and technology to industry, state and local governments, and the public;

(7) establishing programs and partnerships with public or private entities to develop and implement new policies, technology, strategies, relationships, and sources of funding;

(8) studying environmental conflicts, complements, and risks associated with water transportation; and

(9) other services consistent with the purpose of the program.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.605. DIRECTOR. The center is under the supervision and direction of the director and shall be operated and managed as a joint program between the consortium. The director of the center is under the supervision and direction of the Director of the Texas Transportation Institute.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.606. STEERING COMMITTEE. (a) The steering committee is appointed by the Director of the Texas Transportation Institute and shall include a representative of each member of the consortium and others. The president or the director of each consortium member shall recommend an individual to serve as a member of the steering committee.

(b) The steering committee is established to advise and make recommendations to the director on the operations and activities of the center.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.607. MARITIME/MARINE INDUSTRY COUNCIL. (a) The

Maritime/Marine Industry Council is composed of at least nine persons appointed by the Director of the Texas Transportation Institute with at least the following representation:

(1) one member shall be the President of the Texas Waterway Operators or the president's designated representative;

(2) one member shall be the President of the Texas Ports Association or the president's designated representative;

(3) four members shall be representatives from Texas ports to be selected by the membership of the Texas Ports Association;

(4) three members shall be representatives from the barge industry;

(5) the director of the center shall be an ex officio member;

(6) a representative from the Texas Department of Transportation designated by the Texas Department of Transportation shall be an ex officio member; and

(7) two registered professional engineers having relevant marine experience shall be ex officio members.

(b) The Maritime/Marine Industry Council shall make program priority recommendations to the director and serve as a resource group for the center.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.608. FUNDING. The center is authorized to receive state appropriated funds as deemed appropriate by the legislature.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.609. GIFTS AND GRANTS. The center shall seek and may receive gifts and grants from federal sources, foundations, individuals, and other sources for the benefit of the center.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

Sec. 88.610. CONTRACTS. The center is authorized to enter into interagency contracts and agreements and to contract with local, state, county, federal, and private sources for work under the

center's programs.

Added by Acts 1995, 74th Leg., ch. 292, Sec. 1, eff. Aug. 28, 1995.

SUBCHAPTER I. RURAL VETERINARIAN INCENTIVE PROGRAM

Sec. 88.621. DEFINITIONS. In this subchapter:

(1) "College" means The Texas A&M University College of Veterinary Medicine.

(2) "Committee" means the rural veterinarian incentive program committee.

(3) "Eligible participant" means a person eligible to participate in the program under Section 88.624.

(4) "Fund" means the rural veterinarian incentive fund.

(5) "Program" means the rural veterinarian incentive program established by this subchapter.

(6) "Rural county" means a county with a population of less than 50,000.

(7) "University" means Texas A&M University.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.622. ADMINISTRATION OF PROGRAM. The university shall administer the program in accordance with the rules adopted by the committee.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.623. RURAL VETERINARIAN INCENTIVE PROGRAM COMMITTEE; RULES. (a) The rural veterinarian incentive program committee consists of:

(1) the executive director of the Texas Animal Health Commission, or the executive director's designee;

(2) the executive director of the State Board of Veterinary Medical Examiners, or the executive director's designee;

(3) the dean of the college;

(4) a veterinarian with a mixed animal practice appointed by the board of regents of The Texas A&M University System; and

(5) a veterinarian with a large animal practice appointed

by the board of regents of The Texas A&M University System.

(b) The dean of the college serves as the presiding officer of the committee.

(c) An appointed member of the committee serves a term of two years.

(d) The committee shall adopt rules:

(1) establishing criteria to determine whether a person is an eligible participant as the committee considers reasonable, including the person's:

(A) minimum grade point average; and

(B) financial need;

(2) providing for the distribution of money from the fund for the program;

(3) establishing the criteria necessary for a community or political subdivision in a rural county to qualify as a student sponsor under Section 88.625;

(4) governing agreements of financial support between a rural sponsor and an eligible student; and

(5) establishing other procedures necessary to administer the program.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.624. ELIGIBLE VETERINARY STUDENT OR GRADUATE. A person is eligible to participate in the program only if the person:

(1) is enrolled as a student of the college or applies to participate in the program on or before the first anniversary of the date the person graduates from the college;

(2) will receive or has received from a student loan at least 50 percent of the funds for tuition and fees for one or more academic years while enrolled in the college; and

(3) meets any additional qualifications adopted by the committee.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.625. RURAL SPONSORS; AGREEMENT TO PROVIDE FINANCIAL SUPPORT. (a) A community or political subdivision located in a rural county that qualifies under the rules of the committee may

become a sponsor of an eligible participant and may provide financial support to the eligible participant under the program.

(b) To participate as a sponsor in the program, the community or political subdivision must enter into an agreement with the eligible participant to provide financial support to the eligible participant in an amount not less than the tuition and fees required for a full academic year for a student enrolled in the college in exchange for the eligible participant's agreement to practice veterinary medicine in the sponsoring community or political subdivision.

(c) Financial support under this section:

(1) may be provided in whole or part by a grant, scholarship, or funds provided by a private foundation; and

(2) shall be deposited in the fund for distribution to the eligible participant by the university.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.626. FINANCIAL SUPPORT; COMMITMENT TO PRACTICE IN RURAL COUNTY. (a) To participate in the program, an eligible participant must enter into an agreement with the university to practice veterinary medicine in a rural county for one calendar year for each academic year for which the student receives financial support under the program.

(b) The financial support received by an eligible participant under this subchapter must be used to retire student loan debt or to pay tuition and fees to the university while the eligible participant is enrolled in the college.

(c) Financial support from the fund shall be awarded in the form of grants.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

Sec. 88.627. RURAL VETERINARIAN INCENTIVE FUND. (a) The rural veterinarian incentive fund is a special fund in the state treasury outside the general revenue fund.

(b) The fund consists of legislative appropriations for purposes of the program, gifts, grants, donations, the market value of in-kind contributions, and other sources of revenue deposited to

the credit of the fund by the university.

(c) The fund shall be administered by the university in accordance with rules adopted by the committee. The university may use a portion of the money deposited to the credit of the fund, not to exceed 10 percent of that amount, for the administration of the program.

Added by Acts 1999, 76th Leg., ch. 435, Sec. 1, eff. Aug. 30, 1999.

SUBCHAPTER I-1. TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

Sec. 88.701. TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY. The Texas Veterinary Medical Diagnostic Laboratory is a state agency under the jurisdiction and supervision of the board.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.702. EXECUTIVE DIRECTOR AND EMPLOYEES. (a) The board shall staff the Texas Veterinary Medical Diagnostic Laboratory with an executive director and other employees necessary for the agency to properly function.

(b) The executive director and employees are eligible to participate in the retirement systems and personnel benefits available to employees of The Texas A&M University System.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.704. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined statewide association of business competitors in this state designed to assist its members and its industry in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not serve as the executive director of the Texas Veterinary Medical Diagnostic Laboratory and may not be an

employee of the laboratory employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of veterinary medicine; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of veterinary medicine.

(c) A person may not serve as the executive director or act as the general counsel to the laboratory if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the laboratory.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.705. USE OF TECHNOLOGY. The executive director shall implement a policy requiring the Texas Veterinary Medical Diagnostic Laboratory to use appropriate technological solutions to improve the laboratory's ability to perform its functions. The policy must ensure that the public is able to interact with the laboratory on the Internet.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.706. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE RESOLUTION. (a) The executive director of the Texas Veterinary Medical Diagnostic Laboratory shall develop and implement a policy to encourage the use of:

(1) negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of rules by the laboratory; and

(2) appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of

internal and external disputes under the laboratory's jurisdiction.

(b) The laboratory's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The executive director shall designate a trained person to:

(1) coordinate the implementation of the policy adopted under Subsection (a);

(2) serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

(3) collect data concerning the effectiveness of those procedures, as implemented by the laboratory.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.707. FEES. (a) The Texas Veterinary Medical Diagnostic Laboratory may charge and collect fees for goods and services the laboratory provides to any person, including a governmental entity.

(b) The laboratory may adopt a fee or change the amount of a fee only after the laboratory:

(1) at least 30 days before the date the laboratory adopts the fee or changes the amount of the fee, provides notice of the proposed fee:

(A) in any newsletter distributed by the laboratory; and

(B) on the laboratory's Internet website;

(2) provides the public a reasonable opportunity to submit written comments on the proposed fee or fee amount; and

(3) considers all public comments received under Subdivision (2).

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.708. POWERS AND DUTIES. (a) The Texas Veterinary Medical Diagnostic Laboratory shall:

(1) provide diagnostic testing to aid in the identification of diseases affecting animals;

(2) provide testing to facilitate the international, intrastate, or interstate shipment of animals;

(3) identify and monitor disease epidemics in animals;

(4) assist livestock owners and veterinarians to identify, diagnose, and treat disease and other animal health matters, including matters that could affect human health;

(5) report the identification of a disease or other animal health matter, including a matter that could affect human health, to the appropriate state or federal agency or official as required by law;

(6) disseminate to veterinarians, animal owners, and the public news and other information, including information relating to general trends in animal health derived from diagnostic testing, that the laboratory determines appropriate concerning animal disease outbreaks and other animal health matters, including matters that could affect human health; and

(7) perform other functions as provided by law or that the laboratory determines necessary or appropriate to provide diagnostics, surveillance, and reporting of diseases affecting animals.

(b) The laboratory may provide diagnostic testing services for pets and other domestic animals or out-of-state clients only when and to the extent that laboratory resources are not required for diagnostic testing services for livestock in this state.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.709. COMPLAINTS. (a) The Texas Veterinary Medical Diagnostic Laboratory shall maintain a system to promptly and efficiently act on complaints filed with the laboratory. The laboratory shall maintain information about each complaint that includes:

(1) the parties to the complaint;

(2) the subject matter of the complaint;

(3) a summary of the results of the review or investigation of the complaint; and

(4) the disposition of the complaint.

(b) The laboratory shall make information available describing the laboratory's procedures for complaint investigation and resolution.

(c) The laboratory shall periodically notify the parties to a complaint of the status of the complaint until final disposition.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

Sec. 88.710. PLAN COORDINATOR; NATIONAL POULTRY IMPROVEMENT PLAN. (a) The poultry programs administrator for the Texas Veterinary Medical Diagnostic Laboratory serves as the state plan coordinator for the National Poultry Improvement Plan.

(b) The state plan coordinator shall work with the Texas Poultry Improvement Board in the administration of the National Poultry Improvement Plan.

Redesignated from Education Code, Subchapter I, Chapter 88 and amended by Acts 2007, 80th Leg., R.S., Ch. 111 (H.B. 2024), Sec. 1, eff. September 1, 2007.

SUBCHAPTER J. CENTER FOR TRANSPORTATION SAFETY

Sec. 88.801. DEFINITIONS. In this chapter:

(1) "Center" means the Center for Transportation Safety.

(2) "Institute" means the Texas Transportation Institute, a component of The Texas A&M University System.

Added by Acts 2001, 77th Leg., ch. 714, Sec. 2, eff. June 13, 2001.

Sec. 88.802. ESTABLISHMENT. The Center for Transportation Safety is established as a component of the institute and shall be administered in the same manner as other programs of the institute.

Added by Acts 2001, 77th Leg., ch. 714, Sec. 2, eff. June 13, 2001.

Sec. 88.803. PROGRAMS. (a) The center shall conduct programs of research, education, and technology transfer to support the state's role in improving the safety of the roadways in this state.

(b) The programs may include, but are not limited to:

(1) developing and testing roadway safety technologies and supporting their implementation;

(2) aiding transportation planners to better prepare for future roadway transportation needs;

(3) studying complex policy issues and providing input as to how roadway safety affects such issues and affects roadway transportation for sustainable development;

(4) conducting research and studies that foster productivity and competitiveness in the roadway safety industry;

(5) fostering public awareness of the importance of roadway safety to the economy of this state;

(6) transferring knowledge and technology to industry, state and local governments, and the public;

(7) establishing programs and partnerships with public or private entities to develop and implement new policies, technology, strategies, relationships, and sources of funding;

(8) studying environmental conflicts, complements, and risks associated with roadway transportation;

(9) engaging in other activities consistent with the purpose of the center; and

(10) other activities as determined by the board.

Added by Acts 2001, 77th Leg., ch. 714, Sec. 2, eff. June 13, 2001.

Sec. 88.804. CONTRACTS. The center may enter into interagency contracts and agreements and may contract with local, state, county, federal, and private entities for work under the center's programs.

Added by Acts 2001, 77th Leg., ch. 714, Sec. 2, eff. June 13, 2001.

SUBCHAPTER K. TEXAS AGRILIFE EXTENSION SERVICE

Sec. 88.821. DEFINITION. In this subchapter, "extension

service" means the Texas AgriLife Extension Service.

Added by Acts 2009, 81st Leg., R.S., Ch. 954 (H.B. 3429), Sec. 1, eff. June 19, 2009.

Sec. 88.822. PROGRAM REPORTS. (a) The extension service shall make a presentation to the commissioner of education, the commissioner of agriculture, and the commissioner of the Department of State Health Services and shall provide copies of reports to the Texas Education Agency, the Department of Agriculture, and the Department of State Health Services, and any council in which representatives from all three of those agencies are members, on the following programs:

(1) the Expanded Food and Nutrition Education Program (EFNEP), which provides nutrition education for economically disadvantaged parents of young children;

(2) the Better Living for Texans (BLT) program, a component of the national Supplemental Nutrition Assistance Program (SNAP), which provides education programs to food stamp recipients, applicants, and other approved audiences to help improve their ability to plan and prepare nutritious meals, stretch food dollars, and prepare and store food safely; and

(3) other similar programs as determined by the extension service.

(b) Not later than December 15 of each even-numbered year, the extension service shall provide a copy of each report described by Subsection (a) to the legislature.

(c) This section does not affect any other requirement for the extension service to make a report to any state or federal agency.

Added by Acts 2009, 81st Leg., R.S., Ch. 954 (H.B. 3429), Sec. 1, eff. June 19, 2009.

CHAPTER 89. THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 89.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of regents of The Texas A&M University System.

(2) "Health science center" means The Texas A&M University

System Health Science Center.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.01, eff. June 17, 2011.

Sec. 89.002. COMPOSITION. (a) The Texas A&M University System Health Science Center is composed of the following component institutions, agencies, and programs under the management and control of the board:

(1) The Texas A&M University System Health Science Center College of Medicine;

(2) The Texas A&M University System Health Science Center Baylor College of Dentistry;

(3) The Texas A&M University System Health Science Center School of Rural Public Health;

(4) The Texas A&M University System Health Science Center Irma Lerma Rangel College of Pharmacy;

(5) The Texas A&M University System Health Science Center College of Nursing;

(6) The Texas A&M University System Health Science Center School of Graduate Studies;

(7) The Texas A&M University System Health Science Center Institute of Biosciences and Technology;

(8) The Texas A&M University System Health Science Center Coastal Bend Health Education Center;

(9) The Texas A&M University System Health Science Center South Texas Health Center; and

(10) The Texas A&M University System Health Science Center Rural and Community Health Institute.

(b) The Texas A&M University System Health Science Center Baylor College of Dentistry may use the name "Baylor" only:

(1) in accordance with:

(A) a license agreement between the health science center and Baylor University; or

(B) other written approval from Baylor University; or

(2) as otherwise permitted by law.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.01, eff. June 17, 2011.

Sec. 89.003. MANDATORY VENUE. (a) Venue for a suit filed against the health science center, any component institution, agency, or program of the health science center, or any officer or employee of the health science center is in Brazos County.

(b) This section does not waive any defense to or immunity from suit or liability that may be asserted by an entity or individual described by this section.

(c) In case of a conflict between this section and any other law, this section controls.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.01, eff. June 17, 2011.

Sec. 89.004. EXPENDITURE OF STATE FUNDS. The board is authorized to expend funds appropriated to it by the legislature for all lawful purposes of the health science center and its component institutions, agencies, and programs as well as funds available under the authority of Section 18, Article VII, Texas Constitution, for the purposes expressed in that section for the support of the health science center and its component institutions, agencies, and programs.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.01, eff. June 17, 2011.

SUBCHAPTER B. THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER IRMA LERMA RANGEL COLLEGE OF PHARMACY

Sec. 89.051. THE TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER IRMA LERMA RANGEL COLLEGE OF PHARMACY. (a) The board shall maintain a college of pharmacy as a component of the health science center.

(b) The college shall be known as The Texas A&M University System Health Science Center Irma Lerma Rangel College of Pharmacy, and the primary building in which the school is operated in Kleberg County must include "Irma Rangel" in its official name.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1049 (S.B. 5), Sec. 8.01, eff. June 17, 2011.

SUBTITLE E. THE TEXAS STATE UNIVERSITY SYSTEM
CHAPTER 95. ADMINISTRATION OF THE TEXAS STATE UNIVERSITY SYSTEM
SUBCHAPTER A. ADMINISTRATIVE PROVISIONS

Sec. 95.01. BOARD OF REGENTS. The organization, control, and management of the state university system is vested in the Board of Regents, Texas State University System.

Acts 1971, 62nd Leg., p. 3218, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.02. BOARD MEMBERS: APPOINTMENT, QUALIFICATIONS, TERMS. The board is composed of nine members appointed by the governor with the advice and consent of the senate. The members hold office for terms of six years, with the terms of three members expiring February 1 of odd-numbered years. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state.

Acts 1971, 62nd Leg., p. 3218, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 2837, ch. 484, art. III, Sec. 3, eff. June 19, 1983.

Sec. 95.03. BOARD MEETINGS. The board shall provide for regular meetings for the transaction of business pertaining to the affairs of the state university system. The chairman or a majority of the members of the board by petition may at any time call a special meeting of the board and fix the time and place thereof.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.04. PER DIEM; EXPENSES. Members of the board shall receive a per diem payment as provided by the legislature and shall in addition be reimbursed for the actual expenses incurred by them in the performance of their duties. Payment shall be made out of the

appropriation for the support and maintenance of the state university system as the board may direct.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.05. QUORUM. Five members of the board shall be a quorum for the transaction of business at any meeting and, unless a greater number is required by the board's rules, the act of a majority of the members present at any meeting shall be the act of the board.

Added by Acts 1983, 68th Leg., p. 3053, ch. 524, Sec. 2, eff. Sept. 1, 1983.

Sec. 95.06. SYSTEM CENTRAL ADMINISTRATION OFFICE; EXECUTIVE OFFICER. (a) The central administration office of the university system shall provide oversight and coordination of the activities of each component institution within the system.

(b) The board shall appoint an executive officer of the university system and determine the executive officer's term of office, salary, and duties.

(c) The executive officer shall recommend a plan for the organization of the university system and the appointment of a president for each component institution within the system.

(d) The executive officer is responsible to the board for the general management and success of the university system, and the board shall cooperate with the executive officer to carry out that responsibility.

(e) In addition to other powers and duties provided by this code or other law, the central administration office of the system shall recommend necessary policies and rules to the governing board of the system to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

Added by Acts 1989, 71st Leg., ch. 464, Sec. 3, eff. June 14, 1989.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 95.21. GENERAL RESPONSIBILITIES AND AUTHORITY OF BOARD. (a) The board is responsible for the general control and management of the universities in the system and may erect, equip, and repair buildings; purchase libraries, furniture, apparatus, fuel, and other necessary supplies; employ and discharge presidents or principals, teachers, treasurers, and other employees; fix the salaries of the persons employed; and perform such other acts as in the judgment of the board contribute to the development of the universities in the system or the welfare of their students.

(b) The board has authority to promulgate and enforce such rules, regulations, and orders for the operation, control, and management of the university system and its institutions as the board may deem either necessary or desirable. When a power is vested in the board, the board may adopt a rule, regulation, or order delegating such power to any officer, employee, or committee as the board may designate.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.22. INSPECTION OF UNIVERSITIES. The board as a whole or by committee shall visit each university under its control and management at least once during each scholastic year, inspect its work, and gather information which will enable the board to perform its duties intelligently and effectively.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.23. LOCAL COMMITTEES OF BOARD. At least once a year each local committee of the board shall meet on the campus of the institution for which the local committee is responsible for

reporting to the board. At the meeting, the local committee shall confer with the institution's officials and carefully examine all phases of the operations of the institution.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 95.24. ADMISSION; DIPLOMAS AND CERTIFICATES. The board may determine the conditions on which students may be admitted to the universities, the grades of certificates issued, the conditions for the award of certificates and diplomas, and the authority by which certificates and diplomas are signed.

Acts 1971, 62nd Leg., p. 3219, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.25. TEACHING CERTIFICATES. Diplomas and teachers certificates of each of the system universities authorize the holders to teach in the public schools.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.27. ANNUAL REPORT TO GOVERNOR. The board shall make an annual report to the governor showing the general condition of the affairs of each university in the system and making recommendations for its future management and welfare.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.28. DISBURSEMENT OF FUNDS. All appropriations made by the legislature for the support and maintenance of the system universities, for the purchase of land or buildings for the

universities, for the erection or repair of buildings, for the purchase of apparatus, libraries, or equipment of any kind, or for any other improvement of any kind shall be disbursed under the direction and authority of the board. The board may formulate rules for the general control and management of the universities, for the auditing and approving of accounts, and for the issuance of vouchers and warrants which are necessary for the efficient administration of the universities.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.29. FINANCIAL STATEMENTS AND RECOMMENDATIONS. The board shall file in each house of the legislature at each of its regular biennial sessions a statement of the receipts and expenditures of each of the system universities, showing the amount of salaries paid to the various teachers, contingent expenses, expenditures for improvements, and other items of expense. The board shall also file its recommendations for appropriations for the universities.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.

Sec. 95.30. EMINENT DOMAIN. The board has the power of eminent domain to acquire for the use of the system universities the lands necessary and proper for carrying out their purposes, in the manner prescribed in Title 4, Chapter 21, of the Property Code. The taking of the land is for the use of the state. The board shall not be required to deposit a bond or the amount equal to the award of damages by the commissioners as provided in Section 21.021 of the Property Code.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1987, 70th Leg., ch. 403, Sec. 1, eff. Sept. 1, 1987.

Sec. 95.31. ACQUISITION OF LAND; PROCEDURES. The board may acquire land, including the improvements thereupon, needed for the proper operation of a system university. The acquisition may be by grant, purchase, lease, exchange, gift, devise, or by condemnation.

If the board and the landowner cannot agree on the sale and purchase of the land, the board may request the attorney general to proceed to condemn the land as provided by law.

Acts 1971, 62nd Leg., p. 3220, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1161, ch. 434, Sec. 4, eff. June 19, 1975; Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983; Acts 1987, 70th Leg., ch. 403, Sec. 1, eff. Sept. 1, 1987.

Sec. 95.32. DORMITORIES. (a) The board may enter into contracts with persons, firms, or corporations for the erection of dormitories at a university, and may purchase or lease lands and other appurtenances for the construction of the dormitories, provided that the state incurs no liability for the buildings or the sites.

(b) The board may make contracts with reference to the collection and disposition of the revenue derived from the dormitories in the acquisition, management, and maintenance of the buildings.

(c) The board may adopt rules and regulations it deems reasonable requiring any class or classes of students to reside in the dormitories or other buildings. Absolute management and control of the dormitories constructed is vested in the board.

Acts 1971, 62nd Leg., p. 3221, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1162, ch. 434, Sec. 5, eff. June 19, 1975.

Sec. 95.33. MANAGEMENT OF PROPERTY. The board of regents of the Texas State University System has the sole and exclusive management and control of the lands set aside and appropriated to, or acquired by, the Texas State University System. The board may sell, lease, and otherwise manage, control, and use the lands in any manner

and at prices and under terms and conditions the board deems best for the interest of the Texas State University System, not in conflict with the constitution. However, the land shall not be sold at a price less per acre than that at which the same class of other public land may be sold under the statutes. No grazing lease shall be made for a period of more than 10 years.

Added by Acts 1979, 66th Leg., p. 1447, ch. 636, Sec. 1, eff. June 13, 1979. Amended by Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.34. DONATIONS, GIFTS, GRANTS, AND ENDOWMENTS. (a) The board may accept donations, gifts, grants, and endowments for the universities under its control to be held in trust and administered by the board for the purposes and under the directions, limitations, and provisions declared in writing in the donation, gift, grant, or endowment, not inconsistent with the laws of the state or with the objectives and proper management of the universities. All money accepted under the authority of this section shall be deposited to the credit of one or more special funds created by the board for the university system or universities in the system. The board shall designate one or more depositories for the money received and shall accord money deposited in them the same protection by the pledging of assets of a depository as is required for the protection of public funds.

(b) The board may deposit in one or more appropriate accounts created by the board all funds received as administrative fees or charges for services rendered in the management and administration of any trust estate under the control of the board. The funds so received as administrative fees or charges may be expended by the board for any educational purpose of the university system or universities in the system.

Added by Acts 1979, 66th Leg., p. 1447, ch. 636, Sec. 1, eff. June 13, 1979. Amended by Acts 1983, 68th Leg., p. 3050, ch. 524, Sec. 1, eff. Sept. 1, 1983.

Sec. 95.36. MANAGEMENT AND LEASE OF LAND. (a) The board may lease for oil, gas, sulphur, ore, and other mineral development all

land under its control. The board may make and enter into pooling agreements, division orders, or other contracts necessary in the management and development of its land. All leases, pooling agreements, division orders, or other contracts entered into shall be on terms which the board deems in the best interest of the system and the system universities. No lease shall be sold for less than the royalty and rental terms demanded at that time by the General Land Office in the sale of oil, gas, and other mineral leases of the public lands of the State of Texas.

(b) Except as provided in Subsection (c) of this section, any money received by virtue of this section and the income from the investment of such money shall be deposited in a special fund managed by the board to be known as the Texas State University System special mineral fund. Money in the fund is considered to be institutional funds, as defined by Section 51.009, of the system and its component institutions and is to be used exclusively for those entities. All deposits in and investments of the fund shall be made in accordance with Section 51.0031. Section 34.017, Natural Resources Code, does not apply to the fund.

(c) All money received by virtue of the lease of land given to the board by a will, instrument in writing, or other means shall be deposited to the credit of one or more special funds created by the board for the university system or universities in the system. The board shall designate one or more depositories for the money received and shall accord money deposited in them the same protection by the pledging of assets of a depository as is required for the protection of public funds. Money deposited in a special fund may be used by the board for payment of principal and interest on revenue bonds or notes issued by the board and for any other use or purpose which in the judgment of the board may be for the good of the university system or the universities in the system.

Added by Acts 1983, 68th Leg., p. 3053, ch. 524, Sec. 2, eff. Sept. 1, 1983.
Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 55.04, eff. September 28, 2011.

Sec. 95.37. DELINQUENT STUDENT LOAN ACCOUNTS; VENUE. A suit

by the Texas State University System on its own behalf or on behalf of a component institution of the Texas State University System to recover a delinquent student loan, account, or debt owed to the Texas State University System or a component institution of the Texas State University System shall be brought in Travis County.

Added by Acts 1987, 70th Leg., ch. 403, Sec. 2, eff. Sept. 1, 1987.

CHAPTER 96. INSTITUTIONS OF THE TEXAS STATE UNIVERSITY SYSTEM

SUBCHAPTER A. SUL ROSS STATE UNIVERSITY

Sec. 96.01. SUL ROSS STATE UNIVERSITY. Sul Ross State University is a coeducational institution of higher education located in the city of Alpine, with an upper-level educational center known as Sul Ross State University Rio Grande College operated in the cities of Del Rio, Eagle Pass, and Uvalde. The university is under the management and control of the Board of Regents, Texas State University System.

Acts 1971, 62nd Leg., p. 3222, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975; Acts 1995, 74th Leg., ch. 118, Sec. 2, eff. May 17, 1995.

Sec. 96.02. REFERENCE TO UVALDE STUDY CENTER. A reference in law to the Uvalde Study Center of Sul Ross State University means Sul Ross State University Rio Grande College.

Added by Acts 1995, 74th Leg., ch. 118, Sec. 3, eff. May 17, 1995.

SUBCHAPTER C. TEXAS STATE UNIVERSITY

Sec. 96.41. TEXAS STATE UNIVERSITY. Texas State University is a coeducational institution of higher education with campuses located in the city of San Marcos and in the city of Round Rock. The university is under the management and control of the Board of Regents, Texas State University System.

Acts 1971, 62nd Leg., p. 3223, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3,

eff. June 19, 1975; Acts 2003, 78th Leg., ch. 386, Sec. 2, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 30 (S.B. 974), Sec. 2, eff. September 1, 2013.

SUBCHAPTER D. SAM HOUSTON STATE UNIVERSITY

Sec. 96.61. SAM HOUSTON STATE UNIVERSITY. (a) Sam Houston State University is a coeducational institution of higher education located in the city of Huntsville. It is under the management and control of the Board of Regents, Texas State University System.

(b) The board may not change the name of the university.

Acts 1971, 62nd Leg., p. 3223, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1160, ch. 434, Sec. 3, eff. June 19, 1975.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 675 (H.B. 1418), Sec. 1, eff. June 15, 2007.

Sec. 96.62. UNIVERSITY AIRPORT. (a) The board may construct or otherwise acquire without cost to the state or the university an airport for purposes of cooperation with the national defense program and for instruction in aeronautics.

(b) The board may acquire by purchase, lease, gift, or by any other means, and may maintain, use, and operate any and all property of any kind, real, personal, or mixed, or any interest in property, necessary or convenient to the exercise of the powers conferred by this section. The board has the power of eminent domain for the purpose of acquiring by condemnation any real property, or any interest in real property, necessary or convenient to the exercise of the powers conferred by this section. The board shall exercise the power of eminent domain in the manner provided by general law, including Title 52, Revised Civil Statutes of Texas, 1925, except that it shall not be required to give bond for appeal or bond for costs.

Acts 1971, 62nd Leg., p. 3223, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 96.63. JOSEY SCHOOL OF VOCATIONAL EDUCATION. (a) The Josey School of Vocational Education is a division of Sam Houston State University and is under the direction and control of the Board of Regents, State Senior Colleges.

(b) The administration of the school is under the direction of the president of Sam Houston State University.

(c) The school shall provide vocational training for individuals over the age of 18 who cannot qualify scholastically for college entrance and for other persons who desire to avail themselves of short intensive courses in vocational education in the following fields: agriculture, home management, distributive education, photography, plumbing, sheet metal work, machine shop, auto mechanics, furniture, electrical appliances, air conditioning and refrigeration, printing, radio, garment making, interior decorating, light construction contracting, photoengraving, watchmaking, and other trades of like nature. The training in these subjects shall be organized so that the courses may be completed in from 9 to 24 months. Courses may also be offered in English and mathematics and other subjects which will contribute to the vocational training of the student. Vocational courses in government, designed to prepare workers in various county, city, and state offices, may also be offered.

(d) The rate of tuition charged students shall be the actual cost of teaching service, not to exceed $500 per scholastic year of nine months. Scholarships may be awarded by the board to worthy indigent students who might greatly benefit from the training offered. The amount of the scholarships may vary according to the needs of the individuals, but in no case may it reduce the tuition payment by the student to a point less than the tuition fee regularly charged students at the state senior colleges.

Acts 1971, 62nd Leg., p. 3224, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 96.64. BILL BLACKWOOD LAW ENFORCEMENT MANAGEMENT INSTITUTE OF TEXAS. (a) The Bill Blackwood Law Enforcement Management Institute of Texas is created for the training of police management

personnel. The headquarters of the institute are at Sam Houston State University. The institute is under the supervision and direction of the president of Sam Houston State University and shall be operated and managed as a joint program between Sam Houston State University, Texas A&M University, and Texas Woman's University.

(b) The president may establish rules relating to the institute.

(c) The president shall establish reasonable charges for participation in institute training programs by participants who are not residents of this state. The participation costs of participants who are residents, including tuition, books, room, board, and travel costs, shall be paid from the Bill Blackwood Law Enforcement Management Institute of Texas fund. Participation in the institute training programs is open to every eligible resident of this state, whether or not the person is sponsored by an employing law enforcement agency.

(d) The Bill Blackwood Law Enforcement Management Institute of Texas fund is in the state treasury. The president shall use the fund in administering the institute.

(e) The board of regents of the Texas State University System may acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, facilities, roads, or related infrastructure for the institute to be financed by the issuance of bonds in accordance with Subchapter B, Chapter 55. The board of regents may pledge irrevocably to the payment of those bonds a portion of the proceeds of the Bill Blackwood Law Enforcement Management Institute of Texas fund. The amount of a pledge made under this subsection may not be reduced or abrogated while the bonds for which the pledge is made, or bonds issued to refund those bonds, are outstanding.

Added by Acts 1989, 71st Leg., ch. 4, Sec. 2.39(a), eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 19, Sec. 1, eff. April 11, 1991; Acts 1991, 72nd Leg., ch. 561, Sec. 26, eff. Aug. 26, 1991. Renumbered from Government Code, Sec. 415.091 to 415.099 and amended by Acts 1993, 73rd Leg., ch. 1047, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 1995, 74th Leg., ch. 876, Sec. 1.02, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 895, Sec. 2, eff. Sept. 1, 1997.

Sec. 96.641. INITIAL TRAINING AND CONTINUING EDUCATION FOR POLICE CHIEFS AND COMMAND STAFF. (a) The Bill Blackwood Law Enforcement Management Institute of Texas shall establish and offer a program of initial training and a program of continuing education for police chiefs. The curriculum for each program must relate to law enforcement management issues. The institute shall develop the curriculum for the programs. The curriculum must be approved by the Texas Commission on Law Enforcement.

(a-1) The institute may establish and offer a continuing education program for command staff for individuals who are second in command to police chiefs. The command staff continuing education program must satisfy the requirements for the police chief continuing education program under Subsection (a).

(b) Each police chief must receive at least 40 hours of continuing education provided by the institute under this section each 24-month period. The Texas Commission on Law Enforcement by rule shall establish a uniform 24-month continuing education training period.

(c) An individual appointed or elected to that individual's first position as chief must receive not fewer than 80 hours of initial training for new chiefs in accordance with Subsections (d) and (e).

(d) A newly appointed or elected police chief shall complete the initial training program for new chiefs not later than the second anniversary of that individual's appointment or election as chief. The initial training program for new chiefs is in addition to the initial training and continuing education required by Chapter 1701, Occupations Code. The Texas Commission on Law Enforcement by rule shall establish that the first continuing education training period for an individual under Subsection (b) begins on the first day of the first uniform continuing education training period that follows the date the individual completed the initial training program.

(e) The institute by rule may provide for the waiver of:

(1) the requirement of all or part of the 80 hours of initial training for new chiefs to the extent the new chief has satisfactorily completed equivalent training in the 24 months preceding the individual's appointment or election; or

(2) the continuing education requirements of Subsection (b) for an individual who has satisfactorily completed equivalent continuing education in the preceding 24 months.

(f) An individual who is subject to the continuing education requirements of Subsection (b) is exempt from other continuing education requirements under Subchapter H, Chapter 1701, Occupations Code.

(g) In this section, "police chief" or "chief" means the head of a police department.

(h) The chief of a municipal police department must be licensed as a peace officer by the commission no later than one year after the date that the chief is appointed to the position of police chief. The commission shall establish requirements for licensing and for revocation, suspension, cancellation, or denial of peace officer license for a police chief.

(i) A police chief who does not comply with this section cannot continue to be the chief.

(j) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on asset forfeiture under Chapter 59, Code of Criminal Procedure. The program must include an examination of the best practices for educating peace officers about asset forfeiture and monitoring peace officers' compliance with laws relating to asset forfeiture.

(k) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on racial profiling. The program must include an examination of the best practices for:

(1) monitoring peace officers' compliance with laws and internal agency policies relating to racial profiling;

(2) implementing laws and internal agency policies relating to preventing racial profiling; and

(3) analyzing and reporting collected information.

(l) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments. The program must include an examination of the best practices for:

(1) monitoring peace officers' compliance with internal agency policies relating to de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments; and

(2) implementing internal agency policies relating to those techniques.

(m) A police chief may not satisfy the requirements of Subsection (l) by taking an online course on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments.

Added by Acts 1997, 75th Leg., ch. 770, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 2001, 77th Leg., ch. 929, Sec. 4, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 947, Sec. 3, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1420, Sec. 14.740, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1275, Sec. 2(47), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 393 (S.B. 1473), Sec. 2, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 278 (H.B. 486), Sec. 1, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 602 (S.B. 244), Sec. 1, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 602 (S.B. 244), Sec. 2, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 93 (S.B. 686), Sec. 2.16, eff. May 18, 2013.

Sec. 96.645. CORRECTIONAL MANAGEMENT INSTITUTE OF TEXAS. (a) In this section, "institute" means the Correctional Management Institute of Texas.

(b) The Correctional Management Institute of Texas is established for the training of criminal justice professionals. The headquarters of the institute are at Sam Houston State University. The institute is under the supervision and direction of the president of Sam Houston State University.

(c) The president of Sam Houston State University may establish rules relating to the institute.

(d) The president of Sam Houston State University shall establish reasonable charges for participation in institute training programs by participants who are not residents of this state. The participation costs of participants who are residents of this state, including tuition, books, room, board, and travel costs, shall be

paid from the Correctional Management Institute of Texas and Criminal Justice Center Account in the general revenue fund.

(e) The institute may provide fee-based training and professional development programming using funds other than appropriated funds.

Added by Acts 2013, 83rd Leg., R.S., Ch. 614 (S.B. 1313), Sec. 1, eff. June 14, 2013.

Sec. 96.65. CRIME VICTIMS' INSTITUTE. (a) In this section:

(1) "Close relative of a deceased victim" has the meaning assigned by Article 56.01, Code of Criminal Procedure.

(2) "Guardian of a victim" has the meaning assigned by Article 56.01, Code of Criminal Procedure.

(3) "Institute" means the Crime Victims' Institute.

(4) "Victim" has the meaning assigned by Article 56.01, Code of Criminal Procedure.

(b) It is the intent of the legislature to create an institute to:

(1) compile and study information concerning the impact of crime on:

(A) victims;

(B) close relatives of deceased victims;

(C) guardians of victims; and

(D) society;

(2) use information compiled by the institute to evaluate the effectiveness of criminal justice policy and juvenile justice policy in preventing the victimization of society by crime;

(3) develop policies to assist the criminal justice system and the juvenile justice system in preventing the victimization of society by crime; and

(4) provide information related to the studies of the institute.

(c) The headquarters of the institute are at Sam Houston State University in Huntsville, Texas. The institute is under the supervision and direction of the president of Sam Houston State University.

(d) The institute shall:

(1) conduct an in-depth analysis of the impact of crime on:

(A) victims;

(B) close relatives of deceased victims;

(C) guardians of victims; and

(D) society;

(2) evaluate the effectiveness of and deficiencies in the criminal justice system and the juvenile justice system in addressing the needs of victims, close relatives of deceased victims, and guardians of victims and recommend strategies to address the deficiencies of each system;

(3) determine the long-range needs of victims, close relatives of deceased victims, and guardians of victims as the needs relate to the criminal justice system and the juvenile justice system and recommend changes for each system;

(4) assess the cost-effectiveness of existing policies and programs in the criminal justice system and the juvenile justice system relating to victims, close relatives of deceased victims, and guardians of victims;

(5) make general recommendations for improving the service delivery systems for victims in the State of Texas;

(6) advise and assist the legislature in developing plans, programs, and legislation for improving the effectiveness of the criminal justice system and juvenile justice system in addressing the needs of victims, close relatives of deceased victims, and guardians of victims;

(7) make computations of daily costs and compare interagency costs on victims' services provided by agencies that are a part of the criminal justice system and the juvenile justice system;

(8) determine the costs to attorneys representing the state of performing statutory and constitutional duties relating to victims, close relatives of deceased victims, or guardians of victims;

(9) make statistical computations for use in planning for the long-range needs of the criminal justice system and the juvenile justice system as those needs relate to victims, close relatives of deceased victims, and guardians of victims;

(10) determine the long-range information needs of the criminal justice system and the juvenile justice system as those needs relate to victims, close relatives of deceased victims, and guardians of victims;

(11) enter into a memorandum of understanding with the Texas Crime Victim Clearinghouse to provide training and education related to the outcome of research and duties as conducted under Subdivisions (1)-(10);

(12) issue periodic reports to the attorney general and the legislature on the progress toward accomplishing the duties of the institute; and

(13) engage in other research activities consistent with the duties of the institute.

(e) The institute shall cooperate with the Criminal Justice Policy Council in performing the duties of the institute.

(f) The institute may enter into memoranda of understanding with state agencies in performing the duties of the institute.

(g) Local law enforcement agencies shall cooperate with the institute by providing to the institute access to information that is necessary for the performance of the duties of the institute.

(h) The president of Sam Houston State University may employ personnel as necessary to perform the duties of the institute.

(i) The institute may contract with public or private entities in the performance of the duties of the institute.

(j) The institute may accept gifts, grants, donations, or matching funds from a public or private source for the performance of the duties of the institute. The legislature may appropriate money to the institute to finance the performance of the duties of the institute. Money and appropriations received by the institute under this subsection shall be deposited as provided by Section 96.652.

Added by Acts 1995, 74th Leg., ch. 485, Sec. 1, eff. Sept. 1, 1995. Redesignated and amended from Government Code Sec. 412.001, 412.002, 412.011 to 412.016 by Acts 2003, 78th Leg., ch. 927, Sec. 1, eff. Sept. 1, 2003.

Sec. 96.651. CRIME VICTIMS' INSTITUTE ADVISORY COUNCIL. (a) In this section:

(1) "Advisory council" means the Crime Victims' Institute Advisory Council.

(2) "Victim" has the meaning assigned by Article 56.01, Code of Criminal Procedure.

(b) The Crime Victims' Institute Advisory Council is created as

an advisory council to the Crime Victims' Institute.

(c) The advisory council is composed of the attorney general and the following individuals, each of whom is appointed by the governor:

(1) a victim;

(2) a member of the house of representatives;

(3) a member of the senate;

(4) a county judge or district judge whose primary responsibility is to preside over criminal cases;

(5) a district attorney, criminal district attorney, county attorney who prosecutes felony offenses, or county attorney who prosecutes mostly criminal cases;

(6) a law enforcement officer;

(7) a crime victims' assistance coordinator;

(8) a crime victims' liaison;

(9) a mental health professional with substantial experience in the care and treatment of victims;

(10) a person with broad knowledge of sexual assault issues;

(11) a person with broad knowledge of domestic violence issues;

(12) a person with broad knowledge of child abuse issues;

(13) a person with broad knowledge of issues relating to the intoxication offenses described by Chapter 49, Penal Code;

(14) a person with broad knowledge of homicide issues;

(15) a person with broad knowledge of research methods; and

(16) a designee of the governor.

(d) The advisory council shall select a presiding officer from among the council members and other officers that the council considers necessary.

(e) The advisory council shall meet at the call of the presiding officer.

(f) Appointed members of the advisory council serve for staggered two-year terms, with the terms of eight of the members expiring on January 31 of each even-numbered year and the terms of eight members expiring on January 31 of each odd-numbered year.

(g) Service on the advisory council by a public officer or employee is an additional duty of the office or employment.

(h) A member of the advisory council serves without

compensation for service on the council but may be reimbursed for actual and necessary expenses incurred while performing council duties.

(i) The advisory council may establish advisory task forces or committees that the council considers necessary to accomplish the purposes of this section and Sections 96.65 and 96.652.

(j) The advisory council shall advise the Crime Victims' Institute on issues relating directly to the duties of the institute as set forth under Section 96.65(d).

Added by Acts 1995, 74th Leg., ch. 485, Sec. 1, eff. Sept. 1, 1995. Redesignated and amended from Government Code Sec. 412.051 to 412.057 by Acts 2003, 78th Leg., ch. 927, Sec. 1, eff. Sept. 1, 2003.

Sec. 96.652. CRIME VICTIMS' INSTITUTE ACCOUNT; AUDIT; REPORT. (a) The Crime Victims' Institute account is an account in the general revenue fund.

(b) The Crime Victims' Institute may use funds from the Crime Victims' Institute account to carry out the purposes of this section and Sections 96.65 and 96.651.

(c) The comptroller shall deposit the funds received under Section 96.65 to the credit of the Crime Victims' Institute account.

(d) Funds spent are subject to audit by the state auditor.

(e) The Crime Victims' Institute shall prepare a complete annual financial report as prescribed by Section 2101.011, Government Code.

Added by Acts 1995, 74th Leg., ch. 485, Sec. 1, eff. Sept. 1, 1995. Redesignated and amended from Government Code Sec. 412.081, 412.082 by Acts 2003, 78th Leg., ch. 927, Sec. 1, eff. Sept. 1, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 19, eff. September 1, 2013.

SUBCHAPTER E. LAMAR UNIVERSITY AND RELATED INSTITUTIONS

Sec. 96.701. LAMAR UNIVERSITY. Lamar University is a coeducational institution of higher education located in the city of Beaumont. The university is under the management and control of the board of regents, Texas State University System.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.

Sec. 96.702. SPINDLETOP MEMORIAL MUSEUM. The board may create the Spindletop Memorial Museum at Lamar University and may administer the museum as the board considers appropriate.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.

Sec. 96.703. LAMAR INSTITUTE OF TECHNOLOGY. (a) In the city of Beaumont, the board shall establish and maintain a lower-division institution of higher education as a separate degree-granting institution to be known as Lamar Institute of Technology.

(b) The primary purpose of the institute is to teach technical and vocational courses and related supporting courses. The board may confer degrees appropriate to the institute's curriculum.

(c) Repealed by Acts 2009, 81st Leg., R.S., Ch. 287, Sec. 17, eff. September 1, 2009.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.
Amended by Acts 1999, 76th Leg., ch. 767, Sec. 1, eff. June 18, 1999; Acts 2001, 77th Leg., ch. 1212, Sec. 2, eff. June 15, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 15, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 287 (H.B. 51), Sec. 17, eff. September 1, 2009.

Sec. 96.704. LAMAR STATE COLLEGE--PORT ARTHUR AND LAMAR STATE COLLEGE--ORANGE. (a) The board shall establish and maintain coeducational lower-division institutions of higher education as separate accredited degree-granting institutions in the counties of Jefferson and Orange, to be known as Lamar State College-- Port Arthur and Lamar State College-- Orange, to teach only freshman- and sophomore-level courses.

(b) The board may acquire, construct, or otherwise make provision for adequate physical facilities for use by Lamar State College-- Port Arthur and Lamar State College-- Orange and may accept and administer, on terms and conditions satisfactory to the board,

grants or gifts of money or property tendered by any reason for the use and benefit of the school.

(c) The board with approval of the Texas Higher Education Coordinating Board may prescribe courses leading to customary degrees. The board may make other rules and regulations for the operation, control, and management of Lamar State College-- Port Arthur and Lamar State College-- Orange as are necessary for each institution to be a first-class institution for freshman and sophomore students.

(d) Nothing in this section shall be construed to limit the powers of the board as conferred by law.

(e) For Lamar State College-- Port Arthur and Lamar State College-- Orange, the board may expend funds allocated to Lamar University under Chapter 62 for any of the purposes listed in Section 17, Article VII, Texas Constitution, in the same manner and under the same circumstances as expenditures for those purposes for other separate degree-granting institutions.

(f) A reference in state law to Lamar University at Port Arthur means Lamar State College--Port Arthur. A reference in state law to Lamar University at Orange means Lamar State College--Orange.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.
Amended by Acts 1999, 76th Leg., ch. 767, Sec. 2, eff. June 18, 1999.

Sec. 96.705. APPLICATION OF OTHER LAW. All other provisions of law, including provisions for student fees, applicable to institutions of the Texas State University System apply to Lamar University and its educational centers.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.

Sec. 96.706. HAZARDOUS WASTE RESEARCH CENTER. (a) The Hazardous Waste Research Center is established at Lamar University at Beaumont. The center is under the authority of the board of regents of the Texas State University System. The center may employ such personnel as are necessary.

(b) The center shall carry out a program of research, evaluation, testing, development, and demonstration of alternative or innovative technologies that may be used in minimization,

destruction, or handling of hazardous wastes to achieve better protection of human health and the environment.

(c) The center shall provide coordination of the activities of a consortium of Texas universities initially consisting of the Texas Engineering Experiment Station of The Texas A&M University System, the University of Houston, The University of Texas at Austin, and Lamar University at Beaumont, and other entities that may become affiliated.

(d) The center shall develop and maintain a database relevant to the programs of the center.

(e) The programs of the center may include:

(1) primary and secondary research;

(2) collection, analysis, and dissemination of information;

(3) the development of public policy recommendations;

(4) training related to the handling and management of hazardous waste;

(5) evaluation of technologies for the treatment and disposal of hazardous wastes;

(6) demonstration projects and pilot studies of processing, storage, and destruction technologies; and

(7) other services consistent with the purposes of the program.

(f) In carrying out its established programs, the center may enter into agreements with:

(1) the members of the Texas Consortium;

(2) other universities in Texas, Louisiana, Mississippi, Alabama, Florida, and other states;

(3) private research organizations; and

(4) industry.

(g) A policy board is created to determine the policies for program research, evaluation, testing, development, demonstration, intellectual property rights, and peer review. The policy board consists of each member of the consortium. The governing board of each institution of higher education belonging to the consortium shall appoint an individual to serve as a member of the policy board.

(h) The institutions of higher education that are members of the policy board shall appoint an advisory council to develop recommendations on the priorities for research and to serve as a resource group on the projects. Each institution shall appoint two members from private industry and two other members to serve for

terms to be set by the policy board.

(i) The center shall seek grant and contract support from federal and other sources to the extent possible and accept gifts and donations to support its purposes and programs.

(j) The center may receive state-appropriated funds as considered appropriate by the legislature.

(k) Disbursement of funds received by the center on behalf of the consortium shall be on an equitable basis and in accordance with policy determined by the policy board subject to laws of the state and policies of member institutions. Disbursement policy shall recognize the need for core program support at each consortium institution, matching requirements for federal grants and contracts, general administration, and new initiatives. Disbursement of funds received in response to specific proposals shall be in accordance with those proposals.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.

Sec. 96.707. TEXAS ACADEMY OF LEADERSHIP IN THE HUMANITIES. (a) The Texas Academy of Leadership in the Humanities is established as a two-year program at Lamar University at Beaumont for secondary school students selected under this section. The academy is under the management and control of the board of regents of the Texas State University System.

(b) The goals of the academy are to:

(1) provide gifted and talented secondary school students with accelerated academic experiences to ensure success as undergraduates with advanced standing;

(2) encourage those students to develop their full leadership potential and their ethical decision-making capabilities;

(3) provide those students with academic and social role models and mentors to motivate them to pursue academic excellence and self-direction;

(4) provide a model setting for the training of teachers in the educational materials and methods appropriate for gifted learners;

(5) encourage the cooperation of business leaders and Lamar University staff to provide practical settings and experiences for those students through independent study, shadowing, and mentorship;

(6) establish a setting to support necessary research to determine the academy's effectiveness and to disseminate results of that research; and

(7) promote the active involvement of parents in all educational programs of the academy.

(c) To be eligible for admission to the academy, a student must:

(1) complete and file with the board, on a form prescribed by the board, an application for admission and a written essay on a topic selected by the board;

(2) have successfully completed 10th grade in school;

(3) be nominated by a teacher, school administrator, parent, community leader, or another secondary school student;

(4) submit to the board two written recommendations from teachers;

(5) have a composite score on an assessment test that is equal to or greater than the equivalent of 1,000 on the Scholastic Aptitude Test;

(6) have a language score on an assessment test that is equal to or greater than the equivalent of 550 on the Scholastic Aptitude Test; and

(7) have complied with any other requirements adopted by the board under this subchapter.

(d) The board shall recruit minority secondary school students to apply for admission to the academy.

(e) The board shall select for admission to the academy eligible students based on additional testing required by the board and on a personal interview by a selection committee appointed by the board. If the board selects an eligible student for admission to the academy, the board shall send written notice to the student and the student's school district.

(f) The board shall establish a tuition and fee scholarship for each student who enrolls in the academy. A student who enrolls in the academy is responsible for room, board, and book costs and must live in a residence determined by board rule.

(g) The academy courses are taught by the faculty members of Lamar University. The board may employ additional staff for the academy.

(h) The board shall provide each student enrolled in the academy with a mentor who is a faculty member at Lamar University to

assist the student in completing the student's course of study in the academy.

(i) A student of the academy may attend a college course offered by Lamar University and receive college credit for that course.

(j) The board may accept gifts and grants from a public or private source for the academy.

(k) For each student enrolled in the academy, the academy is entitled to allotments from the Foundation School Program under Chapter 42 as if the academy were a school district without a tier one local share for purposes of Section 42.253.

Added by Acts 1995, 74th Leg., ch. 1061, Sec. 7, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 1071, Sec. 25, eff. Sept. 1, 1997.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 695 (H.B. 771), Sec. 1, eff. September 1, 2015.

Sec. 96.708. LAMAR UNIVERSITY CENTER FOR EXCELLENCE IN DEAF STUDIES AND DEAF EDUCATION. (a) In this section:

(1) "Board" means the board of regents of the Texas State University System.

(2) "Center" means the Lamar University Center for Excellence in Deaf Studies and Deaf Education.

(b) The board shall establish the Lamar University Center for Excellence in Deaf Studies and Deaf Education for the purposes of advancing deaf education programs in Texas by:

(1) collaborating with the Department of Assistive and Rehabilitative Services and the Texas School for the Deaf to assess deaf education needs in this state and strategies to address those needs;

(2) studying bilingual education programs for the deaf;

(3) studying improved teacher training; and

(4) studying the incorporation of technology into deaf education.

(c) The center shall develop a strategic plan to guide and evaluate the center's progress toward achieving the purposes of the center in accordance with this section. The strategic plan must:

(1) describe the goals, objectives, and performance standards for each of the center's programs and how those programs help the center to achieve its purposes;

(2) assess the needs of the center's programs and faculty; and

(3) assess the center's need for new initiatives.

(d) The organization, control, and management of the center are vested in the board.

(e) The board shall select a location for the center at Lamar University.

(f) The board may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

(g) The board may use any available funds, including legislative appropriations made to Lamar University for instruction, operations, or infrastructure support, federal funds, or gifts or grants to establish or operate the center.

Added by Acts 2005, 79th Leg., Ch. 1009 (H.B. 868), Sec. 1, eff. June 18, 2005.

SUBTITLE F. OTHER COLLEGES AND UNIVERSITIES
CHAPTER 101. STEPHEN F. AUSTIN STATE UNIVERSITY
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 101.01. STEPHEN F. AUSTIN STATE UNIVERSITY. (a) Stephen F. Austin State University is a coeducational institution of higher education located in the city of Nacogdoches.

(b) The name of the university may not be changed.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 484 (S.B. 596), Sec. 1, eff. June 19, 2009.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 101.11. BOARD OF REGENTS. The control and management of the university is vested in a board of nine regents appointed by the governor with the advice and consent of the senate.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.12. TERM OF OFFICE. Members of the board hold office for staggered terms of six years, with the terms of three members expiring on January 31 of each odd-numbered year. Any vacancy shall be filled by appointment for the unexpired portion of the term.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.13. QUALIFICATIONS; OATH. Each member of the board must be a citizen of the State of Texas and shall take the constitutional oath of office.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.14. OFFICERS. The board shall elect a chairman and any other officer deemed necessary.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.15. BYLAWS, RULES, REGULATIONS. The board shall enact bylaws, rules, and regulations necessary for the successful management and operation of the university.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.16. UNIVERSITY PRESIDENT. The board shall select the president of the university.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.17. MINUTES. The board shall cause accurate and complete minutes of its meetings to be maintained. The minutes are open to the public for inspection at the university during regular business hours, and certified copies of the minutes shall be furnished to anyone on payment of a fee set by the board.

Acts 1971, 62nd Leg., p. 3228, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.19. EXPENSES. Members of the board shall serve without pay but shall be reimbursed for their actual expenses incurred in attending the work of the board, subject to the approval of the chairman of the board.

Acts 1971, 62nd Leg., p. 3229, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 101.20. MEETINGS. The board shall hold an annual meeting on the campus of the university during the month of April, and at other times and places as scheduled by the board or designated by its chairman.

Acts 1971, 62nd Leg., p. 3229, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 101.41. EXTENT OF POWERS. With respect to the management and control of the university, the board has the same powers and duties that are conferred on the Board of Regents, State Senior Colleges, with respect to institutions in that system.

Acts 1971, 62nd Leg., p. 3229, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 102. WEST TEXAS STATE UNIVERSITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 102.01. WEST TEXAS STATE UNIVERSITY. West Texas State University is a coeducational institution of higher education located in the city of Canyon.

Acts 1971, 62nd Leg., p. 3230, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 102.11. BOARD OF REGENTS. The organization, control, and management of the university is vested in a board of nine regents appointed by the governor and confirmed by the senate. The members of the board shall be selected from different portions of the state.

Acts 1971, 62nd Leg., p. 3230, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 756, ch. 331, Sec. 1, eff. June 12, 1973.

Sec. 102.111. TRANSFER OF GOVERNANCE TO TEXAS A&M SYSTEM. (a) The organization, control, and management of the university are transferred to the board of regents of The Texas A&M University System if that board and the board of regents appointed for the university under Section 102.11 of this code agree on the transfer not later than December 31, 1989, and the transfer is approved by the Texas Higher Education Coordinating Board not later than March 31, 1990. The transfer takes effect on the date agreed to by the boards and approved by the coordinating board.

(b) If the transfer is agreed to and approved under Subsection (a) of this section, the governance, operation, management, and control of the university, along with all right, title, and interest in the land, buildings, facilities, improvements, equipment, supplies, and property comprising that institution are transferred from the board of regents appointed under Section 102.11 of this code to the board of regents of The Texas A&M University System. The board of regents appointed under Section 102.11 of this code is abolished on the effective date of the transfer.

Added by Acts 1989, 71st Leg., 1st C.S., ch. 9, Sec. 1, eff. Nov. 1, 1989.

Sec. 102.12. TERMS; VACANCIES. The members of the board hold office for staggered terms of six years, with the terms of three members expiring each two years. Any vacancy that occurs on the board shall be filled for the unexpired term by appointment of the governor.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.13. OATH. Each member of the board shall take the constitutional oath of office before assuming the duties of his office.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.14. REMOVAL. The members of the board are removable by the governor for inefficiency or malfeasance of office.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.15. OFFICERS. The board shall elect a chairman and any other officers it deems necessary.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.16. MEETINGS. The chairman of the board may convene the board to consider any business connected with the university whenever he deems it expedient.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 102.31. EXTENT OF POWERS. With respect to the management and control of the university, the board has the same powers and duties that are conferred on the Board of Regents, State Senior Colleges, with respect to institutions in that system.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.32. LEASE OF LANDS TO FRATERNITIES AND SORORITIES. (a) The board may lease portions of the state-owned land held for the use and benefit of the university in the city of Canyon to fraternities and sororities for the purpose of constructing chapter houses.

(b) A lease may be for any term of years less than 100, and the consideration and terms may be determined by the board, consistent with the best interests of the university. The chairman of the board, with approval of a majority of the board, may execute all documents necessary to consummate the leasing.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.33. AIRPORT. The university may own and operate an airport, may accept federal aid and money for those purposes, and may enter into sponsor's assurance agreements with the federal government. It may operate the airport separately or in cooperation with a city, a county, the state, or the federal government, with the approval of the appropriate governing body, but without any expense to or liability against the state in any manner.

Acts 1971, 62nd Leg., p. 3231, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.35. DONATION AND CONSTRUCTION OF BUILDING FOR MUSEUM PURPOSES. The board may accept the donation from the Panhandle-Plains Historical Society of a building to be constructed for the benefit of the Panhandle-Plains Historical Museum. The building may

be constructed, and existing buildings may be modified to connect with the new structure.

Added by Acts 1981, 67th Leg., p. 111, ch. 53, Sec. 1, eff. April 15, 1981.

SUBCHAPTER D. KILLGORE RESEARCH CENTER

Sec. 102.51. GIFTS AND DONATIONS; LOCATION OF CENTER. The board may accept gifts and donations of money and other personal property from the Killgore Foundation and from any other private organization or individual to establish, construct, maintain, and operate a regional center to be known as the Killgore Research Center, on any land held by the board for the use of the university.

Acts 1971, 62nd Leg., p. 3232, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.52. TRANSFER OF MONEY; DISBURSEMENTS. All money so received shall be transferred as soon as available to the West Texas State University Foundation or to any other fund or foundation chosen by agreement between the donors and the administration of the university. The disbursement of all this money is under the supervision of the business manager of the university.

Acts 1971, 62nd Leg., p. 3232, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2003, 78th Leg., ch. 785, Sec. 59, eff. Sept. 1, 2003.

Sec. 102.53. MAINTENANCE AND ADMINISTRATION. The maintenance and administration of the research center is the responsibility of the State of Texas acting through the administration of the university, with the advice and assistance of an advisory council on research selected by the administration and the donors.

Acts 1971, 62nd Leg., p. 3232, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 102.54. PERMANENT RESEARCH PROGRAM. In order to provide for a permanent research program, the administration of the university may:

(1) establish formalized working relationships with established research programs similar to the relationship already developed between the university and The University of Texas M. D. Anderson Cancer Center;

(2) integrate the research program being developed in the graduate school of the university with a research program at the research center;

(3) employ project directors who are recognized researchers and who have had experience in applying for and using research grants from governmental agencies and private foundations;

(4) assign a person from the administrative staff of the university as administrator of the research center; and

(5) perform any other acts and make any agreements which will implement and further the research programs of the research center and the university, consistent with the purposes of this subchapter.

Acts 1971, 62nd Leg., p. 3232, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1989, 71st Leg., ch. 644, Sec. 11, eff. June 14, 1989.

CHAPTER 103. MIDWESTERN STATE UNIVERSITY

Sec. 103.01. MIDWESTERN STATE UNIVERSITY. Midwestern State University is a coeducational institution of higher learning located in the city of Wichita Falls.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 1841, ch. 571, Sec. 3, eff. Sept. 1, 1975.

Sec. 103.02. BOARD OF REGENTS. The organization, control, and management of the university is vested in a board of nine regents.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 103.03. BOARD MEMBERS: APPOINTMENT, TERMS, OATH. Members of the board shall be appointed by the governor and confirmed by the senate. Members hold office for staggered terms of six years. Any vacancy that occurs on the board shall be filled for the unexpired term by appointment of the governor. Each member of the board shall take the constitutional oath of office.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 103.031. GROUNDS FOR REMOVAL OF BOARD MEMBER. (a) It is a ground for removal from the board that a member:

(1) commits malfeasance of office;

(2) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(3) is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year, unless the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it was taken when a ground for removal of a board member existed.

Added by Acts 2001, 77th Leg., ch. 223, Sec. 1, eff. May 22, 2001.

Sec. 103.04. COMPENSATION AND REIMBURSEMENT OF BOARD MEMBERS. A member of the board serves without compensation. A member of the board is entitled to receive reimbursement, subject to any applicable limitation on reimbursement provided by the General Appropriations Act, for actual expenses incurred in attending the meetings of the board or in performing other board business authorized by the board.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 222, Sec. 1, eff. May 22, 2001.

Sec. 103.05. BOARD OFFICERS; MEETINGS. (a) The board shall organize by electing a chairperson and other officers the board

considers appropriate.

(b) The chairperson may convene a meeting of the board when the chairperson considers it appropriate to consider any business related to the university.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 159, Sec. 1, eff. May 18, 2001.

Sec. 103.06. PRESIDENT OF UNIVERSITY: SELECTION; DUTIES. The board shall select a president for the university and shall fix his term of office, name his salary, and define his duties. The president shall be the executive officer for the board and shall work under its directions. He shall recommend a plan of organization and the appointment of employees of the university. He shall have the cooperation of the board and shall be responsible to the board for the general management and success of the university.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 103.07. GENERAL RESPONSIBILITIES. The board shall build and operate a public liberal arts university of the first rank to offer the university's students, consistent with the university's mission, preparation for excellence in a variety of careers and exploration of a variety of interests. The university shall be equipped as necessary to do its work as well as comparable public institutions of higher education in this state.

Acts 1971, 62nd Leg., p. 3233, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 11 (H.B. 602), Sec. 1, eff. May 12, 2009.

Sec. 103.08. DONATIONS, GIFTS, AND ENDOWMENTS. The board may accept donations, gifts, and endowments for the university to be held in trust and administered by the board for the purposes and under the

directions, limitations, and provisions declared in writing in the donation, gift, or endowment, not inconsistent with the objects and proper management of the university.

Acts 1971, 62nd Leg., p. 3234, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 103.09. CONTROL AND MANAGEMENT OF REAL PROPERTY. (a) The board has the sole and exclusive control and management of university lands and other real property.

(b) The board may acquire by purchase, donation, exchange, condemnation, or otherwise real property that is necessary or convenient to carry out the purposes of the university. The board's purchase of property under this section is subject to action of the Texas Higher Education Coordinating Board under Section 61.0572(b)(5).

(c) Except as provided by Subsection (d), the board may sell, exchange, lease, or otherwise dispose of any interest in real property owned by the university. Money received in consideration for the sale or lease of an interest in real property constitutes institutional funds of the university. Property received in an exchange of real property of the university may be used for any purpose of the university the board considers appropriate.

(d) The board may not lease the surface rights of land under its control and management for a term of more than 99 years.

Acts 1971, 62nd Leg., p. 3234, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 22, Sec. 1, eff. May 1, 1997.

Sec. 103.10. JOINT PROGRAMS. (a) Both civilian and military student personnel shall be eligible to enroll in joint programs. All joint program students shall register at the university and shall receive appropriate credit from the university.

(b) Students enrolled at the university in joint programs shall pay the regular tuition fees as provided by law. The university shall collect an initial administrative fee in the amount of $25 from military student personnel who receive all their instruction at the air force base solely by air force personnel in lieu of such regular

tuition fees. No state appropriations shall be made for instructional costs for semester credit hours taught at the air force base by air force personnel. Civilian students shall be subject to the general tuition provisions set forth in this code for all credit hours taught.

(c)(1) No training may be given to students in any of the following areas:

(A) the prescribing of ophthalmic lenses for the human eye or the prescribing of contact lenses for the human eye, or the fitting or adaptation of contact lenses to the human eye;

(B) the prescribing, whether written or oral, of the use of any optical device in connection with ocular exercises, visual training, vision training, or orthoptics; or

(C) optometric technology or ophthalmological technology other than those courses of training being offered to military trainees at Sheppard Air Force Base on May 17, 1973; provided, however, training in the use of screening devices or orthoptic training devices may be given to the students.

(2) It is the intent of the above restrictions that training may not be given to students on subjects of visual care involving the exercise of professional judgment required of licensed physicians or optometrists.

(d) Military students who receive all of their instruction on the military base shall be exempt from all student service fees and building use fees.

Added by Acts 1973, 63rd Leg., p. 522, ch. 225, Sec. 1, eff. Aug. 27, 1973.

Sec. 103.11. ACQUISITION OF MUSEUM. (a) The board may acquire by gift or donation a museum and any related property.

(b) The Texas Higher Education Coordinating Board shall include in the funding formula applicable to the university funding for the operation and maintenance of a museum acquired under Subsection (a).

Added by Acts 2001, 77th Leg., ch. 118, Sec. 6.02, eff. Sept. 1, 2001.

CHAPTER 105. UNIVERSITY OF NORTH TEXAS SYSTEM

SUBCHAPTER A. GENERAL PROVISIONS

Text of section effective until June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

Sec. 105.001. UNIVERSITY OF NORTH TEXAS SYSTEM. The University of North Texas System is composed of:

(1) the University of North Texas;

(2) the University of North Texas Health Science Center at Fort Worth; and

(3) the University of North Texas at Dallas.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1213 (S.B. 956), Sec. 1, eff. June 19, 2009.

Text of section effective on June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

Sec. 105.001. UNIVERSITY OF NORTH TEXAS SYSTEM. The University of North Texas System is composed of:

(1) the University of North Texas;

(2) the University of North Texas Health Science Center at Fort Worth;

(3) the University of North Texas at Dallas; and

(4) the University of North Texas at Dallas College of Law.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1213 (S.B. 956), Sec. 1, eff. June 19, 2009.

Sec. 105.002. DEFINITIONS. In this chapter:

(1) "Board" means the board of regents of the University of North Texas System.

(2) "Health Science Center" means the University of North Texas Health Science Center at Fort Worth.

(3) "System" means the University of North Texas System including its components and entities.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 105.051. BOARD OF REGENTS. The organization, control, and management of the University of North Texas System and each component institution of the system is vested in a board of nine regents appointed by the governor and confirmed by the senate.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.052. TERM OF OFFICE; REMOVAL; VACANCY. The term of office of each regent is six years, with the terms of three regents expiring every two years. Members of the board may be removed from office for inefficiency or malfeasance of office. Any vacancy that occurs on the board shall be filled by the governor for the unexpired term.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.053. OATH. Each member of the board shall take the constitutional oath of office before assuming the duties of his office.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.054. OFFICERS; MEETINGS. The board shall elect a chairman and any other officers it considers necessary. The chairman may convene the board when the chairman considers it expedient to consider any business related to the system.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER C. POWERS AND DUTIES OF BOARD

Sec. 105.101. GENERAL POWERS AND DUTIES. (a) The board may direct, govern, operate, support, maintain, manage, and control the system.

(b) The board may:

(1) erect, equip, maintain, and repair system buildings;

(2) purchase libraries, furniture, equipment, fuel, and supplies necessary to operate the system;

(3) employ and discharge personnel, including faculty, to carry out the board's powers and duties;

(4) adopt rules and policies for the administration of the board's powers and duties;

(5) in accordance with the rules of the Texas Higher Education Coordinating Board, prescribe for each component institution programs and courses leading to customary degrees as are offered at outstanding American universities and award those degrees, including baccalaureate, master's, and doctoral degrees and their equivalents;

(6) establish admission standards for each component institution;

(7) perform other acts that contribute to the development of the system or to the welfare of students of component institutions; and

(8) delegate a power or assign a duty of the board to an officer, employee, or committee designated by the board.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.102. CHIEF EXECUTIVE OFFICERS. (a) The board shall appoint a chancellor who serves as chief executive officer of the system.

(b) The board shall appoint a president of each component institution who serves as chief executive officer of the institution. The president of the University of North Texas Health Science Center at Fort Worth must be a licensed physician who possesses a doctor of osteopathy degree from an accredited college of osteopathic medicine

and must have been licensed to practice medicine in a state of the United States for at least five years.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.103. EMINENT DOMAIN: RESTRICTION. (a) The board may exercise the power of eminent domain to acquire land for the use of the system.

(b) The board must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, but the board is not required to provide a bond for appeal or a bond for costs.

(c) The board may not use the power of eminent domain to acquire land that is dedicated to a public use by another governmental entity.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.104. DONATIONS, GIFTS, GRANTS, AND ENDOWMENT. (a) From any source, including the federal government, a municipality, a foundation, a trust fund, a corporation, another education agency, or any other person, the board may accept donations, gifts, grants, and endowments of money or property, real or personal, for the system to be held in trust and administered by the board for the purposes and under the direction, limitations, and provisions declared in writing in the donation, gift, grant, or endowment.

(b) The donation, gift, grant, or endowment must be consistent with the laws of this state and with the objectives and proper management of the system.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.105. FUNDS RECEIVED FOR TRUST SERVICES. (a) The board may deposit in an appropriate system account outside the state treasury all funds received as administrative fees or charges for services rendered in the management or administration of a trust estate under the control of the system.

(b) The funds under Subsection (a) may be spent by the board for any educational purpose of the system.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.106. DISBURSEMENT OF FUNDS. (a) Except as otherwise provided by law, the board shall disburse all appropriations to the system.

(b) Except as otherwise provided by law, the board may adopt rules for:

(1) the disbursal of appropriations and other funds;

(2) the auditing and approval of system accounts; and

(3) the issuance of system vouchers and warrants.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.107. SYSTEM PROPERTY. (a) The board has the sole and exclusive management and control of system lands.

(b) The board may acquire by purchase, donation, exchange, condemnation, or otherwise:

(1) land, including improvements, for the use of the system; and

(2) other real property that is necessary or convenient to carry out the purposes of state-supported institutions of higher education.

(c) Except as otherwise provided by law, the board may sell, exchange, lease, or dispose of any land or other real property owned by or acquired for the board or the system.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.108. CONTRACTS. (a) Except as provided by Subsection (b), a contract with the system must be approved by the board.

(b) The board by rule may delegate to a representative of the board or an employee of the system the authority to negotiate, execute, and approve a contract with the system.

(c) A contract that is not approved in accordance with this section is void.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.109. JOINT APPOINTMENTS. The board may make joint appointments in the component institutions of the system, with the salary of any person who receives a joint appointment to be apportioned to the appointing institution on the basis of services rendered.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.110. RESEARCH PARK. (a) The board may authorize the establishment of a research park by one or more component institutions of the system.

(b) The administrator of the research park may use private or public entities for scientific and technological research and development in the surrounding region.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER D. MISCELLANEOUS ADMINISTRATIVE PROVISIONS

Sec. 105.151. MANDATORY VENUE; SERVICE OF PROCESS. (a) Venue for a suit filed against the system, the board, the University of North Texas, or officers or employees of the University of North Texas is in Denton County.

(b) Venue for a suit filed solely against the health science center or officers or employees of the health science center is in Tarrant County.

(c) Venue for a suit filed solely against the University of North Texas at Dallas or against officers or employees of the University of North Texas at Dallas is in Dallas County.

Text of subsection effective on June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(c-1) Venue for a suit filed solely against the University of North Texas at Dallas College of Law or against officers or employees of the University of North Texas at Dallas College of Law is in Dallas County.

Text of subsection effective until June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) In case of a conflict between Subsection (a), (b), or (c) and any other law, Subsection (a), (b), or (c) controls.

Text of subsection effective on June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) In case of a conflict between Subsection (a), (b), (c), or (c-1) and any other law, Subsection (a), (b), (c), or (c-1) controls.

(e) Service of citation or other required process must be made on the attorney general and on an individual named by board rule as a representative of the board.

(f) This section does not waive any defense or any immunity to suit or liability that may be asserted by an entity or other person described by Subsection (a), (b), or (c).

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1213 (S.B. 956), Sec. 2, eff. June 19, 2009.

Sec. 105.152. POLICE JURISDICTION. Campus peace officers shall have the same jurisdiction, powers, privileges, and immunities as specified in Section 51.203, Education Code.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.153. DELEGATION OF MUNICIPAL PARKING REGULATION AUTHORITY. (a) By contract between the municipality and the component institution, the governing body of the municipality may delegate to the institution the authority to regulate the parking of

vehicles on any public street running through or immediately adjacent to property owned or occupied and controlled by the institution.

(b) The contract may authorize the component institution to assign and regulate parking spaces for its use, to charge and collect a fee from its personnel and students for parking, to prohibit parking, and to charge and collect a fee for removing vehicles parked in violation of law or ordinance or in violation of a rule governing the parking of vehicles adopted by the board.

(c) The contract must be approved by resolution of the board and the governing body of the municipality.

(d) The component institution shall have jurisdiction over property owned or controlled by the institution to the extent that it may:

(1) assign and regulate parking spaces for its use and charge and collect appropriate fees for parking and improper parking;

(2) prohibit parking where it considers necessary; and

(3) set and collect fees for and remove vehicles parked in violation of its rules and regulations or of state law.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.154. CONSTRUCTION OF PROVISIONS REGARDING CAMPUS SECURITY PERSONNEL. Sections 105.152 and 105.153 do not:

(1) limit the police powers of the municipality or its law enforcement jurisdiction;

(2) render a campus peace officer an employee of the municipality or entitle a campus peace officer to compensation from the municipality; or

(3) restrict the power of the component institution under other law to enforce laws, ordinances, or rules regulating traffic or parking.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER E. UNIVERSITY OF NORTH TEXAS

Sec. 105.201. DEFINITION. In this subchapter, "university" means the University of North Texas.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.202. UNIVERSITY OF NORTH TEXAS. The University of North Texas is a coeducational institution of higher education located in the city of Denton.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.203. CONTRACTS WITH CITY FOR UTILITY SERVICES. The board may contract with the City of Denton for the furnishing of water and other utility services to the university. The rates to be charged the university may not exceed those regularly established, published, and declared rates for similar customers. If there are no similar customers, the rates to be charged shall be those established by the City of Denton for commercial users. The city may make any adjustments, discounts, and special rates that the governing authorities of the city may consider appropriate to provide for the university.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.204. MENTORING PROGRAM. (a) The board may establish a mentoring program at the university. The program may provide mentoring, tutoring, and other resources to students at all levels of the educational system to assist students to:

(1) succeed in their education and achieve appropriate educational goals; and

(2) prepare for the transition from being a student to becoming an independent adult member of society.

(b) The program may recruit, train, coordinate, and support mentors and tutors and may provide other resources to students in the communities primarily served by the university who are students at risk of dropping out of school, as defined by Section 29.081, or who are otherwise in need of services to assist them in successfully completing their education and becoming productive members of the community.

(c) The board shall establish in connection with the program a continuing study and evaluation of mentoring activities and research into the best practices and methods of mentoring.

(d) At the times determined by the board, the board shall prepare a report relating to the operation of the program. The report must include:

(1) a description of the program;

(2) information relating to the students served by the program;

(3) an analysis of the effects of the program on student performance, including effects on dropout rates, school attendance, grades, performance on assessment tests, graduation rates, and entry into higher education programs;

(4) the costs of the program and the sources of funds used to support the program; and

(5) the board's recommendations for continuing the program and for any changes in the law authorizing the program.

(e) The board may use available institutional funds, as defined by Section 51.009, to support the program. The board may solicit and accept gift, grants, and donations from any public or private source to support the program.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER F. STATE HISTORICAL COLLECTION

Sec. 105.251. DESIGNATION. The historical collection of the University of North Texas, consisting of books, documents, stamps, coins, firearms, implements of warfare, relics, heirlooms, and other items of historical importance, is designated as a State Historical Collection, to be known as "The State Historical Collection of the University of North Texas."

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.252. GIFTS AND DONATIONS. The board may accept and receive gifts, donations, and collections of books, documents, stamps, coins, firearms, implements of warfare, relics, heirlooms, and collections of all kinds having historical importance and value, to be used in teaching the youth of this state.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.253. RULES REGARDING GIFTS AND DONATIONS. The board may adopt any rules regarding the receiving and holding of these gifts, donations, and collections that it considers necessary and advisable.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER G. TEXAS ACADEMY OF MATHEMATICS AND SCIENCE

Sec. 105.301. ESTABLISHMENT; SCOPE. (a) The Texas Academy of Mathematics and Science is established as a division of the University of North Texas for the following purposes:

(1) to provide an enriched school for gifted and talented high school juniors and seniors to complete their high school education and to attend college courses for credit;

(2) to identify exceptionally gifted and intelligent high school students at the junior and senior levels and offer them a challenging education to maximize their development;

(3) to provide a rigorous academic program emphasizing mathematics and science, but also including a strong and varied humanities curriculum; and

(4) to reduce the shortage of mathematics and science professionals in this state.

(b) The academy is a residential, coeducational institution for selected Texas high school students with interest and potential in mathematics and science under the control and management of the board. Faculty members of the university shall teach all academic classes at the academy.

(c) A student of the academy may attend a college course offered by the university and receive college credit for that course.

(d) The board shall set aside adequate space on the university campus in Denton to be used for the operation of the academy and to carry out the purposes of this subchapter.

(e) The academy is not subject to the provisions of this code, or to the rules of the Texas Education Agency, regulating public schools, except that:

(1) professional employees of the academy are entitled to the limited liability of an employee under Section 22.0511, 22.0512, or 22.052;

(2) a student's attendance at the academy satisfies

compulsory school attendance requirements; and

(3) for each student enrolled, the academy is entitled to allotments from the foundation school program under Chapter 42 as if the academy were a school district without a tier one local share for purposes of Section 42.253.

(f) If in any academic year the amount of the allotments under Subsection (e)(3) exceeds the amount of state funds paid to the academy under this section in the fiscal year ending August 31, 2003, the commissioner shall set aside from the total amount of funds to which school districts are entitled under Section 42.253(c) an amount equal to the excess amount and shall distribute that amount to the academy. After deducting the amount set aside and paid to the academy by the commissioner under this subsection, the commissioner shall reduce the amount to which each district is entitled under Section 42.253(c) in the manner described by Section 42.253(h). A determination of the commissioner under this section is final and may not be appealed.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001; Acts 2003, 78th Leg., ch. 204, Sec. 15.05, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 241, Sec. 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1197, Sec. 6, eff. Sept. 1, 2003.

Sec. 105.302. SUPERVISION BY ADVISORY BOARD. (a) In operating the academy the board shall consider the advice of an advisory board composed of nine members.

(b) Each of the following shall appoint one member to serve on the advisory board:

(1) the chairman of the State Board of Education;

(2) the commissioner of higher education;

(3) the president of the Texas Association of School Administrators;

(4) the president of the Texas Association for the Gifted and Talented;

(5) the governor;

(6) the lieutenant governor; and

(7) the speaker of the Texas House of Representatives.

(c) The president of the University of North Texas shall appoint two members to the advisory board.

(d) A member of the advisory board serves for a term of six years. If reappointed, a member may serve for more than one term.

(e) A member of the advisory board may not receive compensation for the performance of duties on the advisory board, but a member is entitled to reimbursement for actual and necessary expenses incurred in carrying out official duties from funds appropriated for the academy.

(f) The advisory board shall make recommendations to the dean of the academy concerning the following:

(1) admission criteria;

(2) extracurricular activities;

(3) programs of study;

(4) rules for the discipline of students and for the management of the academy and academy programs;

(5) a formula of admission that ensures the admission of students from the various geographical areas of the state; and

(6) acceptance of nominations for and the selection of students to be admitted to the academy.

(g) The advisory board shall conduct an annual evaluation of the programs of the academy.

(h) A rule recommended by the advisory board under Subsection (f) shall be consistent with the law and, if adopted, shall be enforced by the staff and faculty of the academy.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 6.011, eff. Sept. 1, 2003.

Sec. 105.303. PROGRAM AND OPERATION. (a) The academy shall operate on the same fall and spring semester basis as the University of North Texas. Full-time students of the academy must be enrolled for both the fall and spring semesters.

(b) In addition to academic classes, the academy may offer short courses, workshops, seminars, weekend instructional programs, summer programs, and other innovative programs.

(c) The pupil-teacher ratio in all regular academic classes at the academy may not exceed 30 students for each classroom teacher, except that the pupil-teacher ratio may exceed that limit:

(1) in programs provided under Subsection (b), in physical education courses, or in special enrichment courses; or

(2) if the board determines that a class with more than 30 students for each classroom teacher would contribute to the educational development of the students in the class.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.304. EXTRACURRICULAR ACTIVITIES. The academy may offer any extracurricular activity that a public secondary school could offer. Students attending the academy may participate in all extracurricular activities sanctioned by the university interscholastic league.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.305. ELIGIBILITY. (a) Except as provided by Subsection (b), the academy shall admit only high school juniors and seniors.

(b) The academy may provide for an early admission year to allow the admission of a student who is not yet a high school junior if the abilities of the student warrant early entry.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.306. FUNDING. (a) The board is hereby authorized to use available funds or to enter into contracts and accept grants or matching grants for the purpose of establishing an academy of mathematics and science.

(b) Any money received by the academy shall be expended to further the functions and purposes of the academy listed in Section 105.301.

(c) This section does not prevent the board from accepting federal funds or money from any corporation or other private contributor for use in operating or providing programs to the academy.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.307. DEAN. (a) The board may appoint a dean of the academy who shall serve at the pleasure of the board.

(b) The dean shall report to the provost of the University of North Texas and shall have a seat on the council of deans.

(c) The dean shall prepare an annual budget for the operation of the academy and submit the budget to the provost of the university.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.308. LIABILITY. (a) The liability of the state under Chapters 101 and 104, Civil Practice and Remedies Code, is limited for the academy and employees assigned to the academy and acting on behalf of the academy to the same extent that the liability of a school district and an employee of the school district is limited under Sections 22. 051 and 22.052 of this code and Section 101.051, Civil Practice and Remedies Code.

(b) An employee assigned to the academy is entitled to representation by the attorney general in a civil suit based on an action or omission of the employee in the course of the employee's employment, limits on liability, and indemnity under Chapters 104 and 108, Civil Practice and Remedies Code.

Amended by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER H. UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

Sec. 105.401. UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH. The University of North Texas Health Science Center at Fort Worth is a coeducational institution of higher education that consists of a college of osteopathic medicine and other programs as prescribed by the board in accordance with the rules of the Texas Higher Education Coordinating Board.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.402. PROHIBITED DEGREES. The board may not award an M.D. degree.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.403. TEACHING HOSPITAL; FACILITIES. (a) A complete teaching hospital for the health science center shall be furnished without cost or expense to the state.

(b) The board shall provide for adequate physical facilities for use by the health science center in its teaching and research programs.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

Sec. 105.404. AGREEMENTS WITH OTHER ENTITIES. The board may execute and carry out affiliation or coordinating agreements with any other entity, school, or institution in this state to provide clinical, postgraduate, including internship and residency, or other levels of medical educational work for the health science center.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001.

SUBCHAPTER J. UNIVERSITY OF NORTH TEXAS AT DALLAS

Sec. 105.501. UNIVERSITY OF NORTH TEXAS AT DALLAS. (a) The University of North Texas at Dallas is established as an institution of higher education and component institution of the University of North Texas System in the city of Dallas on property designated by the board.

(b) The board may accept gifts, grants, and donations and may acquire land for the University of North Texas at Dallas.

(c) The board may plan for the development of the University of North Texas at Dallas and for the academic programs offered by the university.

Text of subsection effective until May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding any other provision of this subchapter, the

University of North Texas at Dallas may operate as a general academic teaching institution with its own chief executive officer, administration, and faculty only after the Texas Higher Education Coordinating Board certifies that enrollment at the University of North Texas System Center at Dallas has reached an enrollment equivalent to 1,000 full-time students for one semester. Until that enrollment level is reached, the board may operate a system center of the University of North Texas in the city of Dallas. Prior to reaching 2,500 full-time equivalent students, the University of North Texas at Dallas may not receive general revenue in excess of the 2003 expended amount with the exception of funding provided through the General Academic Instruction and Operations Formula for semester credit hour increases and the Tuition Revenue Bond debt service for bonds approved in the 78th Legislature. The institution will not be eligible to receive the small school supplement in the General Academic Instruction and Operations Formula until it reaches 2,500 full-time equivalent student enrollment.

Text of subsection effective on May 23, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 129, Sec. 4, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

(d) Notwithstanding any other provision of this subchapter, the University of North Texas at Dallas may operate as a general academic teaching institution with its own chief executive officer, administration, and faculty only after the Texas Higher Education Coordinating Board certifies that enrollment at the University of North Texas System Center at Dallas has reached an enrollment equivalent to 1,000 full-time students for one semester. Until that enrollment level is reached, the board may operate a system center of the University of North Texas in the city of Dallas.

Added by Acts 2001, 77th Leg., ch. 25, Sec. 1, eff. May 2, 2001. Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 7.01, eff. June 20, 2003. Renumbered from Education Code Sec. 105.451 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(49), eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 129 (S.B. 629), Sec. 2, eff. May 23, 2009.

Text of section effective on June 19, 2009, but only if a specific appropriation is provided as described by Acts 2009, 81st Leg., R.S., Ch. 1213, Sec. 6, which states: This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

Sec. 105.502. UNIVERSITY OF NORTH TEXAS SYSTEM COLLEGE OF LAW. (a) The board may establish and operate a school of law in the city of Dallas as a professional school of the University of North Texas System.

(b) In administering the law school, the board may prescribe courses leading to customary degrees offered at other leading American schools of law and may award those degrees.

(c) Until the University of North Texas at Dallas has been administered as a general academic teaching institution for five years, the board shall administer the law school as a professional school of the system. After that period, the law school shall become a professional school of the University of North Texas at Dallas. Until the law school becomes a professional school of the University of North Texas at Dallas, the law school:

(1) is considered an institution of higher education under Section 61.003 for all purposes under other law; and

(2) is entitled to formula funding as if the law school were a professional school of a general academic teaching institution.

(d) Before the board establishes a law school under this section, but not later than June 1, 2010, the Texas Higher Education Coordinating Board shall prepare a feasibility study to determine the actions the system must take to obtain accreditation of the law school. The Texas Higher Education Coordinating Board shall deliver a copy of the study to the chair of each legislative standing committee or subcommittee with jurisdiction over higher education.

(e) The board may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1213 (S.B. 956), Sec. 3, eff. June 19, 2009.

CHAPTER 106. TEXAS SOUTHERN UNIVERSITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 106.01. TEXAS SOUTHERN UNIVERSITY. Texas Southern University is a coeducational institution of higher education located in the city of Houston.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.02. PURPOSE OF THE UNIVERSITY. In addition to its designation as a statewide general purpose institution of higher education, Texas Southern University is designated as a special purpose institution of higher education for urban programming and shall provide instruction, research, programs, and services as are appropriate to this designation.

Added by Acts 1973, 63rd Leg., p. 1594, ch. 575, Sec. 1, eff. June 15, 1973. Amended by Acts 2001, 77th Leg., ch. 520, Sec. 1, eff. June 11, 2001.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 106.11. BOARD OF REGENTS. The government of the university is vested in a board of nine regents appointed by the governor with the advice and consent of the Senate.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 1247, ch. 450, Sec. 2, eff. June 14, 1973.

Sec. 106.12. TERMS OF OFFICE. Members of the board hold office for staggered terms of six years, with the terms of three directors expiring on February 1 of odd-numbered years.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.13. QUALIFICATIONS; OATH. Each member of the board shall be a qualified voter of the state. The members shall be selected from different portions of the state. Each member shall take the constitutional oath of office.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.14. OFFICERS. The board shall elect a chairman and a vice chairman from its members to serve at the will of the board. The board shall appoint a secretary. The comptroller shall be the treasurer of the university.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 1423, Sec. 5.24, eff. Sept. 1, 1997.

Sec. 106.15. EXPENSES. The reasonable expenses incurred by members of the board in the discharge of their duties shall be paid from any available funds of the university.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.16. SEAL. The board may make, use, and alter a common seal.

Acts 1971, 62nd Leg., p. 3249, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 106.31. ADMINISTRATIVE POWERS. The board shall establish the several departments in the university, determine the offices, professorships, and other positions at the institution, appoint a president, appoint the professors and other officers and employees and prescribe their duties, and fix their respective salaries. The board shall enact bylaws, rules, and regulations deemed necessary for

the successful management and government of the institution. The board may remove any professor, instructor, tutor, or other officer or employee connected with the institution when, in its judgment, the best interests and proper operation of the institution requires it.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.32. EXPENDITURES. All expenditures shall be made by order of the board and shall be paid on warrants issued by the comptroller based on vouchers approved by the chairman of the board or some other officer of the university designated by him in writing to the comptroller, and countersigned by the secretary of the board or some other officer of the university designated by the secretary in writing to the comptroller.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.33. CONTRACTS WITH OTHER INSTITUTIONS. The board may make proper arrangements by contract with other educational institutions, hospitals, and clinics in Houston for the use of any facilities and services it considers necessary and expedient for the proper training and education of students in professional courses.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.34. GIFTS, GRANTS. The board may accept from other than state sources gifts and grants of money and property for the benefit of the university.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.35. ACQUISITION AND DISPOSITION OF LAND. (a) The board on behalf of the university may acquire by purchase, exchange,

or otherwise any tract or parcel of land or other real property necessary or convenient for carrying out the purposes of state-supported institutions of higher education, and may sell, exchange, or lease any land owned by the university.

(b) The proceeds from any lease of land or other real property shall be added to the general funds of the university. The proceeds from any sale of land or other real property shall be added to the capital funds of the board.

(c) The board has the power of eminent domain for land acquisitions permitted by Subsection (a) of this section.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1977, 65th Leg., p. 2204, ch. 869, Sec. 1, eff. Aug. 29, 1977; Acts 1979, 66th Leg., p. 1059, ch. 489, Sec. 1, eff. Aug. 27, 1979; Acts 1985, 69th Leg., ch. 237, Sec. 1, eff. Aug. 26, 1985.

Sec. 106.36. MILITARY TRAINING. No student shall ever be required to take any military training as a condition for entrance into or graduation from the university.

Acts 1971, 62nd Leg., p. 3250, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.38. SUITS. Venue for a suit against the university is in Harris County or Travis County. Process may be served on the university only by service of citation on the president or one of the university's vice-presidents.

Added by Acts 1987, 70th Leg., ch. 784, Sec. 1, eff. June 19, 1987.

SUBCHAPTER D. CONTROL OF UNIVERSITY FUNDS

Sec. 106.51. CONTROL OF MONEY COLLECTED. The board may retain control of:

(1) money derived from student fees of all kinds;

(2) charges for use of rooms and dormitories;

(3) receipts from meals, cafes, and cafeterias;

(4) fees on deposit refundable to students under certain

conditions;

(5) receipts from school athletic activities;

(6) income from student publications and other student activities;

(7) receipts from the sale of publication products and miscellaneous supplies and equipment;

(8) students' voluntary deposits of money for safekeeping;

(9) funds, revenue, and accounts received from the University of Houston and other institutions;

(10) gifts and grants to the university; and

(11) all other fees and local institutional income of a strictly local nature arising out of, or incident to, the university's educational activities.

Acts 1971, 62nd Leg., p. 3251, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.52. DEPOSITORIES. The board may select depository banks as places of deposit of all funds of the kind and character named in Section 106.51 of this code, which are collected by the university, and the board shall require adequate surety bonds or securities to be posted to secure the deposits and may require additional security at any time the board deems any deposit inadequately secured. All funds of the character named in Section 106.51 of this code, which are so collected, shall be deposited in the depository bank or banks within five days from the date of collection. Depository banks so selected are authorized to pledge their securities to protect the funds. Any surety bond furnished under the provisions of this section shall be payable to the governor and his successors in office; and venue of suit to recover any amount claimed by the state to be due on any of these bonds is fixed in Travis County.

Acts 1971, 62nd Leg., p. 3251, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.53. ACCOUNTS; TRUST FUNDS. Separate accounts shall be kept on the books of the university, showing the sources of all sums collected and the purposes for which expended. All trust funds

handled by the board shall be deposited in separate accounts and shall not be commingled with the general income from student fees or other local institutional income, and all trust funds shall be secured by separate bonds or securities.

Acts 1971, 62nd Leg., p. 3251, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 106.55. LEGISLATIVE INTENT. The authority granted the board under this subchapter is intended to be the same as the authority granted to the governing boards of The University of Texas System, Texas A & M University System, and similar institutions with regard to the control and use of local funds.

Acts 1971, 62nd Leg., p. 3252, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

CHAPTER 107. TEXAS WOMAN'S UNIVERSITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 107.01. LOCATION AND PURPOSE OF UNIVERSITY. Texas Woman's University is an institution of higher education for women with its main campus at Denton.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 107.21. BOARD OF REGENTS. The board of regents of the university is composed of nine persons, four of whom shall be women, appointed by the governor with the advice and consent of the senate. Each member of the board shall be a qualified voter; and the members shall be selected from different portions of the state. The members hold office for staggered terms of six years, with the terms of three expiring February 1 of odd-numbered years.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 2838, ch. 484, art. III, Sec. 4, eff. June 19, 1983.

Sec. 107.211. GROUNDS FOR REMOVAL OF BOARD MEMBER. (a) It is a ground for removal from the board that a member:

(1) commits malfeasance of office;

(2) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(3) is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year, unless the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it was taken when a ground for removal of a board member existed.

Added by Acts 2001, 77th Leg., ch. 225, Sec. 1, eff. May 22, 2001.

Sec. 107.22. OFFICERS. The board shall biennially elect a presiding officer, an assistant presiding officer, and other officers it deems necessary from among its members.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 158, Sec. 1, eff. Aug. 27, 2001.

Sec. 107.23. BOARD MEETINGS; MINUTES. The presiding officer shall convene the board to consider any business connected with the university whenever the presiding officer deems it expedient. A full record shall be kept of all the board's proceedings.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 158, Sec. 1, eff. Aug. 27, 2001.

Sec. 107.24. COMPENSATION OF BOARD. Members of the board shall receive the same compensation conferred by law on the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 107.41. EXTENT OF POWERS. The board has the power incident to its position and to the same extent, as far as applicable, as is conferred on the board of regents of The University of Texas System.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.42. STAFF. The board shall appoint a president of the university and other officers and employees it deems proper and shall fix their salaries. The board shall make rules and regulations for the government of the university's staff as it deems advisable.

Acts 1971, 62nd Leg., p. 3253, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.43. DEPARTMENTS. The board shall divide the course of instruction into departments and shall select careful and efficient professors in each department, in order to secure the best possible instruction in all areas of study.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.44. RULES AND REGULATIONS. The board shall adopt rules and regulations it deems necessary to carry out the purposes of the institution and to enforce the faithful discharge of the duties of all officers, professors, and students.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.45. EMINENT DOMAIN; RESTRICTION. (a) The board of regents has the power of eminent domain to acquire for the use of the university in the manner prescribed by Chapter 21, Property Code, any real property that may be necessary and proper for carrying out its purposes.

(b) The taking of real property by the board under this section is declared to be for the use of this state. The board is not required to deposit a bond or the amount equal to the award of damages by the commissioners as provided by Section 21.021, Property Code.

(c) The board may not use the power of eminent domain to acquire real property that is dedicated to a public use by another governmental entity.

Added by Acts 1977, 65th Leg., p. 42, ch. 26, Sec. 2, eff. March 24, 1977.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 276 (H.B. 389), Sec. 1, eff. June 15, 2007.

Sec. 107.46. GIFTS, GRANTS, AND DONATIONS. The board is specifically authorized, upon terms and conditions acceptable to it, to accept, retain, and administer gifts, grants, or donations of any kind, including real estate or money, from any source, for use by the university, and to carry out the directions, limitations, and provisions declared in writing in the gifts, grants or donations.

Added by Acts 1983, 68th Leg., p. 1251, ch. 271, Sec. 1, eff. Sept. 1, 1983.

SUBCHAPTER D. DORMITORIES AND IMPROVEMENTS

Sec. 107.61. CONSTRUCTION OF DORMITORIES AND IMPROVEMENTS. The board may erect and equip, or may contract with any person, firm, or corporation for the erecting and equipping of dormitories and other improvements, which shall be located either on the campus or on land purchased or leased for the purpose by the board. The board may purchase or lease additional real estate for the purpose, or exchange or sell real estate for the purpose.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.62. OBLIGATIONS; PLEDGE OF REVENUE. In payment for the erecting and equipping of dormitories and improvements, the board may issue its obligations in the amount and on the terms deemed advisable by the board. As security the board may pledge the income from the dormitories and improvements erected or from other dormitories owned by the university, as well as all other revenue derived by the university from other sources, except revenue derived by means of appropriations made for a specific purpose by the legislature.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.63. SALE OF REAL ESTATE. The board may sell or encumber any part of the campus or real estate owned by the university for the purpose of obtaining funds with which to erect and equip these improvements or for the purpose of securing the payment of its obligations issued to any person, firm, or corporation for the erecting or equipping of these improvements.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.64. REQUIRED DORMITORY RESIDENCE. The board may adopt regulations it deems reasonable requiring any class or classes of students to reside in university dormitories or other buildings.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.65. MANAGEMENT OF DORMITORIES. The board has absolute and sole management and control of university dormitories and other improvements.

Acts 1971, 62nd Leg., p. 3254, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.66. REQUISITION OF FURNISHINGS, EQUIPMENT, ETC. The board may make requisition to the comptroller for furniture, furnishings, equipment, and appointments required for the proper use and enjoyment of improvements erected by the board, and the comptroller may purchase and pay for the furnishings, equipment, and appointments.

Acts 1971, 62nd Leg., p. 3255, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 4.013, eff. Sept. 1, 2001.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.86, eff. September 1, 2007.

Sec. 107.67. LIMITATION ON OBLIGATIONS. In the erecting, or in contracts for the erecting, of dormitories and improvements, the board may not in any manner incur any indebtedness against the university except as provided in Sections 107.62 and 107.63 of this code. The obligations incurred in the erecting of dormitories and improvements may never be personal obligations of the university but shall be discharged solely from the revenue or property authorized to be pledged for that purpose.

Acts 1971, 62nd Leg., p. 3255, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.68. GENERAL POWERS. The board may do any and all things necessary or convenient to carry out the purpose and intent of this subchapter.

Acts 1971, 62nd Leg., p. 3255, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 107.69. STATE HISTORICAL COLLECTION. (a) The board may

establish an historical collection of items illustrating the history of women in Texas. The historical collection is to be housed in a building belonging to the university and is to be known as "The History of Texas Women." When established, the historical collection may be designated a state historical collection and shall be for the use and enjoyment of all citizens of Texas.

(b) The board may accept donations, gifts, and collections of historical value for the use of the historical collection and shall adopt rules for the receipt, care, custody, and control of items in the collection.

Added by Acts 1979, 66th Leg., p. 1145, ch. 551, Sec. 1, eff. June 11, 1979.

SUBCHAPTER E. CAMPUS SECURITY PERSONNEL

Sec. 107.81. CONCURRENT JURISDICTION WITH CITY POLICE. (a) Campus security personnel commissioned under Section 51.203 of this code have concurrent jurisdiction with police officers of the City of Denton to enforce all criminal laws, including traffic laws, of the state and all ordinances of the city regulating traffic on any public street running through the property of the university and on any public street immediately adjacent to property owned or occupied and controlled by the university.

(b) The form and content of traffic citations issued for violations of law shall be similar to the type used by the State Highway Patrol and shall be filed in the municipal court or any justice of the peace court with jurisdiction of the offense.

Added by Acts 1981, 67th Leg., p. 892, ch. 317, Sec. 2, eff. Aug. 31, 1981.

Sec. 107.82. ASSISTANCE TO CITY POLICE. (a) The board of regents and the city council of Denton may enter into written agreements, authorized by resolution of each governing body, to authorize the regular employed peace officers of the university to assist the peace officers of the city in enforcing the laws of the state and the ordinances of the city at any location in the city.

(b) To be valid, an agreement under Subsection (a) of this section must be approved by the attorney general.

(c) While acting pursuant to the agreement in Subsection (a) above and when such act is outside the property of the university or outside any public street running through, adjacent to, or within property owned or occupied and controlled by the university, the peace officers of the university are under the jurisdiction and command of the chief of police of Denton.

(d) Neither the state nor the university is liable for actions of a campus police officer acting under the jurisdiction and command of the chief of police of Denton.

(e) The university shall have jurisdiction over its personnel and students upon property owned by the university to the extent that it may (1) assign and regulate parking spaces for its use and charge and collect appropriate fees for parking and improper parking; (2) prohibit parking where it deems necessary; (3) set and collect fees for and remove vehicles parked in violation of its rules and regulations or the laws of the State of Texas.

Added by Acts 1981, 67th Leg., p. 892, ch. 317, Sec. 2, eff. Aug. 31, 1981.

Sec. 107.83. CITY DELEGATION OF PARKING REGULATION AUTHORITY. (a) By contract between the city and the university, the city council of Denton may delegate to the university the authority to regulate the parking of vehicles on any public street running through or immediately adjacent to property owned or occupied and controlled by the university.

(b) The contract may authorize the university to assign and regulate parking spaces for its use, to charge and collect a fee from its personnel and students for parking, to prohibit parking, and to charge and collect a fee for removing vehicles parked in violation of law or ordinance or in violation of a rule governing the parking of vehicles adopted by the board. All parking violations shall be filed in the Municipal Court of Denton or the justice of the peace court having jurisdiction over the offense.

(c) Before the contract is considered by the city council or the board, the attorney general and the city attorney of Denton shall review and either approve the contract or file written legal objections to the contract with the chief executive officer of both the board and the council. The contract must be approved by

resolution of the board and the city council.

Added by Acts 1981, 67th Leg., p. 892, ch. 317, Sec. 2, eff. Aug. 31, 1981.

Sec. 107.84. CONSTRUCTION OF SUBCHAPTER. This subchapter does not:

(1) limit the police powers of the city or its law enforcement jurisdiction;

(2) render a campus peace officer an employee of the city or entitle a campus peace officer to compensation from the city; or

(3) restrict the power of the university under other law to enforce laws, ordinances, or rules regulating traffic or parking.

Added by Acts 1981, 67th Leg., p. 892, ch. 317, Sec. 2, eff. Aug. 31, 1981.

CHAPTER 109. TEXAS TECH UNIVERSITY SYSTEM

SUBCHAPTER A. GENERAL AND ADMINISTRATIVE PROVISIONS

Sec. 109.001. TEXAS TECH UNIVERSITY SYSTEM. (a) The Texas Tech University System hereby created is composed of all those institutions and entities presently under the governance, control, jurisdiction, and management of the board of regents of Texas Tech University.

(b) The Texas Tech University System shall also be composed of such other institutions and entities as from time to time may be assigned by specific legislative act to the governance, control, jurisdiction, and management of the Texas Tech University System.

(c) The governance, control, jurisdiction, organization, and management of the Texas Tech University System is hereby vested in the present board of regents of Texas Tech University, which will hereinafter be known and designated as the board of regents of the Texas Tech University System. The board by rule may delegate a power or duty of the board to an officer, employee, or other agent of the board.

(d) The board of regents of the Texas Tech University System may accept, retain in depositories of its choosing, and administer, on terms and conditions acceptable to the board, gifts, grants, or donations of any kind, from any source to the extent not prohibited

by state or federal law, for use by the system or any of the component institutions of the system.

Added by Acts 1999, 76th Leg., ch. 1583, Sec. 2, eff. Sept. 1, 1999.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 2, eff. June 19, 2015.

Sec. 109.002. BOARD OF REGENTS. The government, control, and direction of the policies of the university system and the component institutions are vested in a board of nine regents, who shall be appointed by the governor with the advice and consent of the senate.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred, redesignated and amended from Education Code, Section 109.21 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 3, eff. June 19, 2015.

Sec. 109.003. BOARD MEMBERS: TERMS, VACANCIES. Members of the board will hold office for staggered terms of six years, with the terms of three members expiring on January 31 of odd-numbered years. Any vacancy shall be filled for the unexpired portion of the term by appointment by the governor with the advice and consent of the senate.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred, redesignated and amended from Education Code, Section 109.22 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 3, eff. June 19, 2015.

Sec. 109.004. CHIEF EXECUTIVE OFFICER: SELECTION, DUTIES. The board shall appoint a chief executive officer, who shall devote the officer's attention to the executive management of the university system and who shall be directly accountable to the board for the conduct of the university system. The board, when required by law to be the governing body of any other state educational institution or

facility, shall also direct the chief executive officer to be directly responsible for the executive management of that other institution or facility.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred, redesignated and amended from Education Code, Section 109.23 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 3, eff. June 19, 2015.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 109.051. EMINENT DOMAIN. The board of regents has the power of eminent domain to acquire land needed to carry out the purposes of the university system and the component institutions.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred, redesignated and amended from Education Code, Section 109.41 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 5, eff. June 19, 2015.

Sec. 109.052. RESIDENCES FOR CHANCELLOR AND PRESIDENTS. The board may purchase a house or may purchase land and construct a house suitable for the residence of the chancellor of the university system or a president of a component university.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred, redesignated and amended from Education Code, Section 109.42 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 5, eff. June 19, 2015.

Sec. 109.053. UTILITIES EASEMENTS. On terms, conditions, stipulations, and compensation as determined by the board, the board may convey, dedicate, or use any other appropriate method of conveyance to grant, convey, or dedicate rights, title, rights-of-way, or easements involving or in connection with the furnishing or providing of electricity, water, sewage disposal, natural gas,

telephone, telegraph, or other utility service on, over, or through the campuses of the Texas Tech University System and the component institutions. The chairman of the board may execute and deliver conveyances or dedications on behalf of the university system and the component institutions.

Added by Acts 1975, 64th Leg., p. 362, ch. 155, Sec. 1, eff. May 8, 1975.
Transferred, redesignated and amended from Education Code, Section 109.48 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 5, eff. June 19, 2015.

Sec. 109.054. MANAGEMENT OF LANDS. The board has the sole and exclusive management and control of lands set aside and appropriated to or acquired by the institutions under its governance. The board may lease, sell, exchange, acquire, dispose of, and otherwise manage, control, and use the lands in any manner and at prices and under terms and conditions the board deems best for the interest of the institutions. However, the board may not sell any of the original main campus of Texas Tech University located in Lubbock, Lubbock County, unless the sale is approved by act of the legislature. No grazing lease shall be made for a period of more than five years.

Added by Acts 1975, 64th Leg., p. 1248, ch. 471, Sec. 1, eff. Sept. 1, 1975. Amended by Acts 1983, 68th Leg., p. 719, ch. 166, Sec. 1, eff. May 20, 1983. Renumbered from Education Code Sec. 109.48 by Acts 1987, 70th Leg., ch. 167, Sec. 5.01(a)(22), eff. Sept. 1, 1987.
Transferred, redesignated and amended from Education Code, Section 109.54 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 5, eff. June 19, 2015.

SUBCHAPTER C. TEXAS TECH UNIVERSITY

Sec. 109.101. TEXAS TECH UNIVERSITY. Texas Tech University is a coeducational institution of higher education located in the city of Lubbock.

Acts 1971, 62nd Leg., p. 3259, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Transferred and redesignated from Education Code, Section 109.01 by

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 7, eff. June 19, 2015.

Sec. 109.102. DORMITORIES: RULES AND REGULATIONS. The board may adopt rules and regulations it deems advisable requiring any class or classes of students to reside in university dormitories or other buildings.

Acts 1971, 62nd Leg., p. 3260, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Redesignated and amended from Education Code, Section 109.43 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 8, eff. June 19, 2015.

Sec. 109.103. MUSEUM. (a) The board may establish a history, science, and art museum.

(b) The board may provide a building or any part of a building for the sole purpose of maintaining a history, science, and art museum.

Acts 1971, 62nd Leg., p. 3260, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Redesignated and amended from Education Code, Section 109.45 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 8, eff. June 19, 2015.

Sec. 109.104. DONATIONS, GIFTS, GRANTS, AND ENDOWMENTS. The board may accept donations, gifts, grants, and endowments for Texas Tech University to be held for the benefit of the institution and administered by the board.

Added by Acts 1983, 68th Leg., p. 720, ch. 166, Sec. 2, eff. May 20, 1983.
Redesignated and amended from Education Code, Section 109.52 by Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 8, eff. June 19, 2015.

SUBCHAPTER D. MINERAL DEVELOPMENT IN UNIVERSITY LAND

Sec. 109.151. MINERAL LEASES; DISPOSITION OF PROCEEDS. (a) The board may lease for oil, gas, sulphur, or other mineral development to the highest bidder at public auction all or part of the lands under the exclusive control of the board owned by the State of Texas and acquired for the use of Texas Tech University and its divisions.

(b) Any money received by virtue of this section shall be deposited in a special fund managed by the board to be known as the Texas Tech University special mineral fund. Money in the fund is considered to be institutional funds, as defined by Section 51.009, of the university and is to be used exclusively for the university. All deposits in and investments of the fund shall be made in accordance with Section 51.0031. Section 34.017, Natural Resources Code, does not apply to the fund.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.152. MAJORITY OF BOARD TO ACT. A majority of the board has power to act in all cases under this subchapter except as otherwise provided in this subchapter.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.153. SUBDIVISION OF LAND; TITLES. (a) The board may have the lands surveyed or subdivided into tracts, lots, or blocks which, in its judgment, will be most conducive and convenient to an advantageous sale or lease of oil, gas, sulphur, or other minerals in and under and that may be produced from the lands; and the board may make maps and plats which it deems necessary to carry out the purposes of this subchapter.

(b) The board may obtain authentic abstracts of title to the lands from time to time as it deems necessary and may take necessary steps to perfect a merchantable title to the lands.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.154. SALE OF LEASES; ADVERTISEMENTS; PAYMENTS. (a) Whenever in the opinion of the board there is a demand for the purchase of oil, gas, sulphur, or other mineral leases on any tract or part of any tract of land which can be reasonably expected to result in an advantageous sale, the board shall place the oil, gas, sulphur, or other mineral leases on the land on the market in a tract or tracts, or any part of a tract, which the board may designate.

(b) The board shall have advertised a brief description of the land from which the oil, gas, sulphur, or other minerals is proposed to be leased. The advertisement shall be made by publishing in two or more papers of general circulation in this state, and in addition, the board may, in its discretion, cause the advertisement to be placed in an oil and gas journal published in and out of the state. The board may also mail copies of the proposals to the county judge of the county where the lands are located and to other persons the board believes would be interested.

(c) The board may sell the lease or leases to the highest bidder at public auction.

(d) The highest bidder shall pay to the board on the day of the sale 25 percent of the bonus bid, and the balance of the bid shall be paid within 24 hours after the bidder is notified that the bid has been accepted. Payments shall be made in cash, certified check, cashier's check, or electronic payment, as the board directs. The failure of the bidder to pay the balance of the amount bid will forfeit to the board the 25 percent of the bonus bid paid.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.155. SEPARATE BIDS; MINIMUM ROYALTY; DELAY RENTAL. (a) A separate bid shall be made for each tract or subdivision of a tract.

(b) No bid shall be accepted which offers a royalty of less

than one-eighth of the gross production of oil, gas, sulphur, and other minerals in the land bid upon. The board may increase this minimum royalty at the discretion of the board.

(c) Every bid shall carry the obligation to pay an amount not less than $5 per acre for delay in drilling or development. The amount shall be fixed by the board in advance of the advertisement. The delay rental shall be paid every year for five years unless in the meantime production in paying quantities is had upon the land or the land is released by the lessee.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.156. REJECTION OF BIDS; WITHDRAWAL OF LAND. The board may reject any and all bids and may withdraw any land advertised for lease.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.157. ACCEPTANCE; CONDITIONS AND PROVISIONS OF LEASE. (a) If, in the opinion of the board, the highest bidder has offered a reasonable and proper price for any tract, which is not less than the price set by the board, the lands advertised may be leased for oil, gas, sulphur, and other mineral purposes under the terms of this section and subject to regulations prescribed by the board which are not inconsistent with the provisions of this section. In the event no bid is accepted by the board at public auction, any subsequent procedure for the sale of the leases shall be in the manner prescribed in the preceding sections.

(b) No lease shall be made by the board which will permit the drilling or mining for oil, gas, sulphur, or other minerals within 500 feet of any building or structure on the land without the consent of the board. In making any lease on any experimental station or farm, the lease shall provide that the operations for oil, gas, and other minerals shall not in any way interfere with use of the land for university purposes and shall not cause the abandonment of the

property or its use for experimental farm purposes. The lease shall also provide that the lessee operating the property shall drill and carry on the lessee's operations in such a way as not to interfere with uses of the property for university purposes, and the leased property shall be subject to the use by the state for all university purposes.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.158. ACCEPTANCE AND FILING OF BIDS; TERMINATION OF LEASE. (a) If the board determines that a satisfactory bid has been received for the oil, gas, sulphur, or other mineral lands, it shall accept the bid and reject all others and shall file the accepted bid in the general land office.

(b) If before the expiration of five years oil, gas, sulphur, or other minerals have not been produced in paying quantities, the lease shall terminate unless extended as provided in Sections 109.160 and 109.161.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.159. AWARD AND FILING OF LEASE. If the board determines that a satisfactory bid has been received for the oil, gas, sulphur, or other minerals, it shall make an award to the bidder offering the highest price, and a lease shall be filed in the general land office.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.160. EXPLORATORY TERM OF LEASE; EXTENSION; OTHER PROVISIONS. (a) The exploratory term of a lease as determined by the board prior to the promulgation of the advertisement shall not

exceed five years, and each lease shall provide that the lease will terminate at the expiration of its exploratory term unless by unanimous vote of the board the lease is extended for a period not to exceed three years.

(b) If oil, gas, sulphur, or other minerals are being produced in paying quantities from the premises, the lease shall continue in force and effect as long as the oil, gas, sulphur, or other minerals are being so produced. No extension may be made by the board until the last 30 days of the original term of the lease.

(c) The lease shall include additional provisions and regulations prescribed by the board to preserve the interest of the state, not inconsistent with the provisions of this subchapter.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.161. EXTENSION OF LEASES. When in the discretion of the board it is deemed for the best interest of the state to extend a lease issued by the board, the board may by unanimous vote extend the lease for a period not to exceed three years, on the condition that the lessee shall continue to pay yearly rental as provided in the lease and shall comply with any additional terms the board requires. The board may extend the lease and execute an extension agreement.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.162. CONTROL OF DRILLING AND PRODUCTION. The drilling for and the production of oil, gas, and other minerals from the lands shall be governed and controlled by the Railroad Commission of Texas and other applicable regulatory bodies which govern and control other fields in this state.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.163. DRILLING OPERATIONS: SUSPENSION OF RENT; CONTINUANCE OF LEASE; DUTY TO PREVENT DRAINAGE. (a) If during the term of a lease issued under the provisions of this subchapter the lessee is engaged in actual drilling operations for the discovery of oil, gas, sulphur, or other minerals, no rentals shall be payable as to the tract on which the operations are being conducted as long as the operations are proceeding in a good and workmanlike manner in a good faith attempt to produce oil, gas, sulphur, or other minerals from the well.

(b) In the event oil, gas, sulphur, or other minerals are discovered in paying quantities on any tract of land covered by a lease, then the lease as to that tract shall remain in force as long as oil, gas, sulphur, or other minerals are produced in paying quantities from the tract.

(c) In the event of the discovery of oil, gas, sulphur, or other minerals on any tract covered by a lease or on any land adjoining the tract, the lessee shall conduct such operations as may be necessary to prevent drainage from the tract covered by the lease to properly develop the same to the extent that a reasonably prudent individual would do under the same and similar circumstances.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.164. TITLE TO RIGHTS PURCHASED; ASSIGNMENT; RELINQUISHMENT. (a) Title to all rights purchased may be held by the lessee as long as the area produces oil, gas, sulphur, or other minerals in paying quantities.

(b) All rights purchased may be assigned. All assignments shall be filed in the general land office as prescribed by rule, accompanied by 10 cents per acre for each acre assigned and the filing fee as prescribed by rule. An assignment shall not be effective unless filed as required by rule.

(c) All rights to all or any part of a leased tract may be released to the state at any time by recording a release instrument in the county or counties in which the tract is located. Releases shall also be filed with the chairman of the board and the general land office, accompanied by the filing fee prescribed by rule. A

release shall not relieve the lessee of any obligations or liabilities incurred prior to the release.

(d) The board shall authorize any required infrastructure, including the opening of roads deemed reasonably necessary in carrying out the purposes of this subchapter.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.165. PAYMENT OF ROYALTIES; RECORDS; REPORT OF RECEIPTS. (a) If oil, gas, or other minerals are developed on any of the lands leased by the board, the royalty as stipulated in the sale shall be paid to the general land office in Austin on or before the last day of each month for the preceding month during the life of the rights purchased. The royalty payments shall be set aside as specified in Section 109.151 and used as provided in that section.

(b) The royalty paid to the general land office shall be accompanied by the sworn statement of the lessee, manager, or other authorized agent showing the gross amount of oil, gas, sulphur, or other minerals produced and sold off the premises and the market value of the minerals, together with a copy of all daily gauges, or vats, tanks, gas meter readings, pipeline receipts, gas line receipts, and other checks and memoranda of the amounts produced and put into pipelines, vats, tanks, or pool and gas lines or gas storage. The books and accounts, receipts and discharges of all wells, tanks, vats, pools, meters, and pipelines, and all contracts and other records pertaining to the production, transportation, sale, and marketing of the oil, gas, sulphur, or other minerals shall at all times be subject to inspection and examination by any member of the board or any duly authorized representative of the board.

Without reference to the amendment of this subsection, this subsection was repealed by Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 21(3), eff. September 1, 2015.

(c) The commissioner of the general land office shall tender to the board on or before the 10th day of each month a report of all receipts that are collected from the lease or sale of oil, gas, sulphur, or other minerals and that are deposited in the special fund as provided by Section 109.151 during the preceding month.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1203 (S.B. 1455), Sec. 21(3), eff. September 1, 2015.

Sec. 109.166. PROTECTION FROM DRAINAGE; FORFEITURE OF RIGHTS. (a) In every case where the area in which oil, gas, sulphur, or other minerals sold is contiguous or adjacent to lands which are not lands belonging to and held by the university, the acceptance of the bid and the sale made thereby shall constitute an obligation of the lessee to adequately protect the land leased from drainage from the adjacent lands to the extent that a reasonably prudent operator would do under the same and similar circumstances.

(b) In cases where the area in which the oil, gas, sulphur, or other minerals sold is contiguous to other lands belonging to and held by the university which have been leased or sold at a lesser royalty, the lessee shall protect the land from drainage from the lands leased or sold for a lesser royalty.

(c) On failure to protect the land from drainage as provided in this section, the sale and all rights acquired may be forfeited by the board in the manner provided in Section 109.167 for forfeitures.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.167. FORFEITURE AND OTHER REMEDIES; LIENS. (a) Leases granted under the provisions of this chapter are subject to forfeiture by the board by an order entered in the minutes of the board reciting the acts or omissions constituting a default and declaring a forfeiture.

(b) Any of the following acts or omissions constitutes a default:

(1) the failure or refusal by the lessee of the rights acquired under this chapter to make a payment of a sum due, either as rental or royalty on production, within 30 days after the payment becomes due;

(2) the making of a false return or false report concerning production, royalty, drilling, or mining by the lessee or the lessee's authorized agent;

(3) the failure or refusal of the lessee or the lessee's agent to drill an offset well or wells in good faith, as required by the lease;

(4) the refusal of the lessee or the lessee's agent to allow the proper authorities access to the records and other data pertaining to the operations authorized in this subchapter;

(5) the failure or refusal of the lessee or the lessee's authorized agent to give correct information to the proper authorities, or to furnish the log of any well within 30 days after production is found in paying quantities; or

(6) the violation by the lessee of any material term of the lease.

(c) The board may, if it so desires, have suit for forfeiture instituted through the attorney general.

(d) On proper showing by the forfeiting lessee within 30 days after the declaration of forfeiture, the lease may be reinstated at the discretion of the board and upon terms prescribed by the board.

(e) In case of violation by the lessee of the lease contract, the remedy of forfeiture shall not be the exclusive remedy, and the state may institute suit for damages or specific performance or both.

(f) The state shall have a first lien on oil, gas, sulphur, or other minerals produced or that may be produced in the leased area, and on all rigs, tanks, vats, pipelines, telephone lines, and machinery and appliances used in the production and handling of oil, gas, sulphur, or other minerals produced, to secure the amount due from the lessee.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.168. FILING OF DOCUMENTS AND PAYMENT OF ROYALTIES, FEES, AND RENTALS. (a) All surveys, files, copies of sale and lease contracts, and other records pertaining to the sales and leases authorized in this subchapter shall be filed in the general land office and shall constitute archives.

(b) Payment of all royalties, lease fees, rentals for delay in drilling or mining, filing fees for assignments and relinquishments, and all other payments shall be made to the commissioner of the general land office at Austin. The commissioner shall transmit all payments received to the board for deposit to the credit of the Texas Tech University special mineral fund as provided by Section 109.151.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.169. FORMS, REGULATIONS, RULES, AND CONTRACTS. The board shall adopt proper forms, regulations, rules, and contracts which, in its judgment, will protect the income from lands leased pursuant to this subchapter.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

Sec. 109.170. MANAGEMENT OF SURFACE AND MINERAL ESTATES. (a) The board may lease for oil, gas, sulphur, ore, water, and other mineral development all land under its exclusive control for the use of the university. The board may make and enter into pooling agreements, division orders, or other contracts necessary in the management and development of its land.

(b) All leases, pooling agreements, division orders, or other contracts entered into by the board shall be on terms that the board considers in the best interest of the university. The board may not sell a lease for less than the royalty and rental terms demanded at that time by the General Land Office in connection with the sale of oil, gas, and other mineral leases of the public lands of this state.

(c) All money received under the leases and contracts executed for the management and development of the land, except revenue pledged to the payment of revenue bonds or notes, shall be deposited to the credit of a special fund created by the board. The board shall designate a depository for the special fund and protect the money deposited in it by the pledging of assets of the depository in the same manner as is required for the protection of public funds.

Money deposited in the special fund may be used by the board for the administration of the university, for payment of principal of and interest on revenue bonds or notes issued by the board, and for any other purpose that in the judgment of the board may be for the good of the university.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 9, eff. June 19, 2015.

CHAPTER 109A. ANGELO STATE UNIVERSITY

Sec. 109A.001. ESTABLISHMENT; SCOPE. (a) Angelo State University is a general academic teaching institution located in the city of San Angelo.

(b) The university is a component institution of the Texas Tech University System and is under the management and control of the board of regents of the Texas Tech University System. The board of regents has the same powers and duties concerning Angelo State University as are conferred on the board by statute concerning Texas Tech University and Texas Tech University Health Sciences Center.

Added by Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 1, eff. September 1, 2007.

Sec. 109A.002. COURSES AND DEGREES; RULES; AFFILIATION AGREEMENTS; JOINT APPOINTMENTS. (a) The board of regents, with the approval of the Texas Higher Education Coordinating Board, may prescribe courses at the university leading to customary degrees as are offered at leading American educational institutions and may award those degrees, including baccalaureate, master's, and doctoral degrees and their equivalents.

(b) A new department, school, or degree program may not be instituted at the university without the prior approval of the Texas Higher Education Coordinating Board.

(c) The board of regents shall adopt rules for the operation, control, and management of the university as may be necessary for the conduct of the university as one of the first class.

(d) The board may enter into an affiliation or coordination agreement with any other entity or institution in this state to

further the purposes of the university.

(e) The board may make joint faculty appointments in Angelo State University and in other institutions under its governance. The board may make a joint faculty appointment in Angelo State University concurrently with the appointment of the faculty member by another institution of higher education in accordance with an affiliation agreement described by Subsection (d). The salary of a person who receives a joint appointment shall be apportioned to the appointing institutions on the basis of services rendered.

Added by Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 1, eff. September 1, 2007.

Sec. 109A.003. OBLIGATIONS AND BENEFITS OF STATE LAW. The university is subject to the obligations and entitled to the benefits of all laws of this state applicable to all other state institutions of higher education, except that this subchapter prevails to the extent of any conflict between this subchapter and any other law of this state.

Added by Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 1, eff. September 1, 2007.

Sec. 109A.004. MILITARY TRAINING. The university may not require a student to participate in military training as a condition for admission to or graduation from the university.

Added by Acts 2007, 80th Leg., R.S., Ch. 179 (H.B. 3564), Sec. 1, eff. September 1, 2007.

Sec. 109A.005. AUTHORITY TO TRANSFER SAN ANGELO MUSEUM OF FINE ARTS. (a) In this section, "nonprofit organization" means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

(b) The board of regents may transfer title to the real property and improvements of the San Angelo Museum of Fine Arts to a nonprofit organization if:

(1) before transferring title, the board of regents holds a public meeting at which the transfer is an agenda item and, in addition to any other notice required, gives notice of the meeting by publishing the subject matter, location, date, and time of the meeting in a newspaper having general circulation in the city of San Angelo;

(2) the board of regents determines that:

(A) the transfer will serve the interests of the university and the public; and

(B) at the time of the transfer, the university does not require the entirety of the real property or improvements for educational purposes; and

(3) the nonprofit organization to which the transfer is proposed to be made has demonstrated, to the satisfaction of the board of regents, that the organization intends to continue to:

(A) use the real property and improvements for public purposes, including educational purposes; and

(B) keep the museum open to the public on a frequent and regular basis.

(c) To make a transfer under this section, the chairman of the board of regents shall execute a deed transferring title to the real property and improvements of the San Angelo Museum of Fine Arts to the nonprofit organization. The deed must:

(1) cite the authorization by the board of regents to make the transfer; and

(2) provide that title to the real property and improvements reverts to the Texas Tech University System if the nonprofit organization:

(A) discontinues using the real property or improvements for public purposes as required by the deed; or

(B) executes a document that purports to convey title.

Added by Acts 2009, 81st Leg., R.S., Ch. 52 (S.B. 811), Sec. 1, eff. May 19, 2009.

CHAPTER 110. TEXAS TECH UNIVERSITY HEALTH SCIENCES INSTITUTIONS

SUBCHAPTER A. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Sec. 110.01. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER; SEPARATE INSTITUTION. Texas Tech University Health Sciences Center

is a separate institution and not a department, school, or branch of Texas Tech University but is under the direction, management, and control of the Texas Tech University System Board of Regents. The center is composed of a medical school and other components assigned by law or by the coordinating board.

Acts 1971, 62nd Leg., p. 3267, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 10, eff. June 19, 2015.

Sec. 110.02. CONCURRENT POWERS. The board of regents has the same powers of governance, control, jurisdiction, and management over the Health Sciences Center as it exercises over the Texas Tech University System and its components.

Acts 1971, 62nd Leg., p. 3267, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 10, eff. June 19, 2015.

Sec. 110.03. GENERAL POWERS. The board may make rules and regulations for the direction, control, and management of Texas Tech University Health Sciences Center as necessary for it to be an institution of the first class.

Acts 1971, 62nd Leg., p. 3267, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Assigned by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.05. COURSES OFFERED. The board may prescribe courses leading to customary degrees.

Acts 1971, 62nd Leg., p. 3267, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Assigned by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.06. AGREEMENTS WITH OTHER SCHOOLS. The board may, when in the best interests of medical education at the Health Sciences Center, execute and carry out affiliation or coordinating agreements with any other entity or institution in the Lubbock area, Amarillo area, El Paso area, and the Odessa-Midland area to provide clinical, postgraduate, including internship and residency, or other levels of medical educational work for the Health Sciences Center. Additionally, the board may execute and carry out affiliation or coordinating agreements with any other entity or institution necessary to conduct and operate the Health Sciences Center as a first-class institution. The board may utilize the facilities and staffs of other state biomedical units.

Acts 1971, 62nd Leg., p. 3268, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Assigned by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.07. PHYSICAL FACILITIES. The board shall make provision for adequate physical facilities for the Health Sciences Center, including library, auditorium, and animal facilities, for use by the Health Sciences Center in its teaching and research programs.

Acts 1971, 62nd Leg., p. 3268, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Assigned by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.08. GRANTS; GIFTS. The board, in its discretion, may accept and administer grants and gifts from the federal government, any foundation, trust fund, corporation, or individual for the use and benefit of the Health Sciences Center.

Acts 1971, 62nd Leg., p. 3268, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Assigned by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.09. TEACHING HOSPITAL. A complete teaching hospital for the Health Sciences Center shall be furnished at no cost or expense to the state. The state may never contribute any funds for the construction, maintenance, or operation of a teaching hospital for the Health Sciences Center.

Acts 1971, 62nd Leg., p. 3268, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.10. SUPERVISION BY COORDINATING BOARD. The Health Sciences Center is subject to the continuing supervision of and to the rules and regulations of the Coordinating Board, Texas College and University System, as provided by Chapter 61 of this code.

Acts 1971, 62nd Leg., p. 3268, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1979, 66th Leg., p. 724, ch. 319, Sec. 2, eff. June 6, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.11. MEDICAL SCHOOL ADMISSION POLICIES. The board of regents shall promulgate appropriate rules and regulations pertaining to the admission of students to the medical school.

Added by Acts 1975, 64th Leg., p. 2409, ch. 740, Sec. 4, eff. Sept. 1, 1975.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.
Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 10, eff. June 19, 2015.

Sec. 110.12. UTILITIES EASEMENTS. On terms, conditions, or stipulations, and compensation as determined by the board, the board may convey, dedicate, or use any other appropriate method of conveyance to grant, convey, or dedicate rights, title, rights-of-way, or easements involving or in connection with the furnishing or providing of electricity, water, sewage disposal, natural gas, telephone, telegraph, or other utility service on, over, or through the campus or properties of Texas Tech University Health Sciences Center. The chairman of the board may execute and deliver conveyances or dedications on behalf of Texas Tech University Health Sciences Center.

Added by Acts 1975, 64th Leg., p. 363, ch. 155, Sec. 2, eff. May 8, 1975. Renumbered from Education Code Sec. 110.11 and amended by Acts 1979, 66th Leg., p. 725, ch. 319, Sec. 3, eff. June 6, 1979.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.13. MANAGEMENT OF LANDS. The board has the sole and exclusive management and control of lands set aside and appropriated to or acquired by the institutions under its governance. The board may lease, sell, exchange, acquire, dispose of, and otherwise manage, control, and use the lands in any manner and at prices and under terms and conditions the board deems best for the interest of the institutions. However, the board may not sell any of the original main campus located in Lubbock, Lubbock County, unless the sale is

approved by act of the legislature. No grazing lease shall be made for a period of more than five years.

Added by Acts 1975, 64th Leg., p. 1249, ch. 471, Sec. 2, eff. Sept. 1, 1975. Renumbered from Education Code Sec. 110.11 and amended by Acts 1983, 68th Leg., p. 721, ch. 166, Sec. 4, eff. May 20, 1983.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

Sec. 110.16. SECURITY POWERS RELATIVE TO HOSPITAL DISTRICT. (a) Texas Tech University Health Sciences Center campus security personnel commissioned as peace officers under Section 51.203 of this code have concurrent jurisdiction with commissioned peace officers of the City of Lubbock, Lubbock County, Texas, to enforce criminal laws of this state and city ordinances of the City of Lubbock on property of the Lubbock County Hospital District, including Lubbock General Hospital, that is adjacent to property owned or controlled and occupied by Texas Tech University Health Sciences Center.

(b) The Lubbock County Hospital District shall compensate campus security personnel for the security and law enforcement services they provide to the hospital district in the amount agreed on by the Lubbock County Hospital District's Board of Managers and the Texas Tech University Health Sciences Center Board of Regents.

(c) Subsections (a) and (b) of this section do not:

(1) limit the police powers or enforcement jurisdiction of the City of Lubbock or Lubbock County;

(2) render campus security personnel of the Texas Tech University Health Sciences Center employees of the Lubbock County Hospital District, or the City of Lubbock, or Lubbock County; or

(3) restrict the power or control of the Texas Tech University Health Sciences Center Board of Regents over campus security personnel.

Added by Acts 1983, 68th Leg., p. 3861, ch. 609, Sec. 1, eff. June 19, 1983. Renumbered from Education Code Sec. 110.13 by Acts 1987, 70th Leg., ch. 167, Sec. 5.01(a)(24) eff. Sept. 1, 1987.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 2, eff. May 18, 2013.

SUBCHAPTER B. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER AT EL PASO

Sec. 110.30. DEFINITIONS. In this subchapter:

(1) "Board of regents" means the board of regents of the Texas Tech University System.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.31. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER AT EL PASO; SEPARATE INSTITUTION. (a) The Texas Tech University Health Sciences Center at El Paso is a component institution of the Texas Tech University System under the direction, management, and control of the board of regents.

(b) The center is not a department, school, or branch of any other institution in the system. The center is composed of a medical school and other components assigned by law or by the board of regents.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.32. CONCURRENT POWERS. The board of regents has the same powers of governance, control, jurisdiction, and management over the Texas Tech University Health Sciences Center at El Paso as the board of regents exercises over the other component institutions of the Texas Tech University System.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1173 (S.B. 907), Sec. 10, eff. June 19, 2015.

Sec. 110.33. COURSES AND DEGREES; RULES. The board of regents may prescribe courses leading to customary degrees and may adopt rules for the operation, control, and management of the Texas Tech University Health Sciences Center at El Paso as necessary for conducting a health sciences center of the first class.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.34. AFFILIATION AGREEMENTS WITH OTHER ENTITIES. (a) The board of regents may execute and carry out an affiliation or coordinating agreement with any other entity or institution.

(b) The board of regents may make joint appointments in the Texas Tech University Health Sciences Center at El Paso and any other component institution of the Texas Tech University System. The salary of a person who receives a joint appointment must be apportioned between the appointing institutions on the basis of services rendered.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.35. FACILITIES. The board of regents shall provide for physical facilities for the Texas Tech University Health Sciences Center at El Paso for use in its teaching and research programs.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.36. TEACHING HOSPITAL. A teaching hospital considered suitable by the board of regents for the Texas Tech University Health Sciences Center at El Paso may be provided by a public or private entity. The hospital may not be constructed, maintained, or operated with state funds.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.37. COORDINATING BOARD SUPERVISION. The Texas Tech University Health Sciences Center at El Paso is subject to the continuing supervision of the coordinating board under Chapter 61 and to the rules of the coordinating board adopted under that chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.38. GIFTS AND GRANTS. The board of regents may solicit, accept, and administer gifts and grants from any public or private person or entity for the use and benefit of the Texas Tech University Health Sciences Center at El Paso.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.39. PARTICIPATION IN CERTAIN CONSTITUTIONAL FUNDS. In accordance with Section 17(c), Article VII, Texas Constitution, if the Act enacting this section receives a vote of two-thirds of all the members elected to each house of the legislature, the institution created under this subchapter is entitled to participate in the funding provided by Section 17, Article VII, Texas Constitution, beginning with the annual appropriation for the state fiscal year beginning September 1, 2015, and the Texas Tech University Health Sciences Center at El Paso shall be included in the allocation made for each 10-year allocation period under Section 17(d), Article VII, Texas Constitution, beginning with the allocation made in 2015.

Added by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 4, eff. May 18, 2013.

Sec. 110.40. TEXAS TECH DIABETES RESEARCH CENTER. (a) In this section:

(1) "Board" means the board of regents of the Texas Tech University System.

(2) "Center" means the Texas Tech Diabetes Research Center.

(b) The board shall establish the Texas Tech Diabetes Research Center for purposes of researching issues related to:

(1) diabetes; and

(2) conditions associated with that disease, including acanthosis nigricans, as defined by Section 95.001, Health and Safety Code.

(c) The organization, control, and management of the center are vested in the board.

(d) The board shall approve the employment of personnel by and the operating budget of the center. An employee of the center is an employee of the Texas Tech University Health Sciences Center at El Paso.

(e) The board shall select a site for the center at the Texas Tech University Health Sciences Center at El Paso.

(f) The center may enter into an agreement or may cooperate with a public or private entity to perform the research functions of the center.

(g) The board may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

(h) In conducting its activities under this section, the center shall consult with The University of Texas-Pan American Border Health Office that administers the Type 2 Diabetes risk assessment program under Chapter 95, Health and Safety Code.

Added by Acts 2001, 77th Leg., ch. 877, Sec. 1, eff. June 14, 2001.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 504 (S.B. 415), Sec. 5, eff. September 1, 2007.

Transferred, redesignated and amended from Education Code, Section 110.15 by Acts 2013, 83rd Leg., R.S., Ch. 65 (S.B. 120), Sec. 5, eff. May 18, 2013.

CHAPTER 111. THE UNIVERSITY OF HOUSTON

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 111.01. UNIVERSITY OF HOUSTON. The University of Houston is a coeducational institution of higher education located in the city of Houston on state properties hereby designated University of Houston.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 150, ch. 41, Sec. 1,

eff. April 26, 1983; Acts 1991, 72nd Leg., ch. 105, Sec. 4, eff. Aug. 26, 1991.

Sec. 111.02. APPLICABILITY OF GENERAL LAWS. The University of Houston is subject to the obligations and entitled to the benefits of all general laws of Texas applicable to all other state institutions of higher education, except where the general laws are in conflict with this chapter, and in the event of conflict this chapter prevails to the extent of the conflict.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 111.11. BOARD OF REGENTS. The organization and control of the university is vested in a board of nine regents.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.12. APPOINTMENTS TO BOARD; TERMS. Members of the board are appointed by the governor with the advice and consent of the senate. The term of office of each regent shall be six years, except that in making the first appointments the governor shall appoint three members for six years, three members for four years, and three members for two years. Any vacancy that occurs on the board shall be filled for the unexpired term by appointment of the governor.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.13. QUALIFICATIONS OF MEMBERS; OATH. Each member of the board shall be a citizen of the State of Texas, and each member shall take the constitutional oath of office.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept.

1, 1971.

Sec. 111.14. OFFICERS. The board shall elect one of the members chairman. They shall elect any other officers they deem necessary.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.15. COMPENSATION. Members of the board shall serve without pay, but shall be reimbursed for their actual expenses incurred in attending the work of the board, subject to the approval of the chairman.

Acts 1971, 62nd Leg., p. 3270, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.16. MEETINGS. The board shall hold regular meetings for the transaction of business pertaining to the affairs of the university system. The board by rule may establish a procedure for calling a special meeting of the board at other times.

Acts 1971, 62nd Leg., p. 3271, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 84 (S.B. 528), Sec. 1, eff. September 1, 2011.

Sec. 111.17. MINUTES. Full, accurate, and complete minutes of the board shall be kept and shall be open to inspection by the public at the university during regular business hours. Certified copies of any minutes shall be furnished on payment of a fee assessed by the board, which shall not exceed 25 cents per 100 words or fractional part thereof.

Acts 1971, 62nd Leg., p. 3271, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.18. PRESIDENT. The board shall select a president for the university, who shall be the executive officer for the board and shall work under its direction. The president shall recommend the plan or organization of the university and shall be responsible to the board for the general management and success of the university.

Acts 1971, 62nd Leg., p. 3271, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.19. PERSONNEL: APPOINTMENTS, SALARIES, ETC. The board may appoint and remove the president, any faculty member, or other officer or employee of the university when, in its judgment, the interest of the university requires it. The board shall fix the respective salaries and duties of the officers and employees.

Acts 1971, 62nd Leg., p. 3271, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.20. UNIVERSITY OF HOUSTON SYSTEM. (a) The University of Houston System hereby created is composed of all those institutions and entities presently under the governance, control, jurisdiction, and management of the Board of Regents of the University of Houston.

(b) The University of Houston System shall also be composed of such other institutions and entities as from time to time may be assigned by specific legislative act to the governance, control, jurisdiction, and management of the University of Houston System.

(c) The governance, control, jurisdiction, organization, and management of the University of Houston System is hereby vested in the present Board of Regents of the University of Houston, which will hereinafter be known and designated as the Board of Regents of the University of Houston System.

Added by Acts 1977, 65th Leg., p. 263, ch. 124, Sec. 1, eff. Aug. 29, 1977.

Sec. 111.21. SYSTEM CENTRAL ADMINISTRATION OFFICE; CHIEF EXECUTIVE OFFICER. (a) The board shall establish a central administration office of the university system to provide oversight and coordination of the activities of the system and each component institution within the system.

(b) The board shall appoint a chief executive officer and such other executive officers of the system central administration office as may be deemed appropriate. The term of appointment, salary, and duties of each such officer shall be determined by the board.

(c) The chief executive officer shall be responsible for the administration of the system through a central administrative office under the provisions of Section 51.353 of this code.

(d) In addition to other powers and duties provided by this code or other law, the central administration office of the system shall recommend necessary policies and rules to the governing board of the system to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

Added by Acts 1989, 71st Leg., ch. 464, Sec. 6, eff. June 14, 1989.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 111.31. COURSES AND DEGREES. The board shall prescribe courses leading to customary degrees offered in American universities of the first rank. However, the role and scope of the university, including its authorized departments and offerings of degree and certificate programs, are subject to the determination and approval of the Coordinating Board, Texas College and University System. All work done and all courses, degrees, certificates, and diplomas awarded shall conform to standard college requirements as promulgated by the accrediting associations that supervise matters of accreditation of universities and colleges in the State of Texas.

Acts 1971, 62nd Leg., p. 3271, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.33. SUITS. The board has the power to sue and be sued in the name of the University of Houston. Venue shall be in either Harris County or Travis County. The university shall be impleaded by

service of citation on the president or any of its vice presidents. Nothing in this section shall be construed as granting legislative consent for suits against the board, the University of Houston System, or its component institutions and entities except as authorized by law.

Acts 1971, 62nd Leg., p. 3272, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 378, Sec. 1, eff. Aug. 26, 1985.

Sec. 111.34. CONTRACTS. All contracts of the university shall be approved by a majority of the board. However, the board is authorized to adopt reasonable rules that delegate to the president or his authorized representatives the authority to negotiate, approve, and execute contracts.

Acts 1971, 62nd Leg., p. 3272, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 378, Sec. 2, eff. Aug. 26, 1985.

Sec. 111.35. BYLAWS; RULES; REGULATIONS. The board shall enact bylaws, rules, and regulations necessary for the successful management and government of the university.

Acts 1971, 62nd Leg., p. 3272, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.36. DONATIONS, GIFTS, ENDOWMENTS. The board may accept donations, gifts, and endowments for the university to be held in trust and administered by the board for the purposes and under the directions, limitations, and provisions declared in writing in the donation, gift, or endowment, provided that the purposes and directions, limitations, and provisions are not inconsistent with the laws of the State of Texas or with the objectives and proper management of the university.

Acts 1971, 62nd Leg., p. 3272, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.37. LEASE AND MANAGEMENT OF LAND. (a) The board may lease for oil, gas, sulphur, ore, and other mineral development all land under its exclusive control for the use of the university. The board may make and enter into pooling agreements, division orders, or other contracts necessary in the management and development of its land. All leases, pooling agreements, division orders, or other contracts entered into shall be on terms which the board deems in the best interest of the university. No lease shall be sold for less than the royalty and rental terms demanded at that time by the General Land Office in the sale of oil, gas, and other mineral leases of the public lands of the State of Texas.

(b) All money received under and by virtue of the leases and contracts executed for the management and development of the land, except revenue pledged to the payment of revenue bonds or notes, shall be deposited to the credit of a special fund created by the board. The board shall designate a depository for the special fund and shall accord the money deposited in it the same protection by the pledging of assets of the depository as is required for the protection of public funds. Money deposited in the special fund may be used by the board for the administration of the university, for payment of principal of and interest on any revenue bonds or notes issued by the board, and for any other use or purpose which in the judgment of the board may be for the good of the university.

Acts 1971, 62nd Leg., p. 3272, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.38. EMINENT DOMAIN. The board has the power of eminent domain to acquire for the use of the university any land necessary and proper for carrying out its purposes as a state-supported institution of higher education. However, the power of eminent domain is restricted to the area within Victoria County, Harris County, and any county whose boundaries are contiguous to Harris County. The board shall not be required to deposit a bond or the amount equal to the award of the commissioners as provided in Paragraph 2, Article 3268, Revised Civil Statutes of Texas, 1925, as amended.

Acts 1971, 62nd Leg., p. 3273, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 79, Sec. 1, eff. Aug. 26, 1985.

Sec. 111.39. ACQUISITION AND DISPOSITION OF LAND. The board may acquire by purchase, donation, or otherwise, for the use of the University of Houston System or any institution or entity under the governance, control, jurisdiction, and management of the board, any land and other real property necessary or convenient for carrying out the purposes of state-supported institutions of higher education. The board may sell, exchange, lease, or otherwise dispose of any land or other real property owned by or acquired for the board or any of the system institutions and entities. The proceeds from any sale of land or other real property shall be added to the capital funds of the board or the system institutions or entities. No new institutions, branches, or other operations of any kind shall be developed without specific authorization by the legislature.

Acts 1971, 62nd Leg., p. 3273, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 151, ch. 41, Sec. 5, eff. April 26, 1983.

Sec. 111.41. MILITARY TRAINING. (a) Within its authority to contract with the Department of Defense for military training under Section 51.304 of this code, the board may lease armory land and buildings from and to the United States, and may acquire equipment and material necessary to accomplish the purposes of the courses in military training. The board may enter into insurance contracts for the protection of the federal government's rights in and to any property involved.

(b) No student of the university shall ever be required to take a military training course as a condition for entrance into the university or for graduation from the university.

Acts 1971, 62nd Leg., p. 3273, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 111.42. BUSINESS TECHNOLOGY OUTREACH PROGRAM. (a) The

board shall develop and establish a business technology outreach program to assist businesses in this state to make use of technology developed by the National Aeronautics and Space Administration. The board shall work with the National Aeronautics and Space Administration, appropriate businesses, and economic development organizations in this state to carry out the program.

(b) From money appropriated to or otherwise under the control of the board, the board may award grants to economic development organizations for use in recruiting appropriate businesses for participation in the program and to provide other appropriate assistance to program participants.

(c) The board shall appoint an advisory board of technical advisors to evaluate requests from economic development organizations and businesses for assistance under the program and advise the board on distribution of the assistance.

(d) The board shall adopt rules to administer the program, including rules relating to application and eligibility for grants. The board may enter into agreements as necessary to carry out the program.

Added by Acts 1999, 76th Leg., ch. 1452, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER D. CENTER FOR PUBLIC POLICY

Sec. 111.61. CREATION OF CENTER; LOCATION. The board of regents of the University of Houston shall establish and maintain the Center for Public Policy in the Houston metropolitan area.

Acts 1971, 62nd Leg., p. 3274, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 67, Sec. 1, eff. Sept. 1, 1997.

Sec. 111.62. ADMINISTRATION. The administration of the Center for Public Policy shall be under the direction of the president and board of regents of the University of Houston. The administrative officer of the center shall be appointed by the president with the approval of the board. The administrative officer shall appoint the professional and administrative staff of the center according to usual procedures and with the approval of the board.

Acts 1971, 62nd Leg., p. 3274, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 67, Sec. 1, eff. Sept. 1, 1997.

Sec. 111.63. ROLE AND SCOPE OF CENTER. The Center for Public Policy shall conduct basic and applied research into urban problems and public policy and make available the results of this research to private groups and public bodies and officials. It may offer consultative and general advisory services concerning urban problems and their solutions. According to the policies of the Texas Higher Education Coordinating Board, and with its approval, the center may conduct instructional and training programs for those who are working in or expect to make careers in urban public service. The training programs may be conducted by the center either in its own name or by agreement and cooperation with other public and private organizations.

Acts 1971, 62nd Leg., p. 3274, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 67, Sec. 1, eff. Sept. 1, 1997.

Sec. 111.64. CORRELATION OF PROGRAMS. In order to correlate the programs offered by the Center for Public Policy and the institute established by The University of Texas System under Subchapter B, Chapter 75, there shall be maintained regular liaison between the center and the institute concerning programs undertaken, a joint committee for future planning, and a union catalogue of research resources. This correlation shall be achieved by utilizing regular administrative channels, including the staff of the Texas Higher Education Coordinating Board.

Acts 1971, 62nd Leg., p. 3274, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 67, Sec. 1, eff. Sept. 1, 1997.

Sec. 111.65. RECEIPT AND DISBURSEMENT OF FUNDS, PROPERTY, AND SERVICES. In addition to state appropriations, the Center for Public Policy may receive and expend or use funds, property, or services

from any source, public or private, under rules established by the president and the board and under applicable state laws.

Acts 1971, 62nd Leg., p. 3274, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1997, 75th Leg., ch. 67, Sec. 1, eff. Sept. 1, 1997.

SUBCHAPTER D-1. INSTITUTE OF LABOR AND INDUSTRIAL RELATIONS

Sec. 111.71. ESTABLISHMENT OF INSTITUTE. The board of regents shall establish an Institute of Labor and Industrial Relations.

Added by Acts 1977, 65th Leg., p. 879, ch. 330, Sec. 1, eff. Aug. 29, 1977.

Sec. 111.72. PURPOSE. The purpose of the institute is to contribute to a more meaningful relationship between education and training and the requirements of the Texas labor force and to a positive labor and industrial relations climate.

Added by Acts 1977, 65th Leg., p. 879, ch. 330, Sec. 1, eff. Aug. 29, 1977.

Sec. 111.73. ACTIVITIES. The institute may sponsor the following activities:

(1) adult education, technical assistance, and informational services for labor, management, and public practitioners concerned with the problems of labor, the labor force, and industrial relations;

(2) research and training related to labor, the labor force, and industrial relations;

(3) special informational services to assist labor, business and industry, government, and educational institutions in relating education and training to labor market requirements;

(4) research, technical assistance, and information related to the impact of special problems on the Texas labor force, such as the energy problem, on employment, unemployment, and labor relations in the state;

(5) degree or certificate programs appropriate to the

field, subject to the approval of the board of regents and the Coordinating Board, Texas College and University System; and

(6) a formal program of training, technical assistance, and informational services to the junior and community colleges in the state for the purpose of assisting in the development of labor study programs.

Added by Acts 1977, 65th Leg., p. 879, ch. 330, Sec. 1, eff. Aug. 29, 1977.

SUBCHAPTER E. THE UNIVERSITY OF HOUSTON-CLEAR LAKE

Sec. 111.81. UNIVERSITY OF HOUSTON-CLEAR LAKE. There is established in Harris County, as recommended by the Coordinating Board, Texas College and University System, a coeducational institution of higher education to be known as the University of Houston-Clear Lake. The university shall be located on land currently owned by the University of Houston, either land acquired by donation under Chapter 37, Acts of the 60th Legislature, Regular Session, 1967, or land generally adjacent to that land and also owned by the University of Houston.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 23, eff. Sept. 1, 1971. Amended by Acts 1983, 68th Leg., p. 150, ch. 41, Sec. 2, eff. April 26, 1983.

Sec. 111.82. ORGANIZATION AND CONTROL. The organization and control of the university are vested in the board of regents of the University of Houston. With respect to this university, the board of regents has all the rights, powers, and duties that it has with respect to the organization and control of the University of Houston, except as otherwise provided by this Act. However, the University of Houston at Clear Lake City shall be maintained as a separate and distinct institution of higher education.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 23, eff. Sept. 1, 1971.

Sec. 111.83. ROLE AND SCOPE. The university shall offer

undergraduate and graduate programs.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 23, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 102, Sec. 1, eff. May 16, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 603 (S.B. 324), Sec. 1, eff. June 17, 2011.

Sec. 111.84. ADVISORY COMMITTEE. (a) There is established a permanent advisory committee consisting of the president, or a representative designated by him, of each tax-supported junior college and community college now existing or hereafter established in Harris, Galveston, Fort Bend, Waller, Montgomery, Liberty, Chambers, Wharton, or Brazoria County.

(b) The advisory committee shall biennially elect a chairman from among its members and may elect other officers. It shall make rules to govern the calling of meetings and the transaction of its business.

(c) The advisory committee shall periodically study the overall needs of the region mentioned in Subsection (a) of this section for the development of programs and resources in higher education, and as a result of its studies shall make recommendations to the board of regents of the University of Houston System regarding the development of the departments and degree programs of the University of Houston-Clear Lake. The board of regents shall give careful consideration to the recommendations of the advisory committee.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 23, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 133, Sec. 1, eff. May 19, 1991.

Sec. 111.85. AUTHORITY OF COORDINATING BOARD. The university is a general academic teaching institution, and as such it is subject to the authority of the Coordinating Board, Texas College and University System.

Added by Acts 1971, 62nd Leg., p. 3348, ch. 1024, art. 2, Sec. 23, eff. Sept. 1, 1971.

Sec. 111.86. HIGH SCHOOL COOPERATIVE EDUCATION PROGRAM. (a) The university may establish and coordinate a cooperative program with one or more school districts under which high school students enrolled in those districts may be employed by the university to work at the Lyndon B. Johnson Space Center of the National Aeronautics and Space Administration on a part-time basis during the school year or on a part-time or full-time basis during school holidays or vacations.

(b) The Lyndon B. Johnson Space Center shall:

(1) place, supervise, and evaluate each student who participates in the cooperative program; and

(2) ensure that the student performs work related to the study of science, mathematics, or engineering to encourage students to study those courses after high school graduation at an institution of higher education.

(c) The school district in which a student who participates in the cooperative program is enrolled shall, in cooperation with the State Board of Education, determine the number, if any, and type of credits toward high school graduation the student may be given for participation in the program. If it is determined that the student is to be given credit toward academic course requirements for high school graduation, the number and type of credits must be based on the type of work and the number of hours of work in which the student participates.

(d) In establishing and coordinating the cooperative program, the university may use state funds appropriated for that purpose and gifts, grants, and donations solicited for that purpose. The university shall use money it receives in accordance with this subsection to pay the costs associated with the cooperative program, including the wages of students who participate in the cooperative program.

(e) A student who participates in the cooperative program during regular school hours is considered to be attending school for purposes of Section 25.085 during the time the student is required under the program to be and is at work for the Lyndon B. Johnson Space Center.

Added by Acts 1999, 76th Leg., ch. 1533, Sec. 1, eff. June 19, 1999.

Sec. 111.87. JUNIOR COLLEGE COOPERATIVE EDUCATION PROGRAM. (a) The university may establish and coordinate a cooperative program with one or more junior college districts under which junior college students enrolled in those districts may be employed by the university to work at the Lyndon B. Johnson Space Center on a part-time or full-time basis.

(b) The Lyndon B. Johnson Space Center shall:

(1) place, supervise, and evaluate each student who participates in the cooperative program; and

(2) ensure that the student performs work related to the study of science, mathematics, or engineering to encourage students to study those disciplines at an institution of higher education.

(c) The junior college in which a student who participates in the cooperative program is enrolled shall, in cooperation with the Texas Higher Education Coordinating Board, determine the number, if any, and type of credits toward a certificate or an associate degree the student may be given for participation in the program. If it is determined that the student is to be given credit toward academic course requirements for a certificate or an associate degree, the number and type of credits must be based on the type of work and the number of hours of work in which the student participates.

(d) In establishing and coordinating the cooperative program, the university may use state funds appropriated for that purpose and gifts, grants, and donations solicited for that purpose. The university shall use money it receives in accordance with this subsection to pay the costs associated with the cooperative program, including the wages of students who participate in the cooperative program.

Added by Acts 1999, 76th Leg., ch. 1533, Sec. 1, eff. June 19, 1999.

SUBCHAPTER F. THE UNIVERSITY OF HOUSTON-DOWNTOWN

Sec. 111.90. UNIVERSITY OF HOUSTON-DOWNTOWN. There is established in the City of Houston a coeducational institution of higher education to be known as the University of Houston-Downtown. This institution shall be located on land currently owned by the University of Houston System.

Added by Acts 1979, 66th Leg., p. 319, ch. 148, Sec. 1, eff. Aug. 27, 1979. Amended by Acts 1983, 68th Leg., p. 151, ch. 41, Sec. 3, eff. April 26, 1983.

Sec. 111.91. ORGANIZATION AND CONTROL. The organization and control of the institution are vested in the board of regents of the University of Houston System. With respect to this institution the board of regents has all the rights, powers, and duties that it has with respect to the organization and control of the University of Houston and the University of Houston at Clear Lake City except as otherwise provided by this subchapter. However, the University of Houston-Downtown College shall be maintained as a separate and distinct institution of higher education.

Added by Acts 1979, 66th Leg., p. 319, ch. 148, Sec. 1, eff. Aug. 27, 1979.

Sec. 111.92. ROLE AND SCOPE. The institution shall be organized to offer undergraduate and graduate programs subject to the authority of the board of regents of the University of Houston System and the Texas Higher Education Coordinating Board.

Added by Acts 1979, 66th Leg., p. 319, ch. 148, Sec. 1, eff. Aug. 27, 1979. Amended by Acts 1997, 75th Leg., ch. 379, Sec. 1, eff. Sept. 1, 1997.

Sec. 111.93. AUTHORITY OF COORDINATING BOARD. The institution is a general academic teaching institution, and as such it is subject to the authority of the Coordinating Board, Texas College and University System.

Added by Acts 1979, 66th Leg., p. 319, ch. 148, Sec. 1, eff. Aug. 27, 1979.

SUBCHAPTER G. UNIVERSITY OF HOUSTON-VICTORIA

Sec. 111.96. ESTABLISHMENT: SCOPE. (a) The board of regents shall maintain an educational institution in the City of Victoria to

be known as the University of Houston-Victoria.

(b) The institution shall offer undergraduate and graduate level programs.

Added by Acts 1983, 68th Leg., p. 151, ch. 41, Sec. 4, eff. April 26, 1983. Amended by Acts 1993, 73rd Leg., ch. 263, Sec. 1, eff. Aug. 30, 1993; Acts 1995, 74th Leg., ch. 102, Sec. 2, eff. May 16, 1995. Amended by:

Acts 2005, 79th Leg., Ch. 1043 (H.B. 1215), Sec. 1, eff. June 18, 2005.

Acts 2009, 81st Leg., R.S., Ch. 343 (H.B. 1056), Sec. 1, eff. June 19, 2009.

Sec. 111.97. FACILITIES; GRANTS. The board of regents may accept and administer gifts and grants for the use and benefit of the institution.

Added by Acts 1983, 68th Leg., p. 151, ch. 41, Sec. 4, eff. April 26, 1983. Amended by Acts 1993, 73rd Leg., ch. 263, Sec. 2, eff. Aug. 30, 1993.

Sec. 111.98. COURSES; ADMINISTRATION. (a) The board of regents may prescribe courses leading to appropriate degrees and adopt other rules necessary for the operation and management of the institution.

(b) The institution is subject to the authority of the Texas Higher Education Coordinating Board.

Added by Acts 1983, 68th Leg., p. 151, ch. 41, Sec. 4, eff. April 26, 1983. Amended by Acts 1993, 73rd Leg., ch. 263, Sec. 3, eff. Aug. 30, 1993.

SUBCHAPTER H. TEXAS CENTER FOR SUPERCONDUCTIVITY

Sec. 111.100. ESTABLISHMENT. The Texas Center for Superconductivity is established at the University of Houston in Houston, Texas. The center is a component of the University of Houston and is under the governance of the board of regents of the University of Houston System.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.
Amended by Acts 1991, 72nd Leg., ch. 105, Sec. 5, eff. Aug. 26, 1991.

Sec. 111.101. PURPOSE. The center is created to conduct research and development on all aspects of superconductivity from the basic theoretical and experimental framework to the technology transfer of this new technology to the marketplace.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.102. POWERS AND DUTIES. (a) The center shall operate in the field of superconductivity to:

(1) conduct experimental and theoretical research;

(2) apply findings of basic research to useable products;

(3) act as a center of education;

(4) encourage interuniversity and interdepartmental research collaborations; and

(5) act as a repository for knowledge and literature.

(b) In carrying out its duties, the center shall perform research and development on superconductivity relating to the theoretical research in superconductivity; experimental research on superconducting materials; experimental research in the fundamental conditions necessary for superconductivity; application of new and existing superconducting materials to solve problems of industry and research, including superconducting electrical generators and magnets for medical applications, high magnetic field research, levitation in transportation, and for high energy acceleration; research in the materials science and metallurgical aspects of superconducting materials; research and development of the apparatus needed for low temperature works; and perform other research and provide other services consistent with the purpose and duties of the center.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.103. RESEARCH COORDINATION. The center may provide coordination of the activities of universities concerning superconductivity. The center may establish an advisory council consisting of representatives of participating universities, federal

agencies, and the private sector to develop recommendations on the priorities for research and serve as a resource group on the projects.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.104. PRIVATE RESEARCH. In carrying out its powers and duties, the center may contract with and cooperate with private research entities.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.105. GRANTS AND FEDERAL FUNDS. The board may seek and accept gifts, grants, donations, and funds from federal agencies and private sources for the purposes of the center.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.106. STATE FUNDS. The center is authorized to receive state-appropriated funds as deemed appropriate by the legislature.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

Sec. 111.107. PERSONNEL. The board may employ personnel for the center as necessary.

Added by Acts 1987, 70th Leg., ch. 951, Sec. 1, eff. June 20, 1987.

SUBCHAPTER I. UNIVERSITY OF HOUSTON HURRICANE CENTER FOR INNOVATIVE TECHNOLOGY

Sec. 111.121. DEFINITIONS. In this subchapter:

(1) "Board" means the board of regents of the University of Houston System.

(2) "Center" means the University of Houston Hurricane Center for Innovative Technology (UHC-IT) established under this subchapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.122. ESTABLISHMENT. (a) The University of Houston Hurricane Center for Innovative Technology is established at the University of Houston.

(b) The organization, control, and management of the center are vested in the board.

(c) The center shall be hosted by the university's College of Engineering. Participation in the center's activities shall be open to any faculty member of the university who is an active researcher in the field of materials, nanotechnology, structural engineering, designing of structures, or sensor technology, or in another relevant field as determined by the university.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.123. PURPOSE. The center is created to:

(1) promote interdisciplinary research, education, and training for the development of state-of-the-art products, materials, systems, and technologies designed to mitigate the wind, and asserted structural damages in the built environment and offshore structures caused by hurricanes in the Gulf Coast region; and

(2) develop protocols for the fast and efficient recovery of the public and private sectors, including utilities, hospitals, petrochemical industries, offshore platforms, and municipalities and other local communities following a hurricane.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.124. POWERS AND DUTIES. The center shall:

(1) collaborate with appropriate federal, state, and local agencies and private business or nonprofit entities as necessary to coordinate efforts after a hurricane in the Gulf Coast region;

(2) develop smart materials and devices for use in hurricane protection and mitigation systems for structural

monitoring;

(3) develop anchor systems for window and door screens, dwellings and other buildings, pipelines, and other onshore and offshore structures to withstand hurricane wind damage;

(4) develop test facilities for evaluating the performance of new products, materials, or techniques designed to protect against hurricane wind damage;

(5) develop specifications and standards for products used for protecting against hurricane wind damage;

(6) design buildings, houses, and other structures to withstand hurricane wind damage; and

(9) provide hurricane-related educational programs, seminars, conferences, and workshops to the community designed to ensure safety, minimize loss of life, and mitigate the destruction of property associated with hurricane wind damage.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.125. COLLABORATION WITH OTHER ENTITIES. The University of Houston shall encourage public and private entities to participate in or support the operation of the center and may enter into an agreement with any public or private entity for that purpose. An agreement may allow the center to provide information, services, or other assistance to an entity in exchange for the entity's participation or support.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.126. GIFTS AND GRANTS. The board may solicit, accept, and administer gifts and grants from any public or private source and use existing resources for the purposes of the center. State funding is not available unless the legislature makes specific appropriation for this purpose.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

Sec. 111.127. PERSONNEL. The board may employ personnel for the center as necessary.

Added by Acts 2009, 81st Leg., R.S., Ch. 1280 (H.B. 1831), Sec. 6.13a, eff. September 1, 2009.

CHAPTER 114. CHIROPRACTIC COLLEGE

Text of section effective upon agreement to transfer of Texas Chiropractic College

Sec. 114.001. CHIROPRACTIC COLLEGE.

(a) The chiropractic college formerly constituting the Texas Chiropractic College, operated as a nonprofit corporation and transferred to the state pursuant to an Act of the 76th Legislature, Regular Session, 1999, is a component of the higher education institution to which the Texas Chiropractic College was transferred under that Act and is under the management and control of the governing board of that institution of higher education.

(b) The governing board has the same powers and duties concerning the institution as are conferred on it by law concerning any component institution of the institution of higher education.

Added by Acts 1997, 75th Leg., ch. 404, Sec. 9; Acts 1999, 76th Leg., ch. 1569, Sec. 9.

Text of section effective upon agreement to transfer of Texas Chiropractic College

Sec. 114.002. POWERS OF THE BOARD.

(a) The governing board may:

(1) provide for the training and teaching of students seeking to become:

(A) chiropractors; or

(B) other technicians who provide services related to the practice of chiropractic medicine;

(2) prescribe courses leading to degrees customarily offered in other leading United States chiropractic schools;

(3) award the degrees described by Subdivision (2);

(4) enter into an affiliation or coordinating agreement with an entity if reasonably necessary or desirable for the operation of a first-class school of chiropractic medicine;

(5) make joint appointments with another institution of higher education; and

(6) adopt rules for the operation, control, and management of the institution as necessary for the operation of a first-class school of chiropractic medicine, including rules governing the number of students that may be admitted to any program at the institution.

(b) The salary of a person who received a joint appointment under Subsection (a)(5) must be apportioned among the institutions to which the individual is appointed on the basis of the services rendered.

Added by Acts 1997, 75th Leg., ch. 404, Sec. 9; Acts 1999, 76th Leg., ch. 1569, Sec. 9.

CHAPTER 115. PUBLIC UNIVERSITY FOR CENTRAL TEXAS

Text of section effective September 1, 1998, provided that the transfer authorized by section 1 of Acts 1997, 75th Leg., ch. 1176 takes effect and the transfer is made to a university system other than The Texas A&M University System

Sec. 115.001. PUBLIC UNIVERSITY FOR CENTRAL TEXAS.

(a) The Public University for Central Texas is a coeducational upper-level educational institution located in the city of Killeen. The institution is a component institution of higher education of the university system to which that institution was transferred pursuant to an Act of the 75th Legislature, Regular Session, 1997, and is under the management and control of the board of regents of that university system.

(b) The board of regents has the same powers and duties concerning the Public University for Central Texas as are conferred on the board by law concerning other component institutions of the university system.

(c) The institution may accept only junior, senior, and graduate-level students.

Added by Acts 1997, 75th Leg., ch. 1176, Sec. 9, eff. Sept. 1, 1998.

Text of section effective September 1, 1998, provided that the transfer authorized by section 1 of Acts 1997, 75th Leg., ch. 1176 takes effect and the transfer is made to a university system other than The Texas A&M University System

Sec. 115.002. POWERS OF BOARD OF REGENTS.

(a) The board may:

(1) prescribe courses leading to degrees customarily offered in leading American upper-level educational institutions;

(2) award the degrees described by Subdivision (1);

(3) enter into an affiliation or coordination agreement with an entity if reasonably necessary or desirable for the operation of a first-class upper-level educational institution;

(4) make joint appointments in the Public University for Central Texas and another institution within the same university system; and

(5) adopt rules for the operation, control, and management of the institution as necessary for the operation of a first-class upper-level educational institution, including rules governing the number of students who may be admitted to any program at the institution.

(b) The salary of a person who receives a joint appointment under Subsection (a)(4) must be apportioned among the institutions to which the individual is appointed on the basis of the services rendered.

Added by Acts 1997, 75th Leg., ch. 1176, Sec. 9, eff. Sept. 1, 1998.

SUBTITLE G. NON-BACCALAUREATE SYSTEM
CHAPTER 130. JUNIOR COLLEGE DISTRICTS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 130.001. SUPERVISION BY COORDINATING BOARD, TEXAS COLLEGE AND UNIVERSITY SYSTEM. (a) The Coordinating Board, Texas College and University System, referred to as the coordinating board, shall exercise general control of the public junior colleges of Texas.

(b) The coordinating board shall have the responsibility for adopting policies, enacting regulations, and establishing general

rules necessary for carrying out the duties with respect to public junior colleges as prescribed by the legislature, and with the advice and assistance of the commissioner of higher education, shall have authority to:

(1) authorize the creation of public junior college districts as provided in the statutes, giving particular attention to the need for a public junior college in the proposed district and the ability of the district to provide adequate local financial support;

(2) dissolve any public junior college district which has failed to establish and maintain a junior college within three years from the date of its authorization;

(3) adopt standards for the operation of public junior colleges and prescribe the rules and regulations for such colleges;

(4) require of each public junior college such reports as deemed necessary in accordance with the coordinating board's rules and regulations; and

(5) establish advisory commissions composed of representatives of public junior colleges and other citizens of the state to provide advice and counsel to the coordinating board with respect to public junior colleges.

Acts 1969, 61st Leg., p. 2993, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.001 by Acts 1971, 62nd Leg., p. 3280, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.0011. PUBLIC JUNIOR COLLEGES; ROLE AND MISSION. Texas public junior colleges shall be two-year institutions primarily serving their local taxing districts and service areas in Texas and offering vocational, technical, and academic courses for certification or associate degrees. Continuing education, remedial and compensatory education consistent with open-admission policies, and programs of counseling and guidance shall be provided. Each institution shall insist on excellence in all academic areas--instruction, research, and public service. Faculty research, using the facilities provided for and consistent with the primary function of each institution, is encouraged. Funding for research should be from private sources, competitively acquired sources, local taxes, and other local revenue.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 2.01, eff. June 20,

1987.

For expiration of Subsections (b-1), (b-2), and (b-3), see Subsection (b-3).

Sec. 130.0012. BACCALAUREATE DEGREE PROGRAMS. (a) The Texas Higher Education Coordinating Board shall authorize public junior colleges to offer baccalaureate degree programs in the fields of applied science and applied technology under this section. Offering a baccalaureate degree program under this section does not otherwise alter the role and mission of a public junior college.

(b) The coordinating board shall authorize baccalaureate degree programs at each public junior college that previously participated in a pilot project to offer baccalaureate degree programs.

(b-1) The coordinating board shall establish a pilot project to examine the feasibility and effectiveness of authorizing baccalaureate degree programs in the field of dental hygiene at a public junior college that offers a degree program in that field, has a main campus located in the county seat of a county with a population greater than 200,000, and includes territory in at least six public school districts located in two counties. Subsection (g) does not apply to junior-level and senior-level courses offered under this subsection. In its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that junior-level and senior-level courses offered under this subsection by a public junior college receive the same state support as other courses offered by the public junior college.

(b-2) Not later than January 1, 2017, the coordinating board shall prepare a progress report on the pilot project established under Subsection (b-1). Not later than January 1, 2019, the coordinating board shall prepare a report on the effectiveness of the pilot project, including any recommendations for legislative action regarding the offering of baccalaureate degree programs in the field of dental hygiene by a public junior college. The coordinating board shall deliver a copy of each report to the governor, the lieutenant governor, the speaker of the house of representatives, and the chair of the standing committee of each house of the legislature with primary jurisdiction over higher education. Unless the authority to continue offering a baccalaureate degree program in the field of dental hygiene is continued by the legislature, a public junior

college may not:

(1) enroll a new student in a baccalaureate degree program under the pilot project after the 2019 fall semester;

(2) offer junior-level or senior-level courses for those degree programs after the 2021 fall semester, unless the coordinating board authorizes the college to offer those courses; or

(3) award a baccalaureate degree under the pilot project after the 2021 fall semester, unless the coordinating board approves the awarding of the degree.

(b-3) This subsection and Subsections (b-1) and (b-2) expire on the first June 15 following the first regular legislative session that occurs after the fourth anniversary of the date a public junior college offering a degree program in the field of dental hygiene under Subsection (b-1) meets the accreditation requirements of Subsection (c).

(c) A public junior college offering a baccalaureate degree program under this section must meet all applicable accreditation requirements of the Commission on Colleges of the Southern Association of Colleges and Schools.

(d) A public junior college offering a baccalaureate degree program under this section may not offer more than five baccalaureate degree programs at any time. The degree programs are subject to the continuing approval of the coordinating board.

(e) In determining what baccalaureate degree programs are to be offered, the coordinating board shall consider:

(1) the need for the degree programs in the region served by the junior college;

(2) how those degree programs would complement the other programs and course offerings of the junior college;

(3) whether those degree programs would unnecessarily duplicate the degree programs offered by other institutions of higher education; and

(4) the ability of the junior college to support the program and the adequacy of the junior college's facilities, faculty, administration, libraries, and other resources.

(f) Each public junior college that offers a baccalaureate degree program under this section must enter into an articulation agreement for the first five years of the program with one or more general academic teaching institutions to ensure that students enrolled in the degree program have an opportunity to complete the

degree if the public junior college ceases to offer the degree program. The coordinating board may require a general academic teaching institution that offers a comparable degree program to enter into an articulation agreement with the public junior college as provided by this subsection.

(g) In its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that a public junior college receive substantially the same state support for junior-level and senior-level courses offered under this section as that provided to a general academic teaching institution for substantially similar courses. In determining the contact hours attributable to students enrolled in a junior-level or senior-level course offered under this section used to determine a public junior college's proportionate share of state appropriations under Section 130.003, the coordinating board shall weigh those contact hours as necessary to provide the junior college the appropriate level of state support to the extent state funds for those courses are included in the appropriations. This subsection does not prohibit the legislature from directly appropriating state funds to support junior-level and senior-level courses offered under this section.

(h) Each public junior college offering a baccalaureate degree program under this section shall prepare a biennial report on the operation and effectiveness of the junior college's baccalaureate degree programs and shall deliver a copy of the report to the coordinating board in the form and at the time determined by the coordinating board.

(j) The coordinating board shall prescribe procedures to ensure that each public junior college that offers a degree program under this section informs each student who enrolls in the degree program of the articulation agreement entered into under Subsection (f) for the student's degree program.

(k) The coordinating board shall adopt rules as necessary for the administration of this section.

(l) In this section, "general academic teaching institution" and "institution of higher education" have the meanings assigned by Section 61.003.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 50, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1201, Sec. 4, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1397 (H.B. 2198), Sec. 1, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 674 (H.B. 2425), Sec. 3, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 4.013, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 60, eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 1112 (H.B. 3348), Sec. 1, eff. June 19, 2015.

Sec. 130.002. EXTENT OF STATE AND LOCAL CONTROL. All authority not vested by this chapter or by other laws of the state in the coordinating board or in the Central Education Agency is reserved and retained locally in each of the respective public junior college districts or in the governing boards of such junior colleges as provided in the laws applicable.

Acts 1969, 61st Leg., p. 2993, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.002 by Acts 1971, 62nd Leg., p. 3281, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.0021. CONVEYANCE OF CERTAIN REAL PROPERTY. A public junior college or a public junior college district may donate, exchange, convey, sell, or lease land, improvements, or any other interest in any real property for less than the fair market value of the real property interest if the donation, conveyance, exchange, sale, or lease is being made to a university system and the governing board of the public junior college or the public junior college district also finds that the donation, conveyance, exchange, sale, or lease of the interest promotes a public purpose related to higher education within the service area of the public junior college or the public junior college district.

Added by Acts 1999, 76th Leg., ch. 296, Sec. 5, eff. May 29, 1999.

Sec. 130.003. STATE APPROPRIATION FOR PUBLIC JUNIOR COLLEGES.

(a) There shall be appropriated biennially from money in the state treasury not otherwise appropriated an amount sufficient to supplement local funds for the proper support, maintenance, operation, and improvement of those public junior colleges of Texas that meet the standards prescribed by this chapter. The sum shall be allocated on the basis of contact hours within categories developed, reviewed, and updated by the coordinating board.

(b) To be eligible for and to receive a proportionate share of the appropriation, a public junior college must:

(1) be certified as a public junior college as prescribed in Section 61.063;

(2) offer a minimum of 24 semester hours of vocational and/or terminal courses;

(3) have complied with all existing laws, rules, and regulations governing the establishment and maintenance of public junior colleges;

(4) collect, from each full-time and part-time student enrolled, matriculation and other session fees in the amounts required by law or in the amounts set by the governing board of the junior college district as authorized by this title;

(5) grant, when properly applied for, the scholarships and tuition exemptions provided for in this code; and

(6) for a public junior college established on or after September 1, 1986, levy and collect ad valorem taxes as provided by law for the operation and maintenance of the public junior college.

(c) All funds allocated under the provisions of this code, with the exception of those necessary for paying the costs of audits as provided, shall be used exclusively for the purpose of paying salaries of the instructional and administrative forces of the several institutions and the purchase of supplies and materials for instructional purposes.

(d) Only those colleges which have been certified as prescribed in Section 61.063 of this code shall be eligible for and may receive any appropriation made by the legislature to public junior colleges.

(e) The purpose of each public community college shall be to provide:

(1) technical programs up to two years in length leading to associate degrees or certificates;

(2) vocational programs leading directly to employment in semi-skilled and skilled occupations;

(3) freshman and sophomore courses in arts and sciences;

(4) continuing adult education programs for occupational or cultural upgrading;

(5) compensatory education programs designed to fulfill the commitment of an admissions policy allowing the enrollment of disadvantaged students;

(6) a continuing program of counseling and guidance designed to assist students in achieving their individual educational goals;

(7) work force development programs designed to meet local and statewide needs;

(8) adult literacy and other basic skills programs for adults; and

(9) such other purposes as may be prescribed by the Texas Higher Education Coordinating Board or local governing boards in the best interest of post-secondary education in Texas.

(f) This section does not alter, amend, or repeal Section 54.060 of this code.

Acts 1969, 61st Leg., p. 2994, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.003 by Acts 1971, 62nd Leg., p. 3281, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3355, ch. 1024, art. 2, Sec. 30, eff. Sept. 1, 1971; Acts 1973, 63rd Leg., p. 87, ch. 51, Sec. 7, eff. Aug. 27, 1973; Acts 1973, 63rd Leg., p. 1519, ch. 549, Sec. 1, eff. June 15, 1973; Acts 1977, 65th Leg., p. 1379, ch. 550, Sec. 1, eff. Aug. 29, 1977; Acts 1985, 69th Leg., ch. 705, Sec. 1, eff. Sept. 1, 1985; Acts 1985, 69th Leg., ch. 708, Sec. 16, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 823, Sec. 3.04, eff. June 20, 1987; Acts 1993, 73rd Leg., ch. 262, Sec. 1, eff. May 23, 1993; Acts 1997, 75th Leg., ch. 1383, Sec. 1, eff. June 20, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. 805 (S.B. 532), Sec. 1, eff. June 17, 2005.

Sec. 130.0031. TRANSFERS: WHEN MADE. (a) In this section:

(1) "Category 1 junior college" means a junior college having not more than 2,500 students in fall head count enrollment for the previous fiscal year and not more than $300,000 of local taxes

collected, excluding taxes for debt service, in the previous fiscal year.

(2) "Category 2 junior college" means a junior college having more than 2,500 students in fall head count enrollment for the previous fiscal year or more than $300,000 of local taxes collected, excluding taxes for debt service, in the previous fiscal year.

(b) Money appropriated for payment to junior colleges under the authority of Section 130.003 of this code shall be paid to each eligible category 1 junior college out of the public junior college reimbursement fund as follows:

(1) 24 percent of the yearly entitlement of the junior college shall be paid in two equal installments to be made on or before the 25th day of September and October; and

(2) 76 percent of the yearly entitlement of the junior college shall be paid in eight equal installments to be made on or before the 25th day of November, December, January, February, March, April, May, and June.

(c) Money appropriated for payment to junior colleges under the authority of Section 130.003 of this code shall be paid to each eligible category 2 junior college out of the public junior college reimbursement fund as follows:

(1) 24 percent of the yearly entitlement of the junior college shall be paid in two equal installments to be made on or before the 25th day of September and October; and

(2) 76 percent of the yearly entitlement of the junior college shall be paid in eight equal installments to be made on or before the 25th day of November, December, March, April, May, June, July, and August.

(d) The amount of any installment required by this section may be modified to provide the junior college with the proper amount to which the junior college may be entitled by law and to correct errors in the allocation or distribution of funds. If an installment under this section is required to be equal to other installments, the amount of other installments may be adjusted to provide for that equality. A payment under this section is not invalid because it is not equal to other installments.

Added by Acts 1984, 68th Leg., 2nd C.S., ch. 10, art. 1, Sec. 3, eff. Sept. 1, 1984.

Sec. 130.00311. METHODS OF INCLUSION OR PARTICIPATION IN JUNIOR COLLEGE DISTRICT. (a) The following are methods that may be used to be included in or to participate in a junior college district:

(1) the registered voters of territory that is not located in a junior college district may petition to join an existing junior college district or to establish a new junior college district under the other provisions of this chapter; or

(2) a junior college district may enter into an agreement with an entity or community under Section 130.0081 to provide services to the entity or community.

(b) If a political subdivision or part of a political subdivision is not located in a junior college district or has not entered into an agreement under Section 130.0081, a person who resides in that territory and who is a student of a junior college district shall be charged tuition and fees at the rate established under Section 130.0032(d).

Added by Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 1, eff. June 18, 2005.

Sec. 130.0032. TUITION FOR STUDENTS RESIDING OUTSIDE OF DISTRICT. (a) The governing board of a public junior college district may allow a person who resides outside the district and who owns property subject to ad valorem taxation by the district, or a dependent of the person, to pay tuition at the rate applicable to a student who resides in the district.

(b) The governing board of a public junior college district may allow a person who resides outside the district and in the taxing district of a contiguous public junior college district to pay tuition and fees at the rate applicable to a student who resides in the district.

(b-1) The governing board of a public junior college district that includes at least six campuses shall allow a person who resides outside the district and in the taxing district of a contiguous public junior college district to pay tuition and fees at the rate applicable to a student who resides in the district for enrollment at a campus located within an area in which the person resides that, as of January 1, 2013, is designated as a super neighborhood by a municipality with a population greater than two million.

(c) The governing board of a public junior college district may allow a person who resides outside the district to pay tuition and fees at a rate less than the rate applicable to other persons residing outside the district, but not less than the rate applicable to a student who resides in the district, if the person:

(1) resides within the service area of the district;

(2) does not reside in an independent school district that meets the criteria of the coordinating board for the establishment of a junior college district under Section 130.013; and

(3) demonstrates financial need in accordance with rules adopted by the Texas Higher Education Coordinating Board.

(d) The governing board of a junior college district shall establish the rate of tuition and fees charged to a student who resides outside the district by considering factors such as:

(1) the sufficiency of the rate to promote taxpayer equity by encouraging areas benefiting from the educational services of the district to participate in financing the education of students from that area;

(2) the extent to which the rate will ensure that the cost to the district of providing educational services to a student who resides outside the district is not financed disproportionately by the taxpayers residing within the district; and

(3) the rate that would generate tuition and fees equal to the total amount of tuition and fees charged to a similarly situated student who resides in the district plus an amount per credit hour determined by dividing the total amount of ad valorem taxes imposed by the district in the tax year preceding the year in which the academic year begins by the total number of credit hours for which the students who were residents of the district enrolled in the district in the preceding academic year.

Added by Acts 1997, 75th Leg., ch. 1383, Sec. 2, eff. June 20, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 2, eff. June 18, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1005 (H.B. 2448), Sec. 1, eff. June 14, 2013.

Sec. 130.0033. PILOT PROJECT: REDUCED TUITION FOR CERTAIN

COURSES. (a) The Texas Higher Education Coordinating Board shall establish a pilot project to measure the impact of reducing tuition for junior college courses offered at times of low enrollment demand in order to promote greater access to higher education and more efficient use of junior college facilities and resources. The coordinating board shall select a reasonable number of public junior colleges to participate in the pilot project.

(b) The governing board of a public junior college selected to participate in the pilot project may charge tuition for a course or courses at a rate established by the governing board that is less than the rate otherwise required by Section 54.051 or other law if the governing board finds that the reduced tuition rate is reasonably necessary to enable the junior college to make efficient use of its facilities or faculty. The finding must be stated in the order or resolution establishing the reduced tuition rate.

(c) Charging tuition at a reduced rate under this section does not affect the right of the public junior college to a proportionate share of state appropriations under Section 130.003 for the contact hours attributable to students paying tuition at the reduced rate.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(23), eff. June 17, 2011.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(23), eff. June 17, 2011.

Added by Acts 2001, 77th Leg., ch. 318, Sec. 1, eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1083 (S.B. 1179), Sec. 25(23), eff. June 17, 2011.

Sec. 130.0034. TUITION FOR REPEATED COURSES. (a) The governing board of a public junior college district may charge a student a higher rate of tuition than the tuition that would otherwise be charged for a course in which the student enrolls if:

(1) the student has previously enrolled in the same course or a course of substantially the same content and level two or more times; and

(2) the student's enrollment in the course is not included in the contact hours used to determine the junior college's proportionate share of state appropriations under Section 130.003.

(b) This section does not apply to a non-degree-credit developmental course.

(c) The total amount of tuition charged to the student under this section for the repeated course may not exceed the full cost of instruction for the course with respect to the student.

Added by Acts 2005, 79th Leg., Ch. 1220 (H.B. 994), Sec. 1, eff. June 18, 2005.

Sec. 130.0035. PERFORMANCE REPORTS. (a) As soon as practicable after the end of each academic year, a junior college district shall prepare an annual performance report for that academic year. The report shall be prepared in a form that would enable any interested person, including a prospective student, to understand the information in the report and to compare the information to similar information for other junior college districts. A junior college district shall make the report available to any person on request.

(b) The report must include the following information for the junior college district for the academic year covered by the report:

(1) the rate at which students completed courses attempted;

(2) the number and types of degrees and certificates awarded;

(3) the percentage of graduates who passed licensing exams related to the degree or certificate awarded, to the extent the information can be determined;

(4) the number of students or graduates who transfer to or are admitted to a public university;

(5) the passing rates for students required to be tested under Section 51.306;

(6) the percentage of students enrolled who are academically disadvantaged;

(7) the percentage of students enrolled who are economically disadvantaged;

(8) the racial and ethnic composition of the district's student body; and

(9) the percentage of student contact hours taught by full-time faculty.

(c) The Legislative Budget Board shall be responsible for recommending standards for reports under this section, in

consultation with junior college districts, the Texas Higher Education Coordinating Board, and the governor's office of budget and planning.

(d) Expired.

Added by Acts 1997, 75th Leg., ch. 978, Sec. 1, eff. Sept. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 785, Sec. 60, eff. Sept. 1, 2003.

Sec. 130.0036. REPORT ON STUDENT ENROLLMENT STATUS. (a) In the form and manner and at the times required by the Texas Higher Education Coordinating Board, a junior college district shall report to the coordinating board on the enrollment status of students of the junior college district. The report must include information on:

(1) students seeking a degree;

(2) students seeking a certificate;

(3) students enrolled in workforce continuing education courses;

(4) students enrolled in college credit courses who are not seeking a degree or certificate;

(5) students enrolled in courses for credit to transfer to another institution;

(6) students enrolled in developmental education courses by course level; and

(7) enrollment in other categories as specified by the coordinating board.

(b) In administering this section, the coordinating board shall attempt to avoid duplicating other reporting requirements applicable to junior college districts. The coordinating board shall consult with the governing boards of the state's junior college districts in determining the form, manner, and times of reports under this section.

Added by Acts 1999, 76th Leg., ch. 1320, Sec. 1, eff. Aug. 30, 1999.

Sec. 130.004. AUTHORIZED TYPES OF PUBLIC JUNIOR COLLEGES. (a) By complying with the provisions of the appropriate following sections of this chapter a public junior college and/or district of any one of the following classifications may be established:

(1) an independent school district junior college;

(2) a city junior college;

(3) a union junior college;

(4) a county junior college;

(5) a joint-county junior college; and

(6) a public junior college as a part or division of a regional college district.

(b) As used in this chapter, the two general authorized types of junior colleges are:

(1) public junior colleges, which must consist of freshman and sophomore college work taught separately or in conjunction with the junior and senior years of high school and the course of study of such work must be submitted to and approved before being offered by the Coordinating Board, Texas College and University System; and

(2) a junior college division of a regional college, as that type of institution is defined in Subchapter F of this chapter, which operates under the laws applicable to public junior colleges in Texas.

(c) All junior college districts, whether established, organized, and/or created, or attempted to be established, organized, and/or created, by vote of the people residing in those districts, or by action of the county school boards, or by action of the county judge, or by action of the commissioners courts, or by action of state educational officers or agencies, or by a combination of any two or more of the same, which districts have previously been recognized by either state or county authorities as junior college districts, are hereby validated in all respects as though they had been duly and legally established in the first instance. Without in any way limiting the generalization of the provisions above,

(1) all additions of territory to or detachments of territory from such junior college districts are hereby in all things validated, whether the same were accomplished or attempted to be accomplished by action of the county school boards, or by action of the county judge, or by action of the commissioners court, or by action of state educational officers or agencies, or by vote of the people residing in such territory, or by a combination of any two or more of the same;

(2) the boundary lines of all such junior college districts are hereby in all things validated; and

(3) all acts of the governing boards of such junior college

districts ordering an election or elections, declaring the results of such elections, levying, attempting, or purporting to levy taxes for and on behalf of such districts, and all bonds issued and now outstanding, and all bonds previously voted but not issued, and all tax elections, bond elections, and bond assumption elections are hereby in all things validated; all revenue bonds issued and outstanding and all revenue bonds authorized but not yet issued for and on behalf of such districts are hereby in all things validated.

(d) Subsection (c) of this section shall not apply to any district which has previously been declared invalid by a court of competent jurisdiction of Texas, nor shall it apply to any district which is now involved in litigation in any district court of Texas, the court of civil appeals, or the Supreme Court of Texas, in which litigation the validity of the organization or creation of such district or of the addition of territory to or detachment of territory from such districts is attacked, or to any district involved in proceedings now pending before the coordinating board in which proceedings the validity of the organization or creation of such district or of the addition of territory to or detachment of territory from such district is attacked.

(e) The establishment of any new public junior college campus within an existing junior college district or the establishment of any new junior college district shall be approved by the Legislative Budget Board if the establishment occurs during a time when the legislature is not in session. The legislature shall approve the establishment of any new public junior college campus within an existing junior college district or the establishment of any new junior college district if proposed during or within three months prior to a legislative session.

Acts 1969, 61st Leg., p. 2994, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.004 by Acts 1971, 62nd Leg., p. 3281, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1995, 74th Leg., ch. 971, Sec. 2, eff. Sept. 1, 1995.

Sec. 130.005. CHANGE OF NAME TO COMMUNITY COLLEGE DISTRICT. (a) The legislature hereby declares that the purpose of this section is to recognize that junior colleges are in fact comprehensive community colleges which serve their communities not only through

university-parallel programs but also by means of occupational programs and other programs of community interest and need.

(b) The board of trustees of any junior college district may by resolution duly adopted change the name of such district by substituting the word "community" for the word "junior" in such name. A copy of such resolution duly certified by the secretary of the board of trustees shall be filed with the Coordinating Board, Texas College and University System. Such change in name shall become effective upon the filing of such resolution with the said coordinating board. Thereafter all references to such district in all official actions, communications and records shall be by use of such new name.

Added by Acts 1971, 62nd Leg., p. 3344, ch. 1024, art. 2, Sec. 13, eff. Sept. 1, 1971. Amended by Acts 1973, 63rd Leg., p. 144, ch. 75, Sec. 1, eff. May 7, 1973.

Sec. 130.0051. OTHER CHANGE OF NAME BY JUNIOR COLLEGE DISTRICT. (a) The board of trustees of a junior college district by resolution may change the name of the district or a college within the district by eliminating the words "community" or "junior" from the name of the district or college, unless the change would cause the district or college to have the same or substantially the same name as an existing district, college, or other public or private institution of higher education in this state.

(b) The board of trustees shall file with the Texas Higher Education Coordinating Board a copy of a resolution adopted under Subsection (a) that is certified by the secretary of the board of trustees. The name change is effective on the date the resolution is filed with the coordinating board. After a name change is filed, the college or district shall use the new name in all official actions, communications, or records.

Added by Acts 1997, 75th Leg., ch. 570, Sec. 1, eff. Sept. 1, 1997.

Sec. 130.006. COURSE HELD OUTSIDE DISTRICT. (a) The trustees of an independent school district located in a county contiguous to, but not a part of, a community college district and the governing board of the community college district may enter into a contract

providing for the community college to hold college courses in the school district's facilities.

(b) The contract must be approved by resolution of the governing boards of the community college district and the school district.

(c) For purposes of state funding, a course held in the school district facilities is considered to be a course held in the community college district if the course:

(1) has been approved by a regional higher education council recognized by rule of the coordinating board and in which the district has been designated a member by the coordinating board; and

(2) is approved by the coordinating board as an out-of-district course for the community college district.

(d) Any statutory or regulatory requirement of local support of a community college program is satisfied by the school district providing its facilities without charge to the community college if the total community college enrollment in the school district does not exceed 1,000 full-time students, or the equivalent.

(e) Either party may terminate a contract under this section by giving the other party at least one year's written notice.

Added by Acts 1983, 68th Leg., p. 1692, ch. 318, Sec. 1, eff. Aug. 29, 1983.

Sec. 130.007. ENDOWMENT FUND. (a) The board of trustees of a public junior college may establish an endowment fund outside the state treasury in a depository selected by the board of trustees.

(b) The board of trustees may deposit local funds collected by the board to the credit of the endowment fund.

(c) The board of trustees may accept gifts and grants from any public or private source for the endowment fund.

(d) The endowment fund consists of local funds deposited to the credit of the endowment fund, gifts, grants, and income from investing the endowment fund.

(e) The board of trustees may invest the endowment fund in securities, bonds, and other investments that the board considers prudent. In making investments under this section, the board shall exercise the judgment and care under the circumstances then prevailing that a person of ordinary prudence, discretion, and

intelligence exercises in the management of the person's own affairs.

(f) The board may not spend any money deposited in the endowment fund as local funds, gifts, or grants but may spend any income from investing the endowment fund for the operation or maintenance of the junior college.

Added by Acts 1993, 73rd Leg., ch. 391, Sec. 1, eff. June 2, 1993.

Sec. 130.008. COURSES FOR JOINT HIGH SCHOOL AND JUNIOR COLLEGE CREDIT. (a) Under an agreement with a school district or, in the case of a private high school, with the organization or other person that operates the high school, a public junior college may offer a course in which a student attending a high school operated in this state by the school district, organization, or other person may enroll and for which the student may simultaneously receive both:

(1) course credit toward the student's high school academic requirements; and

(2) course credit as a student of the junior college, if the student has been admitted to the junior college or becomes eligible to enroll in and is subsequently admitted to the junior college.

(b) The junior college may waive all or part of the tuition and fees for a high school student enrolled in a course for which the student may receive joint credit under this section.

(c) The contact hours attributable to the enrollment of a high school student in a course offered for joint high school and junior college credit under this section, excluding a course for which the student attending high school may receive course credit toward the physical education curriculum requirement under Section 28.002(a)(2)(C), shall be included in the contact hours used to determine the junior college's proportionate share of the state money appropriated and distributed to public junior colleges under Sections 130.003 and 130.0031, even if the junior college waives all or part of the tuition or fees for the student under Subsection (b).

(d) A public junior college may enter into an agreement with a school district, organization, or other person that operates a high school to offer a course as provided by this section regardless of whether the high school is located within the service area of the junior college district.

(d-1) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(a)(6), eff. September 1, 2013.

(e) In admitting or enrolling high school students in a course offered for joint high school and junior college credit under Subsection (a), a public junior college must apply the same criteria and conditions to each student wishing to enroll in the course without regard to whether the student attends a public school or a private or parochial school, including a home school. For purposes of this section, a student who attends a school that is not formally organized as a high school and is at least 16 years of age is considered to be attending a high school.

(f) Repealed by Acts 2015, 84th Leg., R.S., Ch. 90 , Sec. 2, eff. May 23, 2015.

Text of subsection as added by Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 7

(g) A course offered for joint high school and junior college credit under this section must be taught by a qualified instructor approved or selected by the public junior college. For purposes of this subsection, an instructor is qualified if the instructor holds:

(1) a doctoral or master's degree in the discipline that is the subject of the course;

(2) a master's degree in another discipline with a concentration that required completion of a minimum of 18 graduate semester hours in the discipline that is the subject of the course; or

(3) for a course that is offered in an associate degree program and that is not designed for transfer to a baccalaureate degree program:

(A) a degree described by Subdivision (1) or (2);

(B) a baccalaureate degree in the discipline that is the subject of the course; or

(C) an associate degree and demonstrated competencies in the discipline that is the subject of the course, as determined by the Texas Higher Education Coordinating Board.

Text of subsection as added by Acts 2015, 84th Leg., R.S., Ch. 1177 (S.B. 1004), Sec. 2

(g) A public junior college with a service area located wholly or partly in a county with a population of more than three million shall enter into an agreement with each school district located

wholly or partly in a county with a population of more than three million to offer one or more courses as provided by this section. A student enrolled in a school district to which this subsection applies may enroll in a course at any junior college that has entered into an agreement with the district to offer the course under this subsection. Subsection (f) does not apply to a student who seeks to enroll in a course under this subsection.

(h) Not later than the 60th day after receipt, a public junior college shall approve or reject an application for approval to teach a course at a high school that is submitted by an instructor employed by the school district, organization, or other person that operates the high school with which the junior college entered into an agreement under this section to offer the course.

Added by Acts 1995, 74th Leg., ch. 195, Sec. 1, eff. May 23, 1995. Amended by Acts 1999, 76th Leg., ch. 297, Sec. 1, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 908, Sec. 1, eff. Aug. 27, 2001; Acts 2003, 78th Leg., ch. 220, Sec. 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1070, Sec. 1, eff. June 20, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 453 (H.B. 2480), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 385 (S.B. 419), Sec. 1, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 77(a), eff. June 10, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 211 (H.B. 5), Sec. 78(a)(6), eff. September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 90 (H.B. 505), Sec. 2, eff. May 23, 2015.

Acts 2015, 84th Leg., R.S., Ch. 797 (H.B. 2812), Sec. 3, eff. June 17, 2015.

Acts 2015, 84th Leg., R.S., Ch. 988 (H.B. 18), Sec. 7, eff. June 19, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1177 (S.B. 1004), Sec. 2, eff. June 19, 2015.

Sec. 130.0081. AGREEMENT WITH JUNIOR COLLEGE DISTRICT. (a) A junior college district may enter into an agreement with any person,

including an employer, political subdivision, or other entity, to provide educational services. The agreement must provide for the entity to cover at least any cost to the district of providing the services that exceeds the amount of tuition and fees that would be charged to a student who resides in the district and is enrolled in a substantially similar course.

(b) Students who are enrolled in a course under the agreement are entitled to pay tuition and fees at the rate applicable to a student who resides in the district.

Added by Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 3, eff. June 18, 2005.

Sec. 130.009. UNIFORM DATES FOR ADDING OR DROPPING COURSE. (a) The Texas Higher Education Coordinating Board by rule shall establish uniform final dates, counted from the first class day of an academic semester or term, for adding or dropping a course conducted by a public junior college. The uniform dates apply to each public junior college in this state.

(b) A student may not enroll in a course after a uniform final date for adding a course established under this section. A student is not entitled to a refund of any tuition or fees for a course that the student drops after a uniform final date for dropping a course established under this section.

(c) The rules may provide for different dates for academic semesters or terms of different durations.

(d) Expired.

Added by Acts 1995, 74th Leg., ch. 459, Sec. 1, eff. June 9, 1995. Renumbered from Education Code Sec. 130.008 by Acts 1997, 75th Leg., ch. 165, Sec. 31.01(26), eff. Sept. 1, 1997.

For expiration of this section, see Subsection (e).

Sec. 130.0095. BLOCK SCHEDULING FOR CERTAIN ASSOCIATE DEGREE OR CERTIFICATE PROGRAM. (a) To facilitate timely degree completion by students at public junior colleges, from among the allied health, nursing, and career and technology associate degree or certificate programs offered by a public junior college, the college shall

establish, for at least five of those programs not previously offered as a block schedule curriculum, a block schedule curriculum under which:

(1) courses required for a student's enrollment in the program as a full-time student are offered each semester in scheduled blocks, such as a morning, full-day, afternoon, evening, or weekend block schedule, designed to provide scheduling predictability from semester to semester to students enrolled in the program; and

(2) students may enroll in an entire block schedule curriculum offered under the program in a semester, rather than enrolling in individual courses leading toward the degree or certificate.

(b) Each public junior college shall publish in advance of each semester the available block schedule curricula for each associate degree or certificate program described by Subsection (a) offered by the college for that semester.

(c) The Texas Higher Education Coordinating Board, in consultation with public junior colleges, shall adopt rules as necessary for the administration of this section, including rules prescribing a process by which a public junior college may petition the coordinating board for an exception to the number of programs for which a block schedule curriculum is required by Subsection (a) on demonstration of hardship.

(d) Not later than November 1, 2018, the Texas Higher Education Coordinating Board shall submit to the governor and legislature a detailed report on the effectiveness of block scheduling under this section and any related recommendations for legislative or other action.

(e) This section expires August 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 317 (H.B. 1583), Sec. 1, eff. June 3, 2015.

Sec. 130.010. PURCHASING CONTRACTS. (a) The provisions of Subchapter B, Chapter 44, relating to the purchase of goods and services under contract by a school district apply to the purchase of goods and services under contract by a junior college district.

(b) To the extent of any conflict, the provisions of Subchapter B, Chapter 44, prevail over any other law relating to the purchase of

goods and services by a junior college district.

Added by Acts 1999, 76th Leg., ch. 1383, Sec. 1, eff. June 19, 1999.

Sec. 130.0101. ACQUISITION OF LIBRARY MATERIALS. (a) In this section, "library goods and services" means:

(1) serial and journal subscriptions, including electronic databases, digital content, and information products;

(2) other library materials and resources, including books, e-books, and media not available under a statewide contract and papers;

(3) library services, including periodical jobber and binding services not available under a statewide contract;

(4) equipment and supplies specific to the storage and access of library content; and

(5) library or resource-sharing programs operated by the Texas State Library and Archives Commission.

(b) Notwithstanding any other law governing purchasing by a junior college district, including Section 130.010 or Subchapter B, Chapter 44, a junior college district may purchase, license, or otherwise acquire library goods and services in any manner authorized by law for the purchase, license, or acquisition of library goods and services by a public senior college or university, as defined by Section 61.003.

Added by Acts 1999, 76th Leg., ch. 1549, Sec. 1, eff. June 19, 1999.
Renumbered from Education Code Sec. 130.010 by Acts 2001, 77th Leg., ch. 1420, Sec. 21.001(26), eff. Sept. 1, 2001.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 336 (H.B. 962), Sec. 2, eff. June 19, 2009.

Sec. 130.0102. MEXICAN AMERICAN STUDIES PROGRAM OR COURSE WORK. The governing board of a public junior college district located in one or more counties with a substantial and growing Mexican American population shall evaluate the demand for and feasibility of establishing a Mexican American studies program or other course work in Mexican American studies at one or more junior colleges in the district. With approval of the Texas Higher Education Coordinating

Board, the governing board may establish a Mexican American studies program or other course work in Mexican American studies at any of those colleges if the governing board determines that such a program or course work is desirable and feasible.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 51, eff. Sept. 1, 2003.

Sec. 130.0103. DUAL USAGE EDUCATIONAL COMPLEX. (a) The board of trustees of a junior college district may establish and operate a dual usage educational complex to provide a shared facility for the educational activities of the district and other participating entities. The board of trustees may enter into a cooperative agreement governing the operation and use of the complex with the governing bodies of one or more of the following entities:

(1) a county, municipality, or school district located in whole or in part in the service area of the junior college district; or

(2) another institution of higher education with a campus or other educational facility located in the same state uniform service region as adopted by the coordinating board.

(b) The junior college district shall coordinate and supervise the operation of the complex. The use and the costs associated with the establishment and operation of the complex shall be shared by the district and the other participating entities under the terms of the cooperative agreement.

Added by Acts 2005, 79th Leg., Ch. 968 (H.B. 1737), Sec. 1, eff. June 18, 2005.

Sec. 130.0104. MULTIDISCIPLINARY STUDIES ASSOCIATE DEGREE PROGRAM. (a) The governing board of each public junior college district shall establish a multidisciplinary studies associate degree program at each junior college in the district.

(b) A multidisciplinary studies associate degree program established at a junior college under this section must require a student to successfully complete:

(1) the junior college's core curriculum adopted under Section 61.822(b); and

(2) after completion of the core curriculum under

Subdivision (1), the courses selected by the student in the student's degree plan completed under Subsection (c).

(c) Notwithstanding Section 51.9685, before the beginning of the regular semester or term immediately following the semester or term in which a student successfully completes a cumulative total of 30 or more semester credit hours for coursework in a multidisciplinary studies associate degree program established under this section, the student must meet with an academic advisor to complete a degree plan, as defined by Section 51.9685(a)(1), that:

(1) accounts for all remaining credit hours required for the completion of the degree program; and

(2) emphasizes:

(A) the student's transition to a particular four-year college or university that the student chooses; and

(B) preparations for the student's intended field of study or major at the four-year college or university.

(d) The coordinating board shall adopt rules as necessary for the administration of this section, including rules ensuring that:

(1) a multidisciplinary studies associate degree program is established at each public junior college; and

(2) the common application form adopted under Section 51.762 contains a description of multidisciplinary studies associate degree programs established under this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 1186 (S.B. 1189), Sec. 1, eff. June 19, 2015.

SUBCHAPTER B. INDEPENDENT SCHOOL DISTRICT OR CITY JUNIOR COLLEGE

Sec. 130.011. ESTABLISHMENT OF INDEPENDENT SCHOOL DISTRICT OR CITY JUNIOR COLLEGE. (a) An independent school district junior college may be established by any independent school district or city which has assumed control of its schools meeting the requirements set out in Section 130.032 of this code and subject to the findings of the coordinating board under Section 130.013.

(b) Any such college district established and maintained as provided in this chapter shall be known as a junior college district.

Acts 1969, 61st Leg., p. 2996, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.011 by Acts 1971, 62nd Leg., p. 3283, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th

Leg., ch. 302, Sec. 1, eff. June 7, 1985.

Sec. 130.012. PETITION TO ESTABLISH. (a) Whenever it is proposed to establish a junior college district in any type of unit authorized by Section 130.011 of this code, a petition praying for an election, signed by not less than 10 percent of the qualified electors of the proposed district shall be presented to the school board of trustees of the district or city, which shall:

(1) pass upon the legality and genuineness of the petition; and

(2) forward the petition, if approved, to the coordinating board.

(b) Any petition authorized by this section shall also incorporate a request for the proper authorities, in the event an election is ordered for the creation of such district, to submit at the same election the questions of issuing bonds and levying bond taxes, and levying maintenance taxes, in the event the district is created, not to exceed the limits provided in Section 130.122 of this code.

Acts 1969, 61st Leg., p. 2996, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.012 by Acts 1971, 62nd Leg., p. 3283, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 1, eff. June 7, 1985.

Sec. 130.013. ORDER TO ESTABLISH. It shall be the duty of the coordinating board with the advice of the commissioner of higher education to determine whether or not the conditions set forth in Sections 130.012 and 130.032 of this code have been complied with, and also whether, considering the geographic location of colleges already established, it is feasible and desirable to establish the proposed junior college district. In the exercise of this authority the board shall develop and publish criteria to be used as a basis for determining the need for a public junior college in the proposed district. The board shall determine whether programs in a proposed institution would create unnecessary duplication or seriously harm programs in existing community college districts. It shall be the duty of the coordinating board to consider the needs and the welfare

of the state as a whole, as well as the welfare of the community involved. The decision of the coordinating board shall be final and shall be transmitted through the commissioner of higher education to the local school board, along with the order of the coordinating board authorizing further procedure in the establishment of the junior college district, if the coordinating board endorses its establishment.

Acts 1969, 61st Leg., p. 2996, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.013 by Acts 1971, 62nd Leg., p. 3283, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 1, eff. June 7, 1985.

Sec. 130.014. ELECTION. (a) If the coordinating board approves of the establishment of the junior college district, it shall then be the duty of the local school board to enter an order for an election to be held in the proposed territory at the next authorized election date as provided in Article 2.01b of the Election Code, to determine whether or not such junior college district shall be created and formed and to submit the questions of issuing bonds and levying bond taxes, and levying maintenance taxes, in the event the district is created. Such order shall:

(1) contain a description of the metes and bounds of the junior college district to be formed; and

(2) fix the date for the election.

(b) If a majority of the electors voting at the election shall be in favor of the creation of a junior college district, the district shall be deemed to be formed and created. The local school board shall make a canvass of the returns and declare the result of the election within 10 days after holding the election, and enter an order on the minutes of the board as to the result of the election.

Acts 1969, 61st Leg., p. 2997, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.014 by Acts 1971, 62nd Leg., p. 3284, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 1, eff. June 7, 1985.

Sec. 130.015. CONTROL OF INDEPENDENT SCHOOL DISTRICT OR CITY JUNIOR COLLEGE. A junior college established by an independent

school district or city that has assumed control of schools already validated or established pursuant to the provisions of this chapter may be governed, administered, and controlled by and under the direction of the board of trustees of that independent or city school district.

Acts 1969, 61st Leg., p. 2997, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.015 by Acts 1971, 62nd Leg., p. 3284, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.016. SEPARATE BOARD OF TRUSTEES IN CERTAIN INSTANCES. (a) A junior college established by an independent school district or city that has assumed control of schools already validated or established pursuant to the provisions of this chapter may be governed, administered, and controlled by and under the direction of a separate board of trustees, which may be placed in authority by either of the following procedures:

(1) the board of trustees of an independent school district or city school district which has the management, control, and operation of a junior college may divest itself of the management, control, and operation of that junior college so maintained and operated by the school board by appointing for the junior college district a separate board of trustees of nine members; or

(2) the board of trustees of any independent school district or city school district which has the control and management of a junior college may be divested of its control and management of that junior college by the procedure prescribed in Section 130.017 of this code.

(b) If the board of trustees of an independent school district that divests itself of the management, control, and operation of a junior college district under this section or under Section 130.017 of this code was authorized by Subsection (e) of Section 20.48 of this code to dedicate a portion of its tax levy to the junior college district before the divestment, the junior college district may levy an ad valorem tax from and after the divestment. In the first two years in which the junior college district levies an ad valorem tax, the tax rate adopted by the governing body may not exceed the rate that, if applied to the total taxable value submitted to the governing body under Section 26.04, Tax Code, would impose an amount

equal to the amount of taxes of the school district dedicated to the junior college under Subsection (e) of Section 20.48 of this code in the last dedication before the divestment. In subsequent years, the tax rate of the junior college district is subject to Section 26.07, Tax Code.

Acts 1969, 61st Leg., p. 2997, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.016 by Acts 1971, 62nd Leg., p. 3284, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 556, Sec. 2, eff. Sept. 1, 1987.

Sec. 130.017. PETITION AND ELECTION TO DIVEST SCHOOL BOARD OF AUTHORITY. (a) On a petition signed by 10 percent of the qualified electors of the independent school district or city school district, the board of trustees within 30 days shall call an election after the petition has been duly presented on the proposition of whether the school board of trustees shall be divested of its authority as governing board of such junior college district.

(b) At the election called under Subsection (a) of this section, the board of trustees shall also include a separate proposition on whether the junior college district may levy ad valorem taxes.

(c) The board of trustees shall, within 30 days after the official canvass of the election, appoint for the junior college district a separate board of trustees as provided by this code to serve as the governing board of the junior college district if the majority of the votes in the election under this section are cast in favor of both propositions. If a majority of the votes in the election are cast against either proposition, the board may not divest its authority as the governing board of the junior college district unless both propositions are approved at a subsequent election. A subsequent election on the propositions may not be held before the first anniversary of the election date.

(d) The separate governing board of the junior college district may levy and collect taxes in accordance with Subchapter G of this chapter at the approved rate without an additional election.

Acts 1969, 61st Leg., p. 2997, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.017 by Acts 1971, 62nd Leg., p. 3284, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th

Leg., ch. 284, Sec. 1, eff. Sept. 1, 1987.

Sec. 130.018. SEPARATE BOARD OF TRUSTEES--TERMS, ETC. In the event a separate board of trustees for the junior college district is appointed under either procedure set out in Section 130.016 or Section 130.017 of this code, the board of trustees, consisting of nine members, shall be organized and constituted pursuant to the provisions of Section 130.082 of this code, and be governed by the provisions thereof.

Acts 1969, 61st Leg., p. 2998, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.018 by Acts 1971, 62nd Leg., p. 3285, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.019. SEPARATE BOARD OF TRUSTEES; AD VALOREM TAXES. A board of trustees of an independent school district or city school district that has the management, control, and operation of a junior college district may not divest itself of that management, control, and operation of the junior college district under Section 130.016 of this code or have the management, control, and operation of the junior college district divested under Section 130.017 of this code, unless the junior college district has the authority to levy ad valorem taxes for the maintenance of the junior college district or acquires that authority at an election held under Section 130.017.

Added by Acts 1987, 70th Leg., ch. 284, Sec. 2, eff. Sept. 1, 1987.

SUBCHAPTER C. UNION, COUNTY, OR JOINT-COUNTY JUNIOR COLLEGES

Sec. 130.031. ESTABLISHMENT OF UNION, COUNTY, OR JOINT-COUNTY JUNIOR COLLEGE. The following types of junior colleges may be established in the following units:

(1) a union junior college district may be established by two or more contiguous independent school districts or two or more contiguous common school districts or a combination composed of one or more independent school districts with one or more common school districts of contiguous territory meeting the requirements set out in Section 130.032 of this code;

(2) a county junior college district may be established by

any county meeting the requirements set out in Section 130.032 of this code; and

(3) a joint-county junior college district may be established by any combination of contiguous counties in the state meeting the requirements set out in Section 130.032 of this code.

Acts 1969, 61st Leg., p. 2998, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.031 by Acts 1971, 62nd Leg., p. 3285, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.0312. VALIDATION OF CERTAIN ACTS AND PROCEEDINGS. (a) All governmental acts and proceedings of South Texas Community College not excepted from the application of this section by another provision of this section that were taken before March 1, 1997, are validated as of the dates on which they occurred.

(b) This section does not validate any governmental act or proceeding that, under the statutes of this state in effect at the time the act or proceeding occurred, constituted an offense punishable as a misdemeanor or a felony.

(c) The acts and proceedings relating to the confirmation proceedings of South Texas Community College are validated as of the date of the confirmation or a good faith attempt at confirmation. The confirmation of South Texas Community College under Section 130.0311 may not be held invalid by the fact of any procedural defects in the election proceedings or confirmation proceedings required under Section 130.0311.

(d) All governmental acts and proceedings of the board of trustees of South Texas Community College or of an officer or employee of the college during the transfer of the property or obligations from the McAllen extension center of the Texas State Technical College System to South Texas Community College and each act or proceeding taken or conducted since the confirmation of South Texas Community College are validated as of the dates on which they occurred.

(e) This section does not apply to any matter that on the effective date of this section:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final judgment of a court of competent jurisdiction; or

(2) has been held invalid by a final judgment of a court of competent jurisdiction.

Added by Acts 1997, 75th Leg., ch. 247, Sec. 1, eff. May 23, 1997.

Sec. 130.032. RESTRICTIONS. In order for any territorial unit set out in Sections 130.011 and 130.031 of this code to establish the applicable type of junior college, the proposed district must have a taxable property valuation of not less than $2.5 billion in the next preceding year and a total scholastic population of not less than 15,000 in the next preceding school year.

Acts 1969, 61st Leg., p. 2998, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.032 by Acts 1971, 62nd Leg., p. 3285, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 2, eff. June 7, 1985.

Sec. 130.033. PETITION TO ESTABLISH. (a) Whenever it is proposed to establish a junior college of any type specified in Section 130.031 of this code a petition praying for an election therefor shall be presented in the applicable manner as prescribed in Subsections (b)-(d) of this section.

(b) In the case of a union junior college district, the petition shall be signed by not fewer than 10 percent of the registered voters of each of the school districts within the territory of the proposed junior college district and shall be presented to the county school board or county school boards of the respective counties if the territory encompasses more than one county; but if there is no county school board, the petition shall be presented to the commissioners court of the county or counties involved.

(c) In the case of a county junior college district, the petition shall be signed by not fewer than 10 percent of the registered voters of the proposed college district and shall be presented to the county school board of the county; but if there is no county school board, the petition shall be presented to the commissioners court of the county.

(d) In case of a joint-county junior college district, the petition shall be signed by not fewer than 10 percent of the

registered voters of each of the proposed counties and shall be presented to the respective county school boards of the counties to be included in the proposed district; in case there is no county school board, the petition shall be presented to the commissioners court of the county or counties involved.

Acts 1969, 61st Leg., p. 2999, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.033 by Acts 1971, 62nd Leg., p. 3286, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 728, Sec. 87, eff. Sept. 1, 1993.

Sec. 130.034. TAX LEVY. Any petition authorized by Sections 130.011 and 130.033 of this code shall also incorporate therein a request for the proper authorities, in the event an election is ordered for the creation of such district, to submit at the same election the questions of issuing bonds and levying bond taxes, and levying maintenance taxes, in the event the district is created, not to exceed the limits provided in Section 130.122 of this code.

Acts 1969, 61st Leg., p. 2999, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.034 by Acts 1971, 62nd Leg., p. 3286, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 2, eff. June 7, 1985.

Sec. 130.035. LEGALITY OF PETITION. It shall be the duty of the county school board or boards or the commissioners court or courts petitioned in compliance with Section 130.033 of this code to:

(1) pass upon the legality of the petition and the genuineness of the same; and

(2) forward the petition, so approved, to the Coordinating Board, Texas College and University System.

Acts 1969, 61st Leg., p. 2999, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.035 by Acts 1971, 62nd Leg., p. 3286, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.036. ORDER TO ESTABLISH. It shall be the duty of the coordinating board, with the advice of the commissioner of higher

education to determine whether or not the conditions set forth in the preceding sections of this chapter have been complied with, and also whether, considering the geographic location of colleges already established, it is feasible and desirable to establish a junior college district. In the exercise of this authority the board shall develop and publish criteria to be used as a basis for determining the need for a public junior college in the proposed district. The board shall determine whether programs in a proposed institution would create unnecessary duplication or seriously harm programs in existing community college districts. It shall be the duty of the coordinating board in making its decision to consider the needs and the welfare of the state as a whole, as well as the welfare of the community involved. The decision of the coordinating board shall be transmitted through the commissioner of higher education to the county school board or boards or the commissioners court or courts, as the case may be, along with the order of the coordinating board authorizing further procedure in the establishment of the junior college district.

Acts 1969, 61st Leg., p. 2999, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.036 by Acts 1971, 62nd Leg., p. 3287, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 2, eff. June 7, 1985.

Sec. 130.037. CALLING ELECTION; SUBMISSION OF QUESTIONS. If the coordinating board approves the establishment of the junior college district, it shall then be the duty of the commissioners court or courts to enter an order for an election to be held in the proposed territory at the next authorized election date as provided in Article 2.01b of the Election Code, to determine whether or not such junior college district be created and formed and to submit the questions of issuing bonds and levying bond taxes, and levying maintenance taxes, in the event the district is created. The order shall contain a description of the metes and bounds of the junior college district to be formed and fix the date of the election.

Acts 1969, 61st Leg., p. 3000, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.037 by Acts 1971, 62nd Leg., p. 3287, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 2, eff. June 7, 1985.

Sec. 130.038. ELECTION. A majority of the electors in the proposed district, voting in the election, shall determine the question of creation of the junior college district submitted in the order, the election of the original trustees, and the questions of issuing bonds and levying taxes. A majority of the electors voting in such election shall determine such questions submitted in the order. In the case of a joint-county junior college district, or a union junior college district, the election shall, by mutual agreement of the court or courts, be held on the same day throughout the proposed district.

Acts 1969, 61st Leg., p. 3000, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.038 by Acts 1971, 62nd Leg., p. 3287, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 302, Sec. 2, eff. June 7, 1985.

Sec. 130.039. ELECTION RETURNS, CANVASS, AND RESULT. (a) The commissioners court or courts within 10 days after holding of an election shall make a canvass of the returns and declare the results of the election.

(b) The court or courts shall enter an order on the minutes of the court or courts as to the results.

Acts 1969, 61st Leg., p. 3000, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.039 by Acts 1971, 62nd Leg., p. 3287, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.040. BOARD OF TRUSTEES: UNION, COUNTY, OR JOINT-COUNTY JUNIOR COLLEGE. A union junior college, a county junior college, or a joint-county junior college shall be governed, administered, and controlled by and under the direction of a board of trustees of seven members unless the number of members is increased as authorized by Section 130.082(d).

Acts 1969, 61st Leg., p. 3000, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.040 by Acts 1971, 62nd Leg., p. 3288, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 2001, 77th

Leg., ch. 1324, Sec. 1, eff. June 16, 2001.

Sec. 130.041. ELECTION OF TRUSTEES OF UNION, COUNTY, AND JOINT-COUNTY JUNIOR COLLEGE. The original trustees of a union or a county junior college shall be elected at large from the junior college district by the qualified voters of the district under the rules and regulations provided for in Section 130.042 of this code.

Acts 1969, 61st Leg., p. 3000, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.041 by Acts 1971, 62nd Leg., p. 3288, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.042. ORIGINAL BOARD. (a) The original trustees shall be elected at the same election at which the creation of the district is determined.

(b) Any candidate desiring to be voted upon as a first trustee shall present a petition to the commissioners court or courts within three days before the order authorizing the election is issued by the commissioners court or courts, and shall accompany his petition with a petition signed by not less than two percent of the qualified voters in the district, requesting that his name be placed on the ticket as a candidate for trustee.

(c) The seven candidates for junior college trustee receiving the highest number of votes at the election shall be declared trustees of the district.

Acts 1969, 61st Leg., p. 3001, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.042 by Acts 1971, 62nd Leg., p. 3288, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.043. ORGANIZATION. After the election of the original trustees, the board of trustees shall be organized and constituted, pursuant to the provisions of Section 130.082 of this code and be governed by the provisions thereof.

Acts 1969, 61st Leg., p. 3001, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.043 by Acts 1971, 62nd Leg., p. 3288, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.044. ELECTION OF TRUSTEES BY THE POSITION METHOD. (a) The board of trustees of a district may, by a majority vote of the trustees, if a quorum is present and voting, adopt a numbered position system of electing members to the board.

(b) If the board adopts a numbered position system, candidates are voted on and elected separately for positions on the board according to the number of the position to which they seek election. The official ballots shall contain:

(1) the phrase "Official Ballot for the Purpose of Electing Trustees";

(2) the name of the junior college district;

(3) the number of each position to be filled; and

(4) the list of candidates under the position to which they seek election.

(c) Within 10 days from the date of adoption of the numbered position system, the trustees shall determine by lot which position each will hold on the board. The members in Class 1 shall draw for positions one and two; the members in Class 2 shall draw for positions three and four; and the members in Class 3 shall draw for positions five, six, and seven.

(d) A person desiring election to a numbered position on the board must, not later than 5 p.m. of the 45th day before the date of the election, file with the board of trustees a written application, designating the number of the position on the board of trustees for which he desires to become a candidate, and requesting that his name be placed on the ballot. An application may not be filed earlier than the 30th day before the date of the filing deadline. Each candidate who files an application is entitled to have his name printed on the official ballot beneath the number of the position designated in his application. A person who fails to file the application required by this section may not have his name printed on the official ballot. A candidate is eligible to have his name printed on the ballot under only one position to be filled at the election.

(e) In the election each voter may vote for only one candidate for each numbered position. The candidate receiving the most votes for each numbered position voted on in the election is entitled to serve as a trustee on the board, in the position to which he is

elected.

(f) Notice of an election in a district must be given in the manner and for the time required under the law authorizing the creation of the district, except where there is a conflict with the provisions of this section, then this section is controlling.

(g) The board of trustees of a district with a population greater than one million may require that an application filed under Subsection (d) be accompanied by a filing fee not to exceed $200 as determined by the board or, instead of the filing fee, a petition signed by a number of registered voters of the district not to exceed 200 as determined by the board.

Acts 1971, 62nd Leg., p. 3288, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1987, 70th Leg., ch. 508, Sec. 4, eff. Sept. 1, 1987.
Amended by:

Acts 2005, 79th Leg., Ch. 1149 (H.B. 2956), Sec. 1, eff. September 1, 2005.

SUBCHAPTER D. CHANGES IN DISTRICT BOUNDARIES

Sec. 130.061. EXTENSION OF BOUNDARIES OF A JUNIOR COLLEGE DISTRICT COEXTENSIVE WITH AN INDEPENDENT SCHOOL DISTRICT. The district boundaries of an independent school district junior college shall automatically be extended so that the boundary lines of the two districts, independent school district and junior college district, shall remain identical when:

(1) the junior college district was created with the same boundary lines as an independent school district;

(2) the boundaries of the independent school district are extended by consolidation, attachment of territory, or otherwise; and

(3) the board of trustees of the independent school district is also the governing board of the junior college.

Acts 1969, 61st Leg., p. 3001, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.061 by Acts 1971, 62nd Leg., p. 3289, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.062. ENLARGED DISTRICT: CREATION; RESOLUTION;

ORDER. (a) If the creation of the junior college district and the extension of the boundaries of the independent school district both occurred prior to March 17, 1950, the added territory of the independent school district may be brought into the junior college district in the manner prescribed by this section.

(b) A petition requesting that such territory be added to the junior college district signed by a majority of the registered voters of the territory may be presented to the governing board of the junior college district.

(c) The board shall determine whether the petition is signed by the required majority and if such determination is affirmative and if the board shall also determine that the facilities of the junior college district may be extended to cover adequately the scholastics of the added territory, the board shall pass an order admitting such territory. The order shall describe by metes and bounds the junior college district as extended; and a copy of the order shall be filed with the county superintendent. Thereafter, the territory shall be a part of the junior college district for all intents and purposes.

Acts 1969, 61st Leg., p. 3001, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.062 by Acts 1971, 62nd Leg., p. 3289, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 728, Sec. 88, eff. Sept. 1, 1993.

Sec. 130.063. EXTENSION OF JUNIOR COLLEGE DISTRICT BOUNDARIES. (a) Subject to Subsection (b), territory may be annexed to a junior college district by contract under Section 130.064 or election under Section 130.065, if the territory:

(1) is contiguous to the annexing junior college district; or

(2) is located in the service area of the annexing district established under Subchapter J.

(b) Territory may be annexed to a junior college district as provided by this section only if the territory is located wholly within a single school district, county, or municipality. This subsection does not prohibit a junior college district from conducting annexation elections or other annexation procedures for more than one territory at the same time.

(c) A junior college district may not annex territory under

this section that is included in the boundaries of another junior college district.

(d) Except as provided by Subsection (e), a junior college district may not annex territory under this section if a campus of the Texas State Technical College System is located:

(1) within the county in which the territory is located; and

(2) outside the junior college district.

(e) This section does not prevent a junior college district from annexing territory located in Brown County.

Acts 1969, 61st Leg., p. 3002, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.063 by Acts 1971, 62nd Leg., p. 3290, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1981, 67th Leg., p. 3056, ch. 802, Sec. 1, eff. Aug. 31, 1981; Acts 1999, 76th Leg., ch. 1397, Sec. 1, eff. Aug. 30, 1999.

Amended by:

Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 4, eff. June 18, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1076 (H.B. 3332), Sec. 1, eff. June 14, 2013.

Sec. 130.064. ANNEXATION BY CONTRACT. If the annexation is by contract, a petition shall be presented to the governing board of any junior college district, executed by all property owners of all property situated in the territory proposed for annexation. The petition shall contain a legally sufficient description of the territory proposed for annexation. The governing board of the junior college district, if it deems the annexation to be in the best interest of the district, may effect the annexation by:

(1) entering its order authorizing the annexation of the territory by contract; and

(2) then entering into a written agreement duly executed and acknowledged by all persons, corporations, and entities owning property within the territory.

Acts 1969, 61st Leg., p. 3002, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.064 by Acts 1971, 62nd Leg., p. 3290, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.065. ANNEXATION BY ELECTION. (a) On presentation to the governing board of a junior college district of a petition proposing the annexation of territory to the district, the governing board may call an election on the question of annexing the territory. The petition must:

(1) contain an accurate description of the territory proposed for annexation; and

(2) be signed by a number of registered voters in the territory proposed to be annexed equal to at least five percent of the registered voters in that territory as of the most recent general election for state and county officers.

(b) Before the governing board of the junior college district may order an annexation election, the board must hold a public hearing within the territory proposed for annexation. The hearing must be held not earlier than the 45th day and not later than the 30th day before the date the board issues the order for the election.

(c) Not later than the 30th day before the date of a public hearing held under Subsection (b), the board shall complete and publish a service plan for the territory proposed for annexation. The service plan is informational only and must include:

(1) the maximum property tax rate that the board may adopt;

(2) the most recent property tax rate adopted by the board and any tax rate increase proposed or anticipated to occur after the annexation;

(3) the tuition rate that would apply after annexation for a student who resides in the district;

(4) the tuition and fees that would apply under Section 130.0032(d) for a student who resides outside the district;

(5) plans for providing educational services in the territory, including proposed or contemplated campus and facility expansion in the territory;

(6) plans for cooperation with local workforce agencies; and

(7) any other elements consistent with this subchapter prescribed by rule of the Texas Higher Education Coordinating Board.

(d) The governing board shall issue an order for an election to be held in the territory proposed for annexation on a uniform election date that is not less than 45 days after the date of the order and that affords enough time to hold the election in the manner provided by law. The board shall give notice of the election in the

manner provided by law for notice by the county judge of a general election.

(e) The governing board shall conduct the election in accordance with the Election Code.

(f) The election shall be held only in the territory proposed for annexation, and only those registered voters residing in that territory are permitted to vote.

(g) The ballot shall be printed to provide for voting for or against the proposition: "Approving the annexation by the _____ (name of junior college district) of the following territory: _____ (with the blank filled in with a description of the territory proposed for annexation), and authorizing the imposition of an ad valorem tax for junior college purposes, which is currently set at a rate of _____ (with the blank filled in with the ad valorem tax rate of the district for the current year or, if that rate has not been adopted, the tax rate for the preceding year) per $100 valuation of taxable property."

(h) The measure is adopted if the measure receives a favorable vote of a majority of those voters voting on the measure.

(i) If the measure is adopted, the governing board of the district shall enter an order declaring the result of the election and that the territory is annexed to the junior college district on the date specified in the order.

(j) If the proposition is adopted and the governing board is elected from single-member districts, the governing board in the annexation order entered under Subsection (i) shall assign the new territory to one or more of the current single-member districts.

(k) The annexation of territory and any resulting change in the single-member districts from which members of the governing board are elected does not affect the term of a member of the governing board serving on the date the annexation or redistricting takes effect. The governing board shall provide that each member of the governing board representing a single-member district who is holding office on the date the annexation takes effect serve the remainder of the member's term and represent a single-member district in the expanded junior college district for that term regardless of whether the member resides in that single-member district.

(l) If the measure is not adopted at the election, another election to annex all or part of the same territory may not be held earlier than one year after the date of the election at which the

measure is not adopted.

Acts 1969, 61st Leg., p. 3002, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.065 by Acts 1971, 62nd Leg., p. 3290, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1993, 73rd Leg., ch. 728, Sec. 89, eff. Sept. 1, 1993.
Amended by:
Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 5, eff. June 18, 2005.
Acts 2011, 82nd Leg., R.S., Ch. 37 (S.B. 1226), Sec. 1, eff. September 1, 2011.

Sec. 130.066. AUTOMATIC ANNEXATION OF CERTAIN TERRITORY. If the junior college district annexes territory under this subchapter comprising all of a municipality or school district, the governing board by order may annex for junior college purposes any territory later annexed by or added to the municipality or school district.

Added by Acts 1971, 62nd Leg., p. 3291, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1999, 76th Leg., ch. 1397, Sec. 2, eff. Aug. 30, 1999.
Amended by:
Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 5, eff. June 18, 2005.

Sec. 130.067. ANNEXATION OF COUNTY-LINE SCHOOL DISTRICT FOR JUNIOR COLLEGE PURPOSES. (a) In this section:

(1) "County-line school district" means any type of public school district created or organized under general or special law that includes within its boundaries territory that is located in two or more counties of Texas.

(2) "County or joint-county junior college district" means a junior college district that was originally created and organized with the same boundaries as a county or as a group of contiguous counties and that included all of the territory in the county or group of counties and did not include a part of any county without including the entire territory of the county.

(b) A part of a county-line school district that is contiguous to but not included within the boundaries of a county or joint-county

junior college district may be annexed to the junior college district for junior college purposes only either by election as provided by Section 130.065 or by order entered pursuant to a petition requesting annexation of the territory as provided by this section.

(c) The county or joint-county junior college district as originally created and organized must have included in its boundaries a part of the county-line school district, and the part of the county-line school district to be annexed may not be included in any other junior college district.

(d) On presentation of a petition, signed by a number of registered voters residing in the part of a county-line school district requesting annexation equal to at least a majority of the registered voters residing in that territory as of the most recent general election for state and county officers to the county judge of the county in which the territory requested to be annexed is located, together with a certified copy of an order by the governing board of the junior college district approving the proposed annexation to the junior college district for junior college purposes only, the county judge shall certify the filing of the petition and order to the commissioners court. The court at its next meeting shall pass an order declaring the territory annexed to the junior college district.

(e) Territory may be annexed by petition under this section only if the territory is located wholly within a single county. For territory located in more than one county, a separate petition requesting the annexation of the territory is required for each county.

Acts 1969, 61st Leg., p. 3003, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.066 by Acts 1971, 62nd Leg., p. 3292, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 5, eff. June 18, 2005.

Sec. 130.068. EXTENDING BOUNDARIES OF JUNIOR COLLEGE DISTRICT IN DISTRICT'S SERVICE AREA. (a) The governing board of a junior college district may order an election on the question of establishing expanded boundaries for the junior college district to encompass all of the territory located within the district's service

area established by Subchapter J, other than territory located in the service area of another junior college district, if more than 35 percent of the total number of students who enrolled in the junior college district in the most recent academic year resided outside of the existing junior college district.

(b) The governing board of a junior college district may order an election on the question of establishing expanded boundaries for the junior college district to encompass part of the territory located within the district's service area established by Subchapter J, other than territory located in the service area of another junior college district, if more than 15 percent of the high school graduates for each of the preceding five academic years in the territory proposed to be added to the district have enrolled in the junior college district.

(c) Except as otherwise provided by this section, Section 130.065 applies to an action taken under this section, including the provisions of Section 130.065 requiring a petition to be submitted before an election may be called.

(d) A junior college district may not adopt new boundaries for the district under this section that extend within the service area of another junior college district.

Acts 1969, 61st Leg., p. 3004, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.067 by Acts 1971, 62nd Leg., p. 3292, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2005, 79th Leg., Ch. 1100 (H.B. 2221), Sec. 6, eff. June 18, 2005.

Sec. 130.069. DISANNEXATION OF OVERLAPPED TERRITORY. (a) All junior college districts whose boundaries have or may hereafter become established so that they include territory which prior to such establishment lay, and shall continue to lie, within the boundaries of another junior college district shall have the power to disannex such overlapped territory.

(b) Upon certification by the governing board of such a junior college district to the county board of school trustees of the county in which its college is located that such an overlapping condition exists, the county board may by resolution disannex the overlapped

territory from the district, describing such territory by metes and bounds.

Acts 1969, 61st Leg., p. 3003, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.068 by Acts 1971, 62nd Leg., p. 3293, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.070. DISANNEXATION OF TERRITORY COMPRISING AN INDEPENDENT SCHOOL DISTRICT. (a) The territory of an independent school district which is the only school district that has been annexed to a countywide independent school district junior college district in an adjoining county may be disannexed from such countywide independent school district junior college district and constituted as a separate independent school district junior college district in accordance with the provisions of this section, provided that the countywide independent school district junior college district has no outstanding bonded indebtedness which was incurred after the annexation of such independent school district.

(b) The proposed disannexation and creation of a separate junior college district shall be initiated by a petition signed by not less than five percent (5%) of the registered voters of the independent school district seeking disannexation. The petition shall be presented to the board of trustees of the independent school district seeking to be disannexed, which shall pass upon the legality and genuineness of the petition and forward the petition, if approved, to the coordinating board.

(c) If the petition is found to be in order and all statutory provisions have been complied with, the coordinating board shall approve the petition and notify the board of trustees of the independent school district seeking to be disannexed, of such approval. The board of trustees of the independent school district seeking disannexation shall then order an election to be held in the school district within a time not less than twenty (20) days nor more than thirty (30) days after the order is issued. At the election the ballots shall be printed to provide for voting for or against the proposition: "Disannexation of the _____ Independent School from the _____ Junior College District, and creation of the _____ Junior College District with boundaries coterminous with the boundaries of the _____ Independent School

District" (the blanks to be filled in as appropriate). All expenses incurred in holding the election shall be paid by the independent school district ordering such election.

(d) The board of trustees shall make a canvass of the returns and declare the result of the election within ten (10) days after holding the election and shall enter an order on the minutes of the board as to the result of the election. If a majority of the votes cast are in favor of disannexation and creation of a separate junior college district, such independent school district shall be deemed disannexed and constituted as a separate junior college district.

(e) If the creation of the separate junior college district is approved, it shall be governed by the provisions of this code relating to independent school district junior colleges. The offices of the representatives of the disannexed independent school district on the governing body of the countywide independent school district junior college district shall be terminated, and the remaining members of that governing body shall continue to serve for the terms for which they were elected.

(f) Any petition for disannexation and creation of a separate junior college district may also incorporate a request for the proper authorities, in the event an election is ordered for the creation of a new district, to submit at the same election, either as a part of the disannexation issue or as a separate issue, the questions of issuing bonds and levying bond taxes and levying maintenance taxes, in the event the district is created, not to exceed the limits provided in Section 130.122 of this code.

Added by Acts 1972, 62nd Leg., 4th C.S., p. 37, ch. 16, Sec. 1, eff. Oct. 30, 1972. Amended by Acts 1993, 73rd Leg., ch. 728, Sec. 90, eff. Sept. 1, 1993.

SUBCHAPTER E. BOARDS OF TRUSTEES OF JUNIOR COLLEGE DISTRICTS

Sec. 130.081. GOVERNING BOARD OF JUNIOR COLLEGE OF INDEPENDENT SCHOOL DISTRICT. In each junior college district which is controlled and managed by, and under the jurisdiction of, the governing board of an independent school district or a city school district, such governing board shall be constituted and chosen in accordance with the laws of this state applicable to the governing board of such independent school district or city school district.

Acts 1969, 61st Leg., p. 3004, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.071 by Acts 1971, 62nd Leg., p. 3293, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.082. GOVERNING BOARD OF JUNIOR COLLEGE OF OTHER THAN INDEPENDENT SCHOOL DISTRICT. (a) Except as provided by Section 130.081 or another section of this subchapter, the governing boards of all junior college districts shall be constituted and chosen as described in the provisions of this section.

(b) The official name of the governing board of the junior college district shall be the board of trustees.

(c) The official name of a junior college district shall be the "_____ Junior College District" unless the board of trustees of the district elects to call the district a community college district, in which event the official name of the junior college district shall be the "_____ Community College District." The board shall designate an appropriate and locally pertinent descriptive word or words to be filled in the appropriate blank (and may change such designation when deemed advisable) by resolution or order; provided that no two districts shall have the same or substantially similar names. A district may change its name under Section 130.005 or 130.0051. All resolutions or orders designating or changing names shall be filed immediately with the Texas Higher Education Coordinating Board and the first name filed shall have priority, and the district shall be advised of any previous filing of any identical or substantially similar name. The name of any junior college district existing on September 1, 1997, shall remain the same until and unless it is changed under this chapter, and any change in the name of a junior college district made before that date is validated and is deemed to have been properly made. Another district may not use the name of any district whose name change is validated under this subsection.

(d) The number of members or trustees of the governing board shall be either seven or nine, in accordance with the laws applicable to the junior college district on the effective date of this code or on the date of the creation of a new district or a new board. Any seven-member board may be increased to nine, and the two additional members shall be appointed by resolution or order of the board for terms of office as prescribed in Subsection (e) of this section. Any

vacancy occurring on the board through death, resignation, or otherwise, shall be filled by a special election ordered by the board or by appointment by resolution or order of the board. A person appointed to fill a vacancy in a trustee district must be a resident of that trustee district. A person appointed to fill a vacancy in the representation of the district at large must be a resident of the district at large. A special election to fill a board vacancy is conducted in the same manner as the district's general election except as provided by the applicable provisions of the Election Code. The person appointed to fill the unexpired term shall serve until the next regular election of members to the board, at which time the position shall be filled by election for a term appropriately shortened to conform with what regularly would have been the length of the term for that position. Each member of the board shall be a resident, qualified voter of the district and shall take the proper oath of office before taking up the duties thereof. Members of a board shall not receive any remuneration or emolument of office, but they shall be entitled to reimbursement for their actual expenses incurred in performing their duties, to the extent authorized and permitted by the board. The board shall elect one of its members as president of the board, and the president shall preside at meetings of said board and perform such other duties and functions as are prescribed by the board. The president of the board shall have a vote the same as the other members. The board shall elect a secretary of the board who may or may not be a member of the board, and who shall be the official custodian of the minutes, books, records, and seal of said board, and who shall perform such other duties and functions as are prescribed by the board. The board shall be authorized to elect any other officers as deemed necessary or advisable. Officers of the board shall be elected at the first regular meeting of the board following the regular election of members of the board in even-numbered years, or at any time thereafter in order to fill a vacancy. Said board shall be authorized to appoint or employ such agents, employees, and officials as deemed necessary or advisable to carry out any power, duty, or function of said board; and to employ a president, dean, or other administrative officer, and upon the president's recommendation to employ faculty and other employees of the junior college. Said board shall act and proceed by and through resolutions or orders adopted or passed by the board and the affirmative vote of a majority of all

members of the board shall be required to adopt or pass a resolution or order, and the board shall adopt such rules, regulations, and bylaws as it deems advisable, not inconsistent with this section.

(e) The basic term of office of a member of the board shall be six years, and one-third of the members of the board shall be elected at large in the district at regular elections to be held on the first Saturday in April in each even-numbered year; provided that with a seven-member board two members shall be elected in two consecutive even-numbered years and three members shall be elected in the following even-numbered year. The members of each board in office at the effective date of this act, and all subsequent members of the board, shall remain in office until the expiration of the terms for which they were elected or appointed, and until their successors shall have been elected and qualified; provided that where any existing board has held its regular elections for members of the board in odd-numbered years prior to the effective date of this act, the board shall nevertheless hold its next regular election on the first Saturday in April of the next even-numbered year following the effective date of this act, and the term of office of each incumbent member of the board shall, in effect, be lengthened by one year so as to comply with the foregoing provisions of this act. Upon the creation of a new board, or in any other situation where necessary, the members of the board shall choose by lot the terms for which they shall serve, so as to comply with the foregoing provisions. If a board is increased from seven to nine members, one of the members shall be appointed to serve until the first election at which two members otherwise would have been elected, and the other shall be appointed to serve until the second election at which two members otherwise would have been elected, and three members shall be elected for six-year terms at each election.

(f) Members of a board shall be elected at large from each junior college district at regular elections to be called and held by the board for such purpose, at the expense of the district, on the first Saturday in April in each even-numbered year. Said elections shall be held in accordance with the Texas Election Code except as hereinafter provided, and all resident, qualified electors of the district shall be permitted to vote. Each such election shall be called by resolution or order of the board, and notice of each such election shall be given by publishing an appropriate notice, in a newspaper of general circulation in the district, at least 10 days

prior to the date of the election, setting forth the date of the election, the polling place or places, the numbers of the positions to be filled, the candidates for each position and any other matters deemed necessary or advisable.

(g) The board shall designate a number for the position held by each member of the board, from one upward in consecutive numerical order in such manner that the lowest numbers shall be assigned to the members whose terms of office expire in the shortest length of time, provided that any such position number designations on existing boards under existing law at the effective date of this act shall remain in effect. At each election candidates shall be voted upon and be elected separately for each position on the board, and the name of each candidate shall be placed on the official ballot according to the number of the position for which he or she is running. A candidate receiving a majority of the votes cast for all candidates for a position shall be declared elected. If no candidate receives such a majority, then the two candidates receiving the highest number of votes shall run against each other for the position. The run-off election for all positions shall be held on a date that complies with law and shall be ordered, notice thereof given, and held, as provided herein for regular elections. Any resident, qualified elector of the district may have his or her name placed as a candidate on the official ballot for any position to be filled at each regular election by filing with the secretary of the board a written application therefor signed by the applicant, not later than 5 p.m. of the 45th day before the date of the election. An application may not be filed earlier than the 30th day before the date of the filing deadline. Such application must state the number of the position for which he or she is a candidate, or the name of the incumbent member of the board holding the position for which he or she desires to run. The location on the ballot of the names of candidates for each position shall be chosen by lot by the board. A candidate shall be eligible to run for only one position at each election.

(h) Notwithstanding anything in this code to the contrary, the provisions of all or any part of the laws of this state in effect immediately prior to the effective date of this act and relating to the name of any junior college district or the name of its governing board, or to the number of members of its governing board, or the procedures and times of electing or choosing said members, shall

remain in effect under the following conditions. If, at any time before the effective date of this act (but not thereafter), the governing board of any junior college district shall specify by resolution or order the particular provisions of the aforesaid laws applicable to it which it desires to remain in effect, then such particular provisions shall continue to apply to said board and its district; provided that at any time thereafter the governing board may make this section in its entirety applicable to it and its district by appropriate resolution or order, and thereby permanently cancel the effect of the aforesaid particular provisions of other laws. All resolutions and orders permitted by this section shall be filed immediately with the Coordinating Board, Texas College and University System.

(i) The election of trustees of a countywide junior or community college district that contains a city with a population of more than 1.18 million located primarily in a county with a population of 2 million or more shall be held on the first Saturday in April of each even-numbered year. When a runoff election is necessary, the board may order the election for a date to coincide with the date of the runoff election for city officials, if the city is holding a runoff election; otherwise, the board shall set the date of the runoff election for not later than three weeks following the regular election.

(j) Notwithstanding the election dates prescribed by this section, an election held under this section shall be held on a uniform election date as provided by law.

Acts 1969, 61st Leg., p. 3004, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.072 by Acts 1971, 62nd Leg., p. 3294, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 2035, ch. 673, Sec. 1, eff. June 20, 1975; Acts 1977, 65th Leg., p. 1386, ch. 554, Sec. 1, eff. June 15, 1977; Acts 1983, 68th Leg., p. 4806, ch. 844, Sec. 2, eff. Aug. 29, 1983; Acts 1987, 70th Leg., ch. 54, Sec. 25(j), eff. Sept. 1, 1987; Acts 1987, 70th Leg., ch. 508, Sec. 5, eff. Sept. 1, 1987; Acts 1989, 71st Leg., 1st C.S., ch. 2, Sec. 1, eff. July 18, 1989; Acts 1991, 72nd Leg., ch. 597, Sec. 63, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 570, Sec. 2, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 669, Sec. 13, eff. Sept. 1, 2001.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 13, eff. September 1, 2011.

Sec. 130.0821. GOVERNING BOARD OF CERTAIN COUNTYWIDE COMMUNITY COLLEGE DISTRICTS. (a) The members of the governing board of a countywide community college district that contains a city with a population of more than 384,500 residents shall be elected from single-member trustee districts.

(b) The board of trustees shall divide the district into the appropriate number of compact trustee districts which contain as nearly as practicable an equal number of inhabitants according to the last preceding federal census. Residents of each trustee district shall be entitled to elect one member of the board, and each candidate seeking to represent a trustee district must reside in the trustee district he seeks to represent. Trustees shall, during their term of office, reside within the trustee district from which they were elected.

(c) Members of the board of trustees of the district shall serve for staggered terms of six years with the terms of one-third of the members, as nearly as may be, expiring in each even-numbered year.

(d) Repealed by Acts 1991, 72nd Leg., ch. 365, Sec. 2, eff. Sept. 1, 1991.

(e) Not later than the 90th day after the earliest date on which the board of trustees may recognize and act on the publication of the federal decennial census under Section 2058.001, Government Code, the board of trustees shall redivide the district into the appropriate number of trustee districts if the census data indicates that the population of the most populous trustee district exceeds the population of the least populous district by more than 10 percent. Within 90 days following the effective date of an order or resolution of the board of trustees to increase the number of board members, the board of trustees shall redivide the district into the appropriate number of trustee districts as increased. At the next district election following the redistricting of the district under this subsection, each trustee district shall elect a member of the board unless the board of trustees determines that trustees shall be elected from the new trustee districts as provided by Section 130.0826, and the members elected shall draw lots for the appropriate

number of two-year, four-year, and six-year terms as needed to establish staggered terms as required by Subsection (c).

(f) Any election held pursuant to the terms of this section shall be conducted in accordance with the provisions of Subsection (i), Section 130.082 of this code.

(g) Trustees elected under the provisions of this section take office on the first Tuesday in May.

(h) A district described by Subsection (a) of this section that has previously adopted or been required to implement single-member district representation in connection with a judicial proceeding may continue to operate under that plan.

Added by Acts 1977, 65th Leg., p. 1868, ch. 743, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1991, 72nd Leg., ch. 365, Sec. 1, 2, eff. Sept. 1, 1991; Acts 2001, 77th Leg., ch. 89, Sec. 1, eff. May 11, 2001; Acts 2001, 77th Leg., ch. 1324, Sec. 2, eff. June 16, 2001.

Sec. 130.0822. ELECTION FROM SINGLE-MEMBER TRUSTEE DISTRICTS. (a) The board of trustees of a junior college district may order that all or a majority of the trustees of the district be elected from single-member trustee districts.

(b) An order of the board adopted under Subsection (a) of this section must be entered not later than the 120th day before the day of the first election of trustees from single-member trustee districts.

(c) The appointment and election of trustees of the junior college district are subject to Section 130.082 of this code, except as otherwise provided by this section.

(d) If the board orders that trustees shall be elected from single-member trustee districts, the board shall divide the junior college district into the appropriate number of trustee districts, based on the number of members of the board that are to be elected from single-member districts, and shall number each trustee district.

(e) The trustee districts must be compact and contiguous, and must be as nearly as practicable of equal population according to the last preceding federal census.

(f) Trustee districts must be drawn not later than the 90th day before the day of the first election of trustees from single-member districts.

(g) The board may provide for trustees holding office on the date of the initial election of trustees from single-member districts to serve the remainder of their terms and to represent a trustee district for that term without having residency in that trustee district.

(h) Except in the case of residents of a trustee district who are represented by a trustee serving in accordance with Subsection (g) of this section, residents of each trustee district are entitled to elect one trustee to the board. A candidate for trustee must be a resident of the trustee district the candidate seeks to represent. A trustee other than a trustee serving in accordance with Subsection (g) of this section vacates the office if he or she ceases to reside in the trustee district he or she represents.

(i) Any vacancy on the board shall be filled by appointment made by the remaining members of the board. The appointed person serves for the unexpired term.

(j) After each redistricting, all positions on the board shall be filled unless the board of trustees determines that trustees shall be elected from the new trustee districts as provided by Section 130.0826. The trustees then elected shall draw lots for staggered terms as provided by Section 130.082.

(k) Not later than the 90th day before the day of the first regular junior college district trustee election at which trustees may officially recognize and act on the last preceding federal census, the board shall redivide the district into the appropriate number of trustee districts if the census data indicates that the population of the most populous district exceeds the population of the least populous district by more than 10 percent. Redivision of the district shall be in the manner provided for the initial division of the district.

(l) This section does not apply to a junior college district to which Section 130.081, 130.083, 130.0821, or 130.088 of this code applies, or to a junior college district required by other law to elect trustees from single-member districts. This section does not apply to the election of trustees in any district in which the election of trustees is governed by a court order so long as that order remains in effect. This section does apply to an independent school district junior college district governed by a separate board of trustees.

Added by Acts 1989, 71st Leg., ch. 1029, Sec. 1, eff. Sept. 1, 1989.
Amended by Acts 2001, 77th Leg., ch. 89, Sec. 2, eff. May 11, 2001.

Sec. 130.0823. ELECTION BY POSITION IN CERTAIN DISTRICTS. (a) This section applies to a junior college that elects a governing board of seven members, with four members elected from respective commissioner precincts and three members elected at large.

(b) The governing board of the junior college may order that the board members elected at large be elected instead by position. The order must be entered not later than the 120th day before the first election of a trustee by position.

(c) The board may provide for trustees holding office on the date of the initial election of trustees by position to serve the remainder of their terms and to represent a position for that term.

Added by Acts 1999, 76th Leg., ch. 1070, Sec. 1, eff. Aug. 30, 1999.

Sec. 130.0824. GOVERNING BOARD OF TEXARKANA COLLEGE DISTRICT. (a) Notwithstanding any other provision of this subchapter, the governing board of the Texarkana College District may by resolution or order of the board decrease the number of board members from nine to seven, with four members elected from respective commissioner precincts and three members elected at large.

(b) A resolution or order of the governing board under this section must establish transition terms of office to conform to elections held in even-numbered years and staggered six-year terms, with the initial board terms of three members expiring in 2014, of two members expiring in 2016, and of two members expiring in 2018.

Added by Acts 2013, 83rd Leg., R.S., Ch. 825 (S.B. 1855), Sec. 1, eff. September 1, 2013.

Sec. 130.0825. WRITE-IN VOTING IN ELECTION FOR MEMBERS OF GOVERNING BODY. (a) In a general or special election for members of the governing body of a junior college district, a write-in vote may not be counted for a person unless the person has filed a declaration of write-in candidacy with the secretary of the board of trustees in the manner provided for write-in candidates in the general election

for state and county officers.

(b) A declaration of write-in candidacy must be filed not later than the deadline prescribed by Section 146.054, Election Code, for a write-in candidate in a city election.

(c) Subchapter B, Chapter 146, Election Code, applies to write-in voting in an election for members of the governing body except to the extent of a conflict with this section.

(d) The secretary of state shall adopt rules necessary to implement this section.

(e) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1318, Sec. 51(2), eff. September 1, 2011.

Added by Acts 1997, 75th Leg., ch. 1343, Sec. 1, eff. June 20, 1997.
Amended by Acts 1999, 76th Leg., ch. 666, Sec. 1, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 925, Sec. 10, eff. Nov. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 1109 (H.B. 2339), Sec. 33, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 45, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1318 (S.B. 100), Sec. 51(2), eff. September 1, 2011.

Sec. 130.0826. OPTION TO CONTINUE IN OFFICE FOLLOWING REDISTRICTING. (a) The board of trustees of any junior college district that elects some or all of its members from single-member districts and in which the trustees serve staggered terms may provide for the trustees in office at the first election after the junior college district is redistricted to serve for the remainder of their terms in accordance with this section.

(b) If the board of trustees provides for the trustees in office to serve for the remainder of their terms in accordance with this section, the trustee districts established by the redistricting plan shall be filled as the staggered terms of trustees in office expire. When the board of trustees adopts a redistricting plan, the board shall determine from which new trustee district the position of each trustee in office will be filled as it becomes vacant.

(c) This section does not authorize a trustee of a junior college district to continue in office after a redistricting plan

takes effect if the member no longer resides in the district from which the trustee was elected.

Added by Acts 2001, 77th Leg., ch. 89, Sec. 3, eff. May 11, 2001.

For expiration of this section, see Subsection (d).

Sec. 130.0827. ADDITIONAL TRUSTEES FOR BLINN JUNIOR COLLEGE DISTRICT. (a) Notwithstanding any other law, in addition to the members of the board of trustees of the Blinn Junior College District elected or appointed under other provisions of this subchapter, the commissioners court of each county in which a branch campus of the district with a student enrollment greater than 10,000 is located shall appoint two members to serve on the district's board of trustees. If an advisory committee for a branch campus has been previously established, the members must be selected from the membership of the advisory committee.

(b) Members of the board of trustees appointed under this section serve two-year terms and may be appointed to serve successive terms. The commissioners court shall appoint initial members to serve a term beginning December 1, 2015.

(c) Members of the board of trustees appointed under this section may participate in the decision-making of the board to the same extent as any other member of the board except that members of the board appointed under this section by the commissioners court of a county that is not located in the Blinn Junior College District:

(1) may participate in the decision-making of the board only in matters not related to the imposition of a tax or the distribution of revenue raised from a tax;

(2) are counted for purposes of determining whether a quorum of the board is present only for the purpose of Subdivision (1); and

(3) may not serve as an officer of the board of trustees.

(d) Unless this section is continued in effect by the legislature, this section expires on December 1, 2019.

Added by Acts 2015, 84th Leg., R.S., Ch. 869 (H.B. 2621), Sec. 1, eff. September 1, 2015.

Sec. 130.083. GOVERNING BOARD IN ENLARGED JUNIOR COLLEGE DISTRICT. (a) From and after May 22, 1969, those junior college districts which were on May 22, 1969, operating under Chapter 15, Acts of the 58th Legislature, 1963 (Article 2815o-1b, Vernon's Texas Civil Statutes), and to which one, or more, school districts has been annexed for junior college purposes only, may, by a majority vote of the board of regents of the junior college district, choose to operate and be governed by a board of regents.

(b) Each school district which has been annexed to the junior college district for junior colleges purposes only shall be represented by at least one member of the board of regents. If the assessed tax rolls exceed $67,500,000, the school district shall be represented by one member of the board of regents for each $67,500,000 of assessed value, or a major fraction thereof, on the junior college tax roll, located within the school district. The original junior college district shall be represented on the board of regents by a number of regents arrived at according to the same formula.

(c) The total number of members of the board of regents of the junior college district shall never exceed 14. When the valuation of the enlarged district increases to the point that the number of regents exceeds 14 under the formula described in Subsection (b) of this section then the board of regents of the junior college district shall set a formula, based on proportional tax values, of representation, which will produce a total of 14 members of the board of regents.

(d) The terms of office of the regents authorized by this act shall be six years. Those regents serving as regents on May 22, 1969, shall continue in office for the remainder of their respective terms and then until such time as their successors shall have been elected and qualified, and thereafter in each even-numbered year three regents shall be elected from the area originally forming the junior college district to succeed those regents whose terms are expiring, but if the number of regents becomes more or less than nine, the formula set out in Subsection (e) of this section shall be followed. All new regents added to the board of regents under the provisions of this section shall be appointed by the board of regents which orders the enlargement of the membership of such board, and shall serve until election specified in Subsection (e) of this section. All vacancies on the board of regents shall be filled at

once for the unexpired term only by appointments made by the remaining members of such board.

(e) Where additional regent positions are provided under the terms of this section, the board of regents at the time of such authorization shall designate by resolution duly recorded in the minutes of such board the term to be served by each such additional regent, provided that the first regent authorized and appointed shall serve only until the next regular regent election, the second such regent shall serve until the regent election two years after the next regular regent election, and the third regent shall serve until the regent election four years after the next regular regent election, with additional regents which may be authorized to follow the same rotation of terms until all terms of additional regents provided under the terms of this section have been fixed to expire at the next regular regent election, or at the regent election two years after the next regular regent election, or at the regent election four years after the next regular election. Additional regents appointed to such terms and until such times as their successors shall have been elected and qualified, and thereafter the terms of such regents shall be for six years.

(f) Regent elections in all parts of the districts affected by the provisions of this section shall be held at the times and in the manner now provided for public junior colleges by general law. The qualified voters residing in the school district represented shall be entitled to vote in such elections. Each regent to be elected shall be a resident of the school district he is to represent and each regent to represent the original college district shall be a resident of the original college district.

(g) The provisions of this section shall be cumulative of existing laws governing elections of regents in public junior college districts.

Added by Acts 1971, 62nd Leg., p. 3296, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.084. POWERS AND DUTIES. (a) The governing board of a junior college district shall be governed in the establishment, management, and control of a public junior college in the district by the general law governing the establishment, management, and control

of independent school districts insofar as the general law is applicable.

(b) The governing board of a junior college district may set and collect with respect to a public junior college in the district any amount of tuition, rentals, rates, charges, or fees the board considers necessary for the efficient operation of the college, except that a tuition rate set under this subsection must satisfy the requirements of Section 54.051(n). The governing board may set a different tuition rate for each program, course, or course level offered by the college, including a program, course, or course level to which a provision of Section 54.051 applies, as the governing board considers appropriate to reflect course costs or to promote efficiency or another rational purpose.

Acts 1969, 61st Leg., p. 3007, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.073 by Acts 1971, 62nd Leg., p. 3298, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.
Amended by:

Acts 2005, 79th Leg., Ch. 805 (S.B. 532), Sec. 2, eff. June 17, 2005.

Sec. 130.0845. REMOVAL OF TRUSTEE FOR NONATTENDANCE OF BOARD MEETINGS. (a) It is a ground for removal of a member of the board of trustees of a junior college district that the member is absent from more than half of the regularly scheduled board meetings that the member is eligible to attend during a calendar year, not counting an absence for which the member is excused by a majority vote of the board.

(b) The validity of an action of the board of trustees is not affected by the fact that the action is taken when a ground for removal of a member of the board exists.

(c) A member of a board of trustees may be removed for a ground provided by this section, using the procedures provided by Subchapter B, Chapter 87, Local Government Code, for removing a county official.

Added by Acts 2005, 79th Leg., Ch. 673 (S.B. 114), Sec. 1, eff. September 1, 2005.

Sec. 130.085. TUITION EXEMPTION. (a) The board of trustees of

any public junior college may exempt from payment of tuition all students who are residents of the junior college district and who are enrolled for 12 or more semester credit hours, provided that this action will allow the college to participate in and benefit from funds available as provided by Sections 1-7, Title I, 64 Stat. 1100, as amended, 20 U.S.C. Secs. 236-241-1.

(b) This action by the board of trustees does not affect their authority under Section 130.123 of this code, nor does this section in any way supersede that section. This action of the board does not affect the right of the college to a proportionate share of state appropriations under Section 130.003 of this code.

Added by Acts 1971, 62nd Leg., p. 3355, ch. 1024, art. 2, Sec. 31, eff. Sept. 1, 1971.

Sec. 130.0851. TUITION EXEMPTION FOR DISTRICT EMPLOYEES. The governing board of a junior college district may exempt a district employee who enrolls in courses offered by the district from the payment of all or part of the tuition or fees charged to a student at a junior college by the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 382 (H.B. 1568), Sec. 1, eff. June 19, 2009.

Sec. 130.088. BOARD OF TRUSTEES OF CERTAIN JUNIOR COLLEGE DISTRICTS. (a) If an independent school district board that has control and management of a junior college district that contains all or part of a city with a population of more than 1,500,000 divests itself of control and management under Section 130.016 or 130.017 of this code, the appointment and election of trustees of the junior college district are subject to Sections 130.018 and 130.082 of this code, except as otherwise provided by this section.

(b) The board of trustees consists of nine members elected from trustee districts.

(c) If the board of trustees of the independent school district that divests itself of management and control of the junior college district is elected from nine single-member districts, the trustees appointed for the junior college district shall have the same initial single-member district boundaries. For the initial board members of

the junior college district appointed by the independent school district board of trustees, three members shall serve terms of two years, three members shall serve terms of four years, and three members shall serve terms of six years. The trustees shall draw lots to determine the length of their terms. The terms of the initial board members shall expire on the last day of December of the odd-numbered year that does not exceed their terms.

(d) Each trustee district must be compact and contiguous and of a population to the extent practicable equal to other trustee districts.

(e) The general election for trustees shall be held every two years on the first Tuesday after the first Monday in November of the odd-numbered year or on the uniform election date chosen by the prior board under prior law.

(f) The board of trustees of the independent school district shall designate a number for each trustee district. At each election candidates are voted on and elected separately for each trustee district, and a candidate's name is placed on the official ballot according to the number of the district for which the candidate is running.

(g) The voters of each trustee district elect one trustee.

(h) If a trustee changes residence to a location outside the district from which the trustee is elected, the trustee vacates the office. Except as provided by Subsection (i) of this section, a district boundary change that results in the trustee who represents the district no longer being a resident of the district does not affect the trustee's term. That trustee serves for the remainder of the term to which elected. If the trustee changes residence to a location that is neither in the district as it existed on the date the trustee was elected to the current term nor in the new district, the trustee's seat on the board is vacated.

(i) If a change in district boundaries occurs as a result of redistricting and places the residence of a trustee whose office is not next up for election outside the numbered district for which the trustee was elected and the trustee fails to move his residence within the new boundaries of that numbered district before the 75th day preceding the date of the first election for which the boundary changes are effective, the office is vacated and shall be filled at that election.

(j) If new territory is added to the district, the board shall

temporarily assign the territory to one or more trustee districts as appropriate. Not later than the 180th day after the publication of a federal census, the board shall revise district boundaries to take account of district population changes.

(k) To be entitled to a place on the ballot, a candidate for trustee must file an application for a place on the ballot with the board secretary not later than 5 p.m. of the 45th day before election day. An application may not be filed earlier than the 30th day before the date of the filing deadline.

(l) To be elected, a trustee candidate must receive a majority of the total number of votes received by all the candidates for the position. If no candidate receives the vote required for election to a position, the board shall order a runoff election to be held in accordance with the applicable provisions of the Election Code.

(m) Trustees serve for six-year staggered terms. The terms of three members expire on the last day of December of each odd-numbered year.

(n) The board shall fill by appointment a board vacancy. The remaining members of the board, not later than the 30th day after the date on which the vacancy occurs, shall select a suitable person who resides in the applicable district to fill the board vacancy until the next regular trustee election. If the board for any reason fails or refuses to appoint a person to fill the board vacancy, the board shall order an election for the purpose of filling the vacancy for the remainder of the unexpired term. The election shall be held on the next uniform election date provided by the Election Code as long as that date does not occur before the 90th day after the date on which the vacancy occurs.

Added by Acts 1987, 70th Leg., ch. 556, Sec. 1, eff. Sept. 1, 1987.

Sec. 130.089. PROHIBITED EMPLOYMENT OF OR CONTRACTING WITH FORMER TRUSTEE. A public junior college may not employ or contract with an individual who was a member of the board of trustees of the junior college before the first anniversary of the date the individual ceased to be a member of the board of trustees.

Added by Acts 1993, 73rd Leg., ch. 56, Sec. 1, eff. Sept. 1, 1993.

Sec. 130.090. REMEDIAL PROGRAMS FOR SECONDARY SCHOOL STUDENTS. (a) The governing board of a junior college district may contract with the governing board of an independent school district in the junior college district's service area for the junior college to provide remedial programs for students enrolled in secondary schools in the independent school district in preparation for graduation from secondary school and entrance into college.

(a-1) The governing board of a junior college district located wholly or partly in a county with a population of more than three million may contract to provide remedial programs under Subsection (a) with the governing board of any independent school district located wholly or partly in a county with a population of more than three million.

(b) The governing board of a junior college district may exempt from tuition a student enrolled in a remedial program provided under Subsection (a).

(c) The grant of an exemption from tuition under Subsection (b) does not affect the right of a junior college to a proportionate share of state appropriations under Section 130.003 attributable to the contact hours of the junior college with the student receiving the exemption.

(d) For instances when state funding is provided to both a school district and a public junior college for a student enrolled in courses offered by a junior college under Subsection (a), the commissioner of education and the commissioner of higher education shall jointly develop a mechanism to identify and eliminate duplication of state funding.

Added by Acts 1995, 74th Leg., ch. 196, Sec. 1, eff. May 23, 1995.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1177 (S.B. 1004), Sec. 4, eff. June 19, 2015.

SUBCHAPTER F. SPECIAL PROGRAMS OPERATED BY CERTAIN JUNIOR COLLEGE DISTRICTS

Sec. 130.091. DEFINITION. In this chapter "institution of higher education" has the meaning assigned by Section 61.003.

Added by Acts 2007, 80th Leg., R.S., Ch. 1045 (H.B. 2074), Sec. 1, eff. June 15, 2007.

Sec. 130.092. EAST WILLIAMSON COUNTY MULTI-INSTITUTION TEACHING CENTER. (a) The Temple Junior College District may establish, in conjunction with at least one of the following institutions, the East Williamson County Multi-Institution Teaching Center:

(1) Tarleton State University;

(2) Tarleton State University System Center--Central Texas;

(3) Texas State Technical College--Waco; or

(4) another public or private institution of higher education.

(b) The center shall provide coordinated higher education opportunities to the residents of the region in which the center is located by offering academic credit courses and programs from the member institutions of the center. The center must be administered under a formal agreement entered into by the Temple Junior College District with the other member institutions.

(c) The member institutions of the center shall work with the local community to identify and offer courses that will meet the educational and workforce development goals for the region served by the center.

(d) The member institutions of the center may, under the terms of the formal agreement, make provisions for adequate physical facilities for use by the center.

(e) The member institutions of the center may solicit, accept, and administer, on terms and conditions acceptable to the members, gifts, grants, or donations of any kind and from any source for use by the center.

(f) A member institution of the center, a political subdivision, an entity created by a political subdivision, or a nonprofit corporation may individually or jointly, under the terms of an agreement under Subsection (d), finance or refinance the acquisition, purchase, construction, improvement, renovation, enlargement, or equipping of physical facilities described by Subsection (d) through the issuance of bonds, notes, or other obligations. The financing of facilities under this subsection may be made through a long-term agreement with another member institution, political subdivision, or other entity described by this subsection, or through a guarantee of any bond, note, or other obligation. Any bond, note, or other obligation issued or a long-

term agreement or guarantee made under this subsection may not exceed a term of 40 years.

(g) Any bond, note, or other obligation issued or long-term agreement or guarantee made under Subsection (f) may be pledged as security for and used towards the payment of any bond, note, or other obligation issued for the benefit of the center. A bond, note, or other obligation issued or long-term agreement or guarantee made under Subsection (f) is not subject to annual appropriation.

(h) The financing of facilities under this section promotes the public purpose of supporting higher education and further promotes the public purpose of developing and diversifying the economy of this state and eliminating unemployment and underemployment in this state under the authority granted by Section 52-a, Article III, Texas Constitution.

(i) A member institution of the center, political subdivision, entity created by a political subdivision, or nonprofit corporation may pledge irrevocably to the payment of bonds, notes, or other obligations issued or a long-term agreement or guarantee made under Subsection (f), and to the extent permitted by law, all or any part of the available revenues, taxes, or any combination of revenues and taxes of the member institution, political subdivision, entity, or nonprofit corporation. The amount of a pledge made under this subsection may not be reduced or abrogated while any bonds, notes, or obligations for which the pledge is made, or bonds, notes, or other obligations issued to refund those bonds, notes, or obligations, are outstanding.

(j) An agreement providing for bonds, notes, or other obligations, or a long-term agreement or guarantee, under Subsection (f) may provide for a member institution, political subdivision, entity created by a political subdivision, or nonprofit corporation to have an ownership or other interest in the facilities to be financed by the bonds, notes, or obligations, or long-term agreements or guarantees, or to participate in the operation of the facility.

(k) A member institution of the center, political subdivision, entity created by a political subdivision, or nonprofit corporation may use an entity created under Chapter 53 or 53A to accomplish the purposes of this section.

(l) This section is wholly sufficient authority for the execution of agreements, the pledge of revenues, taxes, or any combination of revenues and taxes, and the performance of other acts

and procedures authorized by this section without reference to any other provision of law or any restriction or limitation contained in those provisions, except as specifically provided by this section. To the extent of any conflict or inconsistency between this section and any other law, this section shall prevail and control. A member institution of the center, political subdivision, entity created by a political subdivision, or nonprofit corporation may use any law not in conflict with this section to the extent convenient or necessary to carry out any power or authority, expressed or implied, granted by this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 1045 (H.B. 2074), Sec. 1, eff. June 15, 2007.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 703 (H.B. 2805), Sec. 1, eff. June 19, 2009.

Sec. 130.093. REGIONAL CENTER FOR PUBLIC SAFETY EXCELLENCE. (a) In this section:

(1) "Commission" means the Texas Commission on Law Enforcement ("TCOLE").

(2) "Regional center" means the regional center for public safety excellence established under this section.

(b) The regional center for public safety excellence is established to develop and provide education and training for law enforcement personnel in the Rio Grande Valley, including:

(1) education and training leading toward an associate of applied science degree or certificate or another public safety or law enforcement-related associate degree or certificate;

(2) TCOLE officer certification; and

(3) a continuing education certification.

(c) South Texas College shall administer the regional center in partnership with political subdivisions and participating school districts in the Rio Grande Valley. The headquarters of the regional center are located at South Texas College in Pharr, Texas. The regional center may use property and facilities at other locations in Hidalgo and Starr Counties.

(d) In developing its training programs and courses, the regional center shall ensure that the program or course curriculum

satisfies any requirements imposed by the commission under Subchapter F, Chapter 1701, Occupations Code, for the regional center to operate as a commission-approved training provider under that chapter.

(e) The regional center may solicit and accept gifts and grants from any public or private source for purposes of this section. The legislature may appropriate money for purposes of this section.

Added by Acts 2015, 84th Leg., R.S., Ch. 751 (H.B. 1887), Sec. 1, eff. June 17, 2015.

SUBCHAPTER G. FISCAL PROVISIONS

Sec. 130.121. TAX ASSESSMENT AND COLLECTION. (a) The governing board of each junior college district, and each regional college district, for and on behalf of its junior college division, annually shall cause the taxable property in its district to be assessed for ad valorem taxation and the ad valorem taxes in the district to be collected, in accordance with any one of the methods set forth in this section, and any method adopted shall remain in effect until changed by the board.

(b) Each governing board shall be authorized to have the taxable property in its district assessed and/or its taxes collected, in whole or in part, by the tax assessors and/or tax collectors, respectively, of any county, city, taxing district, or other governmental subdivision in which all or any part of the junior college district is located.

(c) The governing board of a joint county junior college district shall be authorized to have the taxable property in its district assessed or its taxes collected, in whole or in part, by the tax assessors or tax collectors, respectively, of any county, city, taxing district, or other governmental subdivision in which all or any part of the joint county junior college district is located. The tax assessors or tax collectors of a governmental subdivision, on the request of the governing board of a joint county junior college district, shall assess and collect the taxes of the joint county junior college district in the manner prescribed in the Property Tax Code. Tax assessors and tax collectors shall receive compensation in an amount agreed on between the appropriate parties, but not to exceed two percent of the ad valorem taxes assessed.

Acts 1969, 61st Leg., p. 3016, ch. 889, Sec. 1. Renumbered from

Education Code Sec. 51.101 by Acts 1971, 62nd Leg., p. 3307, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1977, 65th Leg., p. 563, ch. 198, Sec. 1, eff. May 20, 1977; Acts 1979, 66th Leg., p. 2317, ch. 841, Sec. 4(k), eff. Jan. 1, 1982.

Sec. 130.122. TAX BONDS AND MAINTENANCE TAX. (a) The governing board of each junior college district, and each regional college district for and on behalf of its junior college division, shall be authorized to issue negotiable coupon bonds for the construction and equipment of school buildings and the purchase of the necessary sites therefor, and levy and pledge annual ad valorem taxes sufficient to pay the principal of and interest on said bonds as the same come due, and to levy annual ad valorem taxes for the further maintenance of its public junior college or junior colleges; provided that the annual bond tax shall never exceed 50 cents on the $100 valuation of taxable property in the district, and the annual bond tax, if any, together with the annual maintenance tax shall never exceed the aggregate of $1 on the $100 valuation of taxable property in the district. Such bonds may be issued in various series or issues, and shall mature serially or otherwise not more than 40 years from their date, and shall bear interest at such rate or rates as shall be determined within the discretion of the board. Said bonds, and the interest coupons appertaining thereto, shall be negotiable instruments, and they may be made redeemable prior to maturity, and may be issued in such form, denominations, and manner, and under such terms, conditions, and details, and shall be signed and executed, as provided by the board in the resolution or order authorizing the issuance of said bonds. All bonds shall be sold to the highest bidder for not less than their par value and accrued interest.

(b) No such bonds shall be issued and none of the aforesaid taxes shall be levied unless authorized by a majority of the electors voting at an election held for such purpose in accordance with law, at the expense of the district. Each such election shall be called by resolution or order of the board, which shall set forth the date of the election, the proposition or propositions to be submitted and voted on, the polling place or places, and any other matters deemed necessary or advisable by the board. Notice of said election shall be given by publishing a substantial copy of the election resolution

or order one time, at least 10 days prior to the date set for the election, in a newspaper of general circulation in the district. The board shall canvass the returns and declare the results of such election.

(c) The governing board of each junior college district, and each regional college district, shall be authorized to refund or refinance all or any part of any of its outstanding bonds and matured but unpaid interest coupons payable from ad valorem taxes by the issuance of negotiable coupon refunding bonds payable from ad valorem taxes. Said refunding bonds shall mature serially or otherwise not more than 40 years from their date, and shall bear interest at such rate or rates as shall be determined within the discretion of the board. Said refunding bonds may be issued without an election in connection therewith, provided that in no event shall any series or issue of refunding bonds be issued in a principal amount greater than the face or par value of the obligations being refunded thereby, and provided that if a maximum interest rate was voted for the bonds being refunded, the refunding bonds shall not bear interest at a rate higher than such voted maximum rate. Said refunding bonds, and the interest coupons appurtenant thereto, shall be negotiable instruments and they may be made redeemable prior to maturity, and may be issued in such form, denomination, and manner, and under such terms, conditions, and details, and shall be signed and executed, as provided by the board in the resolution or order authorizing the issuance of said refunding bonds. The refunding bonds shall be issued and delivered in lieu of, and upon surrender to the Comptroller of Public Accounts of the State of Texas and cancellation of, the obligations being refunded thereby, and the comptroller of public accounts shall register the refunding bonds and deliver the same in accordance with the provisions of the resolution or order authorizing the refunding bonds. Such refunding may be accomplished in one or in several installment deliveries. Said refunding bonds also may be issued and delivered in accordance with the provisions of and procedures authorized by any other applicable law.

(d) All bonds issued pursuant to this section, and the appropriate proceedings authorizing their issuance, shall be submitted to the attorney general of the State of Texas for examination. If he finds that such bonds have been authorized in accordance with law he shall approve them, and thereupon they shall be registered by the Comptroller of Public Accounts of the State of

Texas; and after such approval and registration such bonds shall be incontestable in any court, or other forum, for any reason, and shall be valid and binding obligations in accordance with their terms for all purposes.

(e) All bonds issued pursuant to this section shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, small business investment corporations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic. Said bonds also shall be eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of said bonds, when accompanied by any unmatured interest coupons appurtenant thereto.

(f) Each junior college district, and each regional college district (with reference to the operation and maintenance of its junior college division) heretofore or hereafter created pursuant to the laws of this state, is hereby declared to be, and constituted as, a school district within the meaning of Article VII, Section 3, of the Texas Constitution.

(g) All tax bonds voted in any district in accordance with law but unissued at the effective date of this code may be issued in the manner provided in this section, without an additional election; and all maintenance taxes heretofore voted in any district in accordance with law may be levied and collected in the manner provided in this act, without an additional election.

Acts 1969, 61st Leg., p. 3017, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.102 by Acts 1971, 62nd Leg., p. 3308, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.1221. CREDIT AGREEMENTS IN CERTAIN JUNIOR COLLEGE DISTRICTS. (a) This section applies only to a junior college

district that, at the time of the issuance of obligations and execution of credit agreements under this section, has:

(1) at least 2,000 full-time students or the equivalent; or

(2) a combined aggregate principal amount of at least $50 million of outstanding bonds and voted but unissued bonds.

(b) A district to which this section applies may, in the issuance of bonds as provided by Section 130.122, exercise the powers granted to the governing body of an issuer with regard to the issuance of obligations and execution of credit agreements under Chapter 1371, Government Code.

(c) A proposition to issue bonds to which this section applies must include the question of whether the governing board may levy, pledge, assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on the bonds and the costs of any credit agreements executed in connection with the bonds.

(d) A district may not issue bonds to which this section applies in an amount greater than the greater of:

(1) 25 percent of the sum of:

(A) the aggregate principal amount of all district debt payable from ad valorem taxes that is outstanding at the time the bonds are issued; and

(B) the aggregate principal amount of all bonds payable from ad valorem taxes that have been authorized but not issued;

(2) $25 million, in a district that has at least 3,500 but not more than 15,000 full-time students or the equivalent; or

(3) $50 million, in a district that has more than 15,000 full-time students or the equivalent.

(e) Sections 1371.057 and 1371.059, Government Code, govern approval by the attorney general of obligations issued under the authority of this section.

Added by Acts 1999, 76th Leg., ch. 1536, Sec. 4, eff. June 19, 1999. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.224, eff. Sept. 1, 2001.

Sec. 130.123. REVENUE BONDS. (a) The governing board (hereinafter called the "board") of each junior college district and each regional college district shall be authorized and have the power

to acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, for and on behalf of its institution or institutions.

(b) For the purpose of carrying out any one or more of the aforesaid powers each board shall be authorized to issue its revenue bonds to be payable from and secured by liens on and pledges of all or any part of any of the revenues from any rentals, rates, charges, fees, or other resources of such board, in the manner hereinafter provided. Said bonds may be issued to mature serially or otherwise not more than 50 years from their date. In the authorization of any such bonds, each board may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, or other types of bonds, under such terms or conditions as may be set forth in the resolution or order authorizing the issuance of said bonds, all within the discretion of the board. Said bonds, and any interest coupons appertaining thereto, shall be negotiable instruments (provided that such bonds may be issued registrable as to principal alone or as to both principal and interest), and shall be executed, and may be made redeemable prior to maturity, and may be issued in such form, denominations, and manner, and under such terms, conditions, and details, and may be sold in such manner, at such price, and under such terms, and said bonds shall bear interest at such rate or rates, as shall be determined and provided by the board in the resolution or order, authorizing the issuance of said bonds. If so permitted in the bond resolution, and required part of the proceeds from the sale of the bonds may be used for paying interest thereon during the period of the construction of any facilities to be provided through the issuance of said bonds, and for the payment of operation and maintenance expenses of said facilities to the extent, and for the period of time, specified in said bond resolution, and also for the creation of reserves for the payment of the principal of and interest on the bonds; and such moneys be invested, until needed, to the extent, and in the manner provided, in said bond resolution or order.

(c) Each board shall be authorized to fix and collect rentals, rates, charges, and/or fees, including student union fees, from students and others for the occupancy, use and/or availability of all or any of its property, buildings, structures, activities, operations, or facilities, of any nature, in such amounts and in such

manner as may be determined by such board.

(d) Each board shall be authorized to pledge all or any part of any of its revenues from any of the aforesaid rentals, rates, charges, and/or fees to the payment of any bonds issued hereunder, including the payment of principal, interest, and any other amounts required or permitted in connection with said bonds. When any of the revenues from any such rentals, rates, charges, and/or fees are pledged to the payment of bonds, they shall be fixed and collected in such amounts as will be at least sufficient, together with any other pledged resources, to provide for all payments of principal, interest, and any other amounts required in connection with said bonds, and, to the extent required by the resolution or order authorizing the issuance of said bonds, to provide for the payment of operation, maintenance, and other expenses. Each board shall be authorized to establish and enforce such parietal rules for students and others, and to enter into such agreements regarding occupancy, use, and availability, and the amounts and collection of pledged revenues, fees, or other resources as will assure making all said required payments. Fees for the use or availability of all or any property, buildings, structures, activities, operations, or facilities, of any nature, may be pledged to the payment of said bonds, and shall be fixed and collected from all or any designated part of the students enrolled in the institution or institutions, in such amounts and in such manner as shall be determined and provided by the board in the resolution or order authorizing the issuance of the bonds, and said fees may be collected in the full amounts required or permitted herein, without regard to actual use or availability, commencing at any time designated by the board. Said fees may be fixed and collected for the use or availability of any specifically described property, buildings, structures, activities, operations, or facilities, of any nature; or said fees may be fixed and collected as general fees for the general use or availability of the institution or institutions. Such specific and/or general fees may be fixed and collected and pledged to the payment of any issue or series of bonds issued hereunder, in the full amounts required or permitted herein, in addition to, and regardless of the existence of, any other specific or general fees at the institution or institutions; provided that each board may restrict its power to pledge such additional specific or general fees in any manner that may be provided in the resolution or order authorizing the issuance

of any bonds issued hereunder, and provided that no such additional specific fees shall be pledged if prohibited by any resolution or order which authorized the issuance of any then outstanding bonds issued pursuant to any Texas statute.

(e) In addition to the revenues, fees, and other resources authorized to be pledged to the payment of bonds issued hereunder, each board further shall be authorized to pledge irrevocably to such payment, out of the tuition charges required or permitted by law to be imposed at its institution or institutions, an amount not exceeding 25 percent of the tuition charges collected from each enrolled student for each semester or term, and each board also shall be authorized to pledge to such payment all or any part of any grant, donation, or income received or to be received from the United States government or any other public or private source, whether pursuant to an agreement or otherwise.

(f) Any revenue bonds issued by any such board under this act, and any revenue bonds or notes issued by any such board under any other Texas statute and payable from tuition fees and charges and/or any part of the use fees from or revenues of any property, buildings, structures, activities, operations, or facilities at the institution or institutions, may be refunded or otherwise refinanced by such governing board, and in such case all pertinent and appropriate provisions of this section shall be fully applicable to such refunding bonds. In refunding or otherwise refinancing any such bonds or notes the governing board may, in the same authorizing proceedings, refund or refinance bonds issued pursuant to this section and bonds or notes issued pursuant to any other such Texas statute and combine all said refunding bonds and any other additional new bonds to be issued pursuant to this section into one or more issues or series of bonds, and may provide for the subsequent issuance of additional parity bonds, or subordinate lien bonds, or other type of bonds. All refunding bonds shall be issued and delivered under such terms and conditions as may be set forth in the authorizing proceedings.

(g) All bonds permitted to be issued under this section, and the appropriate proceedings authorizing their issuance, shall be submitted to the Attorney General of the State of Texas for examination. If he finds that such bonds have been authorized in accordance with law he shall approve them, and thereupon they shall be registered by the Comptroller of Public Accounts of the State of

Texas; and after such approval and registration such bonds shall be incontestable in any court, or other forum, for any reason, and shall be valid and binding obligations in accordance with their terms for all purposes.

(h) All bonds issued under this section shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, small business investment corporations, insurance companies of all kinds and types, fiduciaries, trustees, and guardians, and for all interest and sinking funds and other public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic. Said bonds also shall be eligible and lawful security for all deposits of public funds of the State of Texas and all agencies, subdivisions, and instrumentalities thereof, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of said bonds, when accompanied by any unmatured interest coupons appurtenant thereto.

(i) All revenue bonds heretofore approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas which were issued, sold, and delivered by any board, and which are payable from or secured by a pledge of any revenues, use fees, tuition, or other resources of such board, are hereby validated in all respects, together with all proceedings authorizing the issuance thereof, and said bonds and proceedings shall be valid as though they had been duly and legally issued and authorized originally.

Acts 1969, 61st Leg., p. 3019, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.103 by Acts 1971, 62nd Leg., p. 3310, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1999, 76th Leg., ch. 113, Sec. 2, eff. May 17, 1999; Acts 2003, 78th Leg., ch. 1070, Sec. 2, eff. June 20, 2003.

Sec. 130.124. USE OF STUDENT FEES IN CONSTRUCTION. (a) A junior college district facility constructed with student fees may be used only for junior college purposes.

(b) Student fees may not be used for construction, repair, or rehabilitation of a community center or junior college district auxiliary enterprise unless the enterprise serves as a student center or dormitory.

Added by Acts 1983, 68th Leg., p. 1696, ch. 319, Sec. 2, eff. June 16, 1983.

Sec. 130.125. REVENUE OBLIGATIONS. (a) As used in this section:

(1) "Credit agreement" means a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement, or commitment or other contract or agreement authorized and approved by the governing body of the issuer in connection with the authorization, issuance, security, exchange, payment, purchase, or redemption of obligations or interest thereon.

(2) "Eligible project" means any project or purpose for which an issuer is authorized to issue revenue bonds pursuant to Section 130.123 of this code or any other provision of law.

(3) "Governing body" means the governing board of an issuer.

(4) "Issuer" means a junior college district or a regional college district.

(5) "Obligations" means notes, warrants, or other special obligations authorized to be issued by an issuer under the provisions of this section and all "public securities" as defined by Section 1201.002, Government Code, which prior to the delivery thereof, have been rated by a nationally recognized rating agency for municipal securities in either one of the three highest ranking categories for short-term obligations or one of the four highest ranking categories for long-term obligations. It is provided, however, that the term "obligations" does not mean or include any obligations payable from ad valorem taxes.

(6) "Project costs" means all costs and expenses incurred in relation to an eligible project, including without limitation design, planning, engineering, and legal costs, acquisition costs of land, interest in land, rights-of-way, and easements, construction

costs, costs of machinery, equipment, and other capital assets incident and related to the operation, maintenance, and administration of an eligible project, and financing costs, including interest during construction and thereafter, underwriter's discount and fees for legal, financial, and other professional services. Project costs attributable to an eligible project and incurred prior to the issuance of any obligations issued to finance an eligible project may be reimbursed from the proceeds of sale of obligations.

(b) The governing body of an issuer is hereby authorized and empowered to issue, sell, and deliver obligations and execute credit agreements in order to finance project costs of an eligible project or to refund obligations issued in connection with an eligible project, subject to the limitations contained herein. Obligations shall be secured solely by: (1) the proceeds of sale of other obligations; (2) any revenues which the issuer is authorized by any statute or constitutional provision to pledge to the payment of any obligations; or (3) any one or more of such sources, including credit agreements, all as the governing body of the issuer shall provide in the resolution or order authorizing the issuance of the obligations. Obligations shall be repaid from the source or sources securing the payment thereof, funds received from a credit agreement, or from any other revenues otherwise legally available for the payment thereof, except funds derived from ad valorem taxation.

(c) The issuance of obligations shall be authorized by resolution or order of the governing body of an issuer, which resolution or order shall fix the maximum amount of obligations to be issued or, if applicable, the maximum principal amount which may be outstanding at any time, the maximum term obligations issued and delivered pursuant to such authorization shall be outstanding, the maximum interest rate to be borne by the obligations (within the limitations of Chapter 1204, Government Code), the manner of sale (which may be by either public or private sale), price, form, terms, conditions, and covenants thereof. The resolution or order authorizing the issuance of obligations may provide for the designation of a paying agent and registrar for the obligations and may authorize one or more designated officers or employers of the issuer to act on behalf of the issuer from time to time in the selling and delivering of obligations authorized and fixing the dates, price, interest rates, interest payment periods, and other procedures as may be specified in the resolution or order.

Obligations may be issued in such form or such denomination, payable at such time or times, in such amount or amounts or installments, at such place or places, in such form, under such terms, conditions, and details, in such manner, redeemable prior to maturity at any time or times, bearing no interest, or bearing interest at any rate or rates (either fixed, variable, floating, adjustable, or otherwise, all as determined in accordance with the resolution or order providing for the issuance of the obligations, which resolution or order may provide a formula, index, contract, or any other arrangement for the periodic determination of interest rates), not to exceed the maximum net effective interest rate allowed by law and may be signed or otherwise executed in such manner, with manual or facsimile signatures, and with or without a seal, all as shall be specified by the governing body of the issuer in the resolution or order authorizing the issuance of the obligations. The proceeds received from the sale of obligations may be deposited or invested in any manner and in such obligations as may be specified in the resolution or order or other proceedings authorizing the obligations. In the event any officer or officers whose signatures are on any obligations cease to be such officer or officers before the delivery thereof to the purchaser, such signature or signatures shall nevertheless be valid and sufficient for all purposes and the successor or successors in office of any such officers shall be fully authorized to complete the execution, authentication, or delivery of said obligations to the purchaser or purchasers thereof.

(d) The governing body of an issuer may enter into credit agreements in conjunction with the issuance, payment, sale, resale, or exchange of obligations to enhance the security for or provide for the payment, redemption, or remarketing of the obligations and interest on the obligations or to reduce the interest payable on the obligations. A credit agreement is an agreement for professional services and shall contain the terms and conditions and be for the period that the governing body of the issuer approves. The cost to the issuer of the credit agreement may be paid from the proceeds of the sale of the obligations to which the credit agreement relates or from any other source, including revenues of the issuer that are available for the purpose of paying the obligations and the interest on the obligations or that may otherwise be legally available to make those payments.

(e) Obligations, including accrued interest, may from time to

time be refinanced, renewed, or refunded by the issuance of other obligations. Credit agreements entered into by an issuer, whether pursuant to the provisions of this section or not, may be refinanced, renewed, refunded, or otherwise terminated and a new credit agreement substituted therefor by amendment to the proceedings which authorized such credit agreements and, if required to accomplish the substitution of credit agreements, outstanding bonds may be refunded with obligations.

(f) Preliminary to the issuance and delivery of obligations, the resolution or order authorizing the issuance thereof, together with any credit agreements and any contracts providing revenues and security to pay the obligations, shall be submitted to the attorney general for his review. If the attorney general shall find that such credit agreement or agreements, if any, contracts, if any, and other authorizing proceedings conform to the requirements of the Texas Constitution and this section, the attorney general shall approve them. Thereafter, the authorized obligations may be executed and delivered, exchanged, or refinanced from time to time in accordance with the authorizing proceedings. Upon such approval by the attorney general and initial delivery of any obligations so authorized, any such credit agreements, any such contracts providing revenues or security, such initial obligations, and all other obligations thereafter issued pursuant to the authorizing proceedings shall be incontestable for any cause in any court or other forum and shall be valid and binding obligations enforceable in accordance with their respective terms and provisions.

(f-1) The governing body of an "eligible issuer" may enter into credit agreements as described in Subsection (d). As used in this subsection, "eligible issuer" means an issuer that prior to the effective date of this subsection (i) issued bonds which, prior to or simultaneously with the delivery thereof, were rated by a nationally recognized rating agency for municipal securities in one of the four highest ranking categories for long-term obligations, and (ii) reserved in the resolution or order authorizing issuance of the bonds the right, in the event of a change in state law, to substitute a credit agreement in lieu of cash and investments in a reserve fund established pursuant to the resolution or order.

(g) All obligations issued by an issuer shall constitute negotiable instruments and are investment securities governed by Chapter 8, Business & Commerce Code, notwithstanding any provisions

of law or court decision to the contrary and are legal and authorized investments for banks, savings banks, trust companies, building and loan associations, savings and loan associations, insurance companies, fiduciaries, and trustees and for the sinking funds of cities, towns, villages, school districts, and other political subdivisions or public agencies of the State of Texas. Said obligations also are eligible to secure deposits of any public funds of the state or any political subdivision or public agency of the state and are lawful and sufficient security for the deposits to the extent of their market value.

(h) This section shall be construed liberally to effectuate the legislative intent and purposes of this section and all powers herein granted shall be broadly interpreted to effectuate such intent and purposes and not as a limitation of powers.

(i) In case any one or more of the provisions, clauses, or words of this section or the application of such provisions, clauses, or words to any situation or circumstance shall for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect any other provisions, clauses, or words of this section or the application of such provisions, clauses, or words to any other situation or circumstance, and it is intended that this section shall be severable and shall be construed and applied as if any such invalid or unconstitutional provision, clause, or word had not been included herein.

(j) This section shall be cumulative of all other laws on the subject, but this section shall be wholly sufficient authority within itself for the issuance of obligations and the performance of the other acts and procedures authorized hereby, or under any agreement, without reference to any other laws or any restrictions or limitations contained herein. To the extent of any conflict or inconsistency between any provisions of this section and any provisions of any other law, the provisions of this section shall prevail and control; provided, however, that any issuer shall have the right to use the provisions of any other laws not in conflict with the provisions hereof to the extent convenient or necessary to carry out any power or authority, express or implied, granted by this section.

(k) When the governing body of any issuer provides in the resolution or order or other proceedings authorizing the issuance of any bond, any credit agreement, or any other agreement for a pledge

or lien on revenues, income, or other resources of the issuer, or the assets of the issuer, or any fund maintained by the issuer to secure payment of the obligations or to secure payments required by a credit agreement or any other agreement, such pledge or lien shall be valid and binding in accordance with its terms without further action on the part of the issuer and without any filing or recording with respect thereto except in the records of the issuer. All such liens and pledges shall be perfected from the time of payment for and delivery of the obligations and the credit agreement or other agreement until the obligations or other payments, including those under the credit agreement, have been paid or payment of the obligations has been provided for or the terms of the credit agreement or other agreement have been satisfied in accordance with their respective terms and such lien shall be fully perfected as to items then on hand and thereafter received until the satisfaction of such obligations, and said items shall be subject to such liens or pledges without any physical delivery thereof or further act. Nothing contained in this section shall relieve any issuer of any obligation to file or record any lien on realty or submit any issue of obligations for approval by the attorney general and registration by the comptroller of public accounts.

Added by Acts 1987, 70th Leg., ch. 1075, Sec. 1, eff. June 20, 1987. Amended by Acts 1995, 74th Leg., ch. 490, Sec. 1, 2, eff. Aug. 28, 1995; Acts 2001, 77th Leg., ch. 1420, Sec. 8.225, 8.226, eff. Sept. 1, 2001.

Sec. 130.126. LONG-TERM NOTES. (a) The governing board of a public junior college district or regional college district located in one or more counties having a total population of at least 100,000 according to the last preceding federal census may issue notes to pay expenses of asbestos cleanup and removal in the district.

(b) Notes issued under this section must be secured by a designated portion of the issuer's revenues, which may include ad valorem maintenance taxes, and must mature not later than the first day of the 15th year after the date on which the notes are issued.

(c) A note issued under this section is debt under Section 26.012, Tax Code.

(d) Except as provided by Subsection (b) of this section, the

governing board of a public junior college district or regional college district must issue the notes in the manner provided by Chapter 1201, Government Code.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 15.01, eff. Aug. 22, 1991. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.227, eff. Sept. 1, 2001.

Sec. 130.127. REFUNDING NOTES. The governing board of a public junior college district or regional college district may issue refunding notes to refund notes issued under Section 130.126 of this code in the manner and for the purposes provided by Subchapter A, Chapter 1207, Government Code, to make a deposit under Subchapter B or C of that chapter.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 15.01, eff. Aug. 22, 1991. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.228, eff. Sept. 1, 2001.

Sec. 130.128. SALE OF NOTES. (a) The governing board of a public junior college district or regional college district may sell notes or refunding notes issued under this subchapter at a public or private sale and at a price that the board determines is adequate.

(b) The governing board of a public junior college district or regional college district shall deposit proceeds from the sale of notes issued under this subchapter in the district's general revenue fund.

(c) Proceeds from the sale of notes issued under this subchapter may be used to pay the costs of issuing, marketing, or distributing the notes.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 15.01, eff. Aug. 22, 1991.

Sec. 130.129. INTEREST RATE. Notes and refunding notes issued under this subchapter must bear interest at a rate not to exceed the rate provided by Chapter 1204, Government Code.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 15.01, eff. Aug. 22, 1991. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.228, eff. Sept. 1, 2001.

Sec. 130.130. NOTES ARE NOT TAX BONDS. Notes and refunding notes issued under this subchapter are not tax bonds under Section 130.122 of this code, and an election is not required before the governing board of a public junior college district or regional college district may issue such notes or refunding notes.

Added by Acts 1991, 72nd Leg., 1st C.S., ch. 4, Sec. 15.01, eff. Aug. 22, 1991.

SUBCHAPTER H. TRANSFER OF ASSETS ON DISSOLUTION OF DISTRICTS

Sec. 130.131. DISSOLUTION AND TRANSFER OF PROPERTY UPON CREATION OF SENIOR COLLEGE. (a) Whenever the legislature shall create within the boundary of any union junior college district a state-supported senior college of the first rank offering at least four years of college work, and whenever such union junior college district has been dissolved in the manner provided for in Sections 19.361-19.364 of this code, which said method of dissolution of such district is hereby authorized, the trustees of such union junior college district shall transfer the corporeal properties and facilities of such union junior college district to such state-supported senior college, and such trustees, after such dissolution and transfer of properties of such district, shall not further maintain a junior college and shall function only for the purpose of carrying out the provisions of this section and shall have no authority to create any additional indebtedness against such district, and when the bonded indebtedness of such district has been fully paid, such union junior college district shall cease to exist; provided that in the order calling such election and in the notice thereof, the authorities calling such election shall designate the date when such district shall be dissolved and such transfer shall be made, which date shall be within two years from the date of the election, and on or prior to said date.

(b) When any union junior college district has been dissolved and its properties transferred as provided in Subsection (a) of this

section, or in any other lawful manner, having at the time of such dissolution outstanding bonds or other indebtedness enforceable either at law or in equity, then the county commissioners court, for the purpose of paying such bonds, or other indebtedness, shall have power and be authorized to annually levy and collect ad valorem taxes sufficient only to pay the interest and create a sinking fund to retire the bonded indebtedness of such district, and the expense of collecting such taxes and paying such bonded indebtedness, and for no other purpose; provided such tax shall not exceed the rate voted by such district for junior college purposes; said county commissioners court shall have power to bring and defend litigation in the name of said union junior college district.

Acts 1969, 61st Leg., p. 3022, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.201 by Acts 1971, 62nd Leg., p. 3313, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.132. ABOLITION OF JUNIOR COLLEGE DISTRICTS. (a) The term "applicable district," as used in this section, shall mean any junior college district which has conveyed all, or substantially all, of its property and assets to a state-supported senior college or university located in such junior college district, and which junior college district has no outstanding bonded indebtedness.

(b) All applicable districts and their governing boards are hereby abolished and shall cease to exist and function; provided, however, that all delinquent and uncollected taxes in said applicable districts shall not hereby be discharged, but shall be and remain fully due, payable and collectible. The persons formerly acting as the governing board and officers of each applicable district shall turn over all remaining property and assets of said applicable district, including all tax collections on hand, directly to the state-supported senior college or university located therein. The governing board of the independent school district in which any such state-supported senior college or university is located shall, for and on behalf of any such applicable district, cause, through its tax collector and other officers, all delinquent and uncollected taxes of any such applicable district to be collected in accordance with the general laws applicable to independent school districts. All of said taxes, as collected, shall be turned over to any such state-supported

senior college or university. All taxes turned over to any such state-supported senior college or university in accordance with this section may be used by it for any lawful purpose.

Acts 1969, 61st Leg., p. 3022, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.202 by Acts 1971, 62nd Leg., p. 3313, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 130.133. TRANSFER OF PROPERTIES OF COUNTY JUNIOR COLLEGE DISTRICTS AFTER CREATION OF SENIOR COLLEGE. (a) Whenever the legislature has created or shall create within the boundaries of any county junior college district a state-supported senior college offering at least four years college work upon the condition that the board of trustees of said county junior college district shall convey all of the assets, real, personal, tangible, and intangible held in its name as of the date fixed for the establishment of said senior college and containing the other provision that said properties shall be conveyed to the governing body of the senior college free and clear of any indebtedness or indebtednesses, encumbrance or encumbrances of any kind or character and of whatsoever nature, the board of trustees of said county junior college district is hereby fully authorized and empowered to convey to the governing body of the senior college all of such assets, real, personal, tangible, and intangible held by it on the date fixed for such conveyance in the act creating such senior college, except moneys on hand for the payment of outstanding obligations of the district.

(b) From and after the conveyance of the properties of said county junior college district to the governing body of said senior college, the county junior college district shall not further maintain a junior college and shall function only for the purpose of carrying out the provisions of this section.

(c) Where such county junior college district had or has outstanding tax obligations in the nature of bonds or other indebtedness, the board of trustees of said county junior college district shall continue to make the necessary tax levies annually for the purpose of paying necessary administrative expenses of the board of trustees and paying off and discharging such bonded or other indebtedness, both principal and interest, until all of the same has been fully paid off and discharged.

(d) Where said county junior college district has outstanding any bonds payable from the revenues from any building or buildings which revenue bonds constitute an encumbrance upon the income of such building or buildings, the board of trustees of the county junior college district is hereby authorized to issue bonds of said county junior college district payable from ad valorem taxes of said district and to sell such tax-supported bonds and pay off such revenue bonds or to exchange such tax-supported bonds for said revenue bonds. No such tax-supported bonds shall be issued, however, until authorized at an election held for that purpose and at which election a majority voting thereon shall have voted in favor of the issuance of said bonds.

(e) The board of trustees of the county junior college district is hereby authorized to perform all acts necessary toward the final discharge of all the indebtedness of said county junior college district and to perform all necessary administrative acts in connection therewith. Said board of trustees is specifically authorized to continue to levy and collect sufficient taxes annually within the limits prescribed by law and authorized by the required election for the purpose of discharging the principal and interest on all outstanding bonded and other indebtedness, including the repayment of any temporary loans which said board may find necessary to obtain in order to pay all current operating expenses of the junior college up to the date of the conveyance of the properties until all such obligations have been fully discharged, and such temporary loans are hereby authorized, and such temporary loans heretofore obtained are hereby ratified and validated.

Acts 1969, 61st Leg., p. 3023, ch. 889, Sec. 1. Renumbered from Education Code Sec. 51.203 by Acts 1971, 62nd Leg., p. 3314, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

SUBCHAPTER I. EDUCATIONAL OPPORTUNITIES FOR DISADVANTAGED STUDENTS

Sec. 130.151. PURPOSE. It is the purpose of this subchapter to enable each junior college which fulfills the provisions of this subchapter to provide useful and meaningful educational programs for any person 17 years of age or older with a high school diploma or its equivalent, or for any person 18 years of age regardless of prior educational experience, cultural background, or economic resources.

Added by Acts 1973, 63rd Leg., p. 570, ch. 243, Sec. 1, eff. June 11, 1973.

SUBCHAPTER J. JUNIOR COLLEGE DISTRICT SERVICE AREAS

Sec. 130.161. DEFINITIONS. In this subchapter:

(1) "Services" means the courses and programs described by Sections 130.0011 and 130.003(e).

(2) "Service area" means:

(A) the territory within the boundaries of the taxing district of a junior college district; and

(B) the territory outside the boundaries of the taxing district of a junior college district in which the junior college district provides services.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.162. ALAMO COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Alamo Community College District includes the territory within:

(1) Bexar, Bandera, Comal, Kendall, Kerr, and Wilson counties;

(2) Atascosa County, except the territory within the Pleasanton Independent School District; and

(3) Guadalupe County, except the territory within the San Marcos Consolidated Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 350 (S.B. 1193), Sec. 1, eff. June 17, 2005.

Sec. 130.163. ALVIN COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Alvin Community College District includes the territory within:

(1) the Alvin, Danbury, and Pearland independent school districts; and

(2) the part of the Angleton Independent School District annexed by the community college district before September 1, 1995.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.164. AMARILLO COLLEGE DISTRICT SERVICE AREA. The service area of the Amarillo College District includes the territory within Potter, Randall, Carson, Oldham, Deaf Smith, Parmer, Castro, Swisher, and Moore counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 672 (H.B. 1374), Sec. 1, eff. June 15, 2007.

Sec. 130.165. ANGELINA COUNTY JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Angelina County Junior College District includes the territory within:

(1) Angelina, Houston, Nacogdoches, Polk, Sabine, San Augustine, Trinity, and Tyler counties;

(2) the Wells and Alto independent school districts, located in Cherokee County;

(3) the Burkeville and Newton independent school districts, located in Newton County;

(4) the Jasper Independent School District, located in Jasper County;

(5) the Shepard and Coldspring-Oakhurst Consolidated independent school districts located in San Jacinto County;

(6) the part of the Brookeland Independent School District that is located in Jasper and Newton counties;

(7) the part of the Colmesneil Independent School District that is located in Jasper County; and

(8) the part of the Trinity Independent School District that is located in Walker County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.166. AUSTIN COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Austin Community College District includes the territory within:

(1) Hays, Caldwell, and Blanco counties;

(2) Travis County, except the territory within the Marble Falls Independent School District;

(3) Williamson County, except the territory within the Florence, Granger, Hutto, Lexington, Taylor, and Thrall independent school districts;

(4) the part of the San Marcos Consolidated Independent School District located in Guadalupe County;

(5) Bastrop County, except the territory within the Lexington Independent School District;

(6) the part of the Elgin Independent School District located in Lee County; and

(7) the part of the Smithville Independent School District located in Fayette County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 523, Sec. 1, eff. May 31, 1997; Acts 2001, 77th Leg., ch. 572, Sec. 1, eff. June 11, 2001; Acts 2001, 77th Leg., ch. 1400, Sec. 1, eff. June 16, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 350 (S.B. 1193), Sec. 2, eff. June 17, 2005.

Acts 2007, 80th Leg., R.S., Ch. 753 (H.B. 3236), Sec. 1, eff. June 15, 2007.

Acts 2015, 84th Leg., R.S., Ch. 601 (S.B. 495), Sec. 1, eff. June 16, 2015.

Sec. 130.167. BEE COUNTY COLLEGE DISTRICT SERVICE AREA. The service area of the Bee County College District includes the territory within:

(1) Bee, Karnes, Live Oak, Jim Wells, McMullen, Duval, and Brooks counties;

(2) the Pleasanton Independent School District, located in Atascosa County; and

(3) the Kingsville, Santa Gertrudis, and Ricardo independent school districts, located in Kleberg County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.168. BLINN JUNIOR COLLEGE DISTRICT SERVICE AREA. The

service area of the Blinn College District includes the territory within:

(1) Washington, Burleson, Brazos, Madison, Grimes, and Waller counties;

(2) the Mumford, Hearne, and Franklin independent school districts located in Robertson County;

(3) Austin County, other than the territory within the Wallis-Orchard Independent School District;

(4) the Milano and Gause independent school districts located in Milam County;

(5) the part of the Richards Independent School District that is located in Walker and Montgomery counties;

(6) the part of the Bryan Independent School District that is located in Robertson County;

(7) Fayette County, other than the territory within the Smithville Independent School District;

(8) Lee County, other than the territory within the Elgin Independent School District; and

(9) the part of the Lexington Independent School District that is located in Bastrop, Milam, and Williamson counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2001, 77th Leg., ch. 173, Sec. 1, eff. May 18, 2001.
Amended by:

Acts 2005, 79th Leg., Ch. 1195 (H.B. 381), Sec. 1, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. 753 (H.B. 3236), Sec. 2, eff. June 15, 2007.

Sec. 130.169. BORGER JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Borger Junior College District includes:

(1) the territory within the Borger Independent School District;

(2) the territory within the Spring Creek Independent School District that is also within the junior college district's taxing district; and

(3) the territory within Dallam, Sherman, Hansford, Ochiltree, Lipscomb, Hartley, Hutchinson, Roberts, and Hemphill counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 4, Sec. 1, eff. April 17, 1997.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 672 (H.B. 1374), Sec. 2, eff. June 15, 2007.

Sec. 130.170. BRAZOSPORT COLLEGE DISTRICT SERVICE AREA. The service area of the Brazosport College District includes the territory within:

(1) the Brazosport, Columbia-Brazoria, Sweeny, and Damon independent school districts; and

(2) the Angleton Independent School District, except the part annexed by the Alvin Community College District before September 1, 1995.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.171. CENTRAL TEXAS COLLEGE DISTRICT SERVICE AREA. The service area of the Central Texas College District includes the territory within:

(1) the Killeen Independent School District, located in Bell County;

(2) the Copperas Cove Independent School District, located in Coryell County;

(3) Fort Hood and North Fort Hood, located in Bell County;

(4) Coryell, Gillespie, Hamilton, Lampasas, Llano, Mason, Mills, and San Saba counties;

(5) the Brady, Lohn, and Rochelle independent school districts located in McCullough County;

(6) the Burnet Consolidated Independent School District located in Burnet County;

(7) the Florence Independent School District;

(8) the part of the Lampasas Independent School District that is located in Burnet County;

(9) the part of the Lampasas Independent School District that is located in Bell County;

(10) the part of the Copperas Cove Independent School District that is located in Bell County; and

(11) the Marble Falls Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2001, 77th Leg., ch. 1400, Sec. 2, eff. June 16, 2001.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 601 (S.B. 495), Sec. 2, eff. June 16, 2015.

Sec. 130.172. CISCO JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Cisco Junior College District includes the territory within:

(1) the Cisco Independent School District; and

(2) Callahan, Coleman, and Taylor counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.173. CLARENDON COLLEGE DISTRICT SERVICE AREA. The service area of the Clarendon College District includes the territory within Gray, Donley, Wheeler, Armstrong, Collingsworth, Briscoe, Hall, and Childress counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 4, Sec. 1, eff. April 17, 1997.

Sec. 130.174. COLLEGE OF THE MAINLAND DISTRICT SERVICE AREA. The service area of the College of the Mainland District includes the territory within:

(1) the Santa Fe, Hitchcock, Texas City, La Marque, Dickinson, and Friendswood independent school districts; and

(2) the part of the Clear Creek Independent School District that is located in Galveston County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.175. COLLIN COUNTY COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Collin County Community College

District includes the territory within:

(1) Collin and Rockwall counties; and

(2) the part of Denton County that is within the municipality of The Colony, the municipality of Frisco, and the Celina and Prosper independent school districts.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.176. DALLAS COUNTY COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Dallas County Community College District includes the territory within:

(1) Dallas County; and

(2) the Carrollton-Farmers Branch Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.177. DEL MAR COLLEGE-CORPUS CHRISTI JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Del Mar College-Corpus Christi Junior College District includes the territory within:

(1) the Corpus Christi, West Oso, Calallen, Tuloso-Midway, and Flour Bluff independent school districts, and any area located outside of those school districts that is within the municipality of Corpus Christi;

(2) Nueces, San Patricio, Aransas, and Kenedy counties; and

(3) the Riviera Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.178. EL PASO COUNTY COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the El Paso County Community College District includes the territory within El Paso and Hudspeth counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.179. GALVESTON COLLEGE DISTRICT SERVICE AREA. The

service area of the Galveston College District includes:

(1) the territory within the Galveston Independent School District;

(2) the part of Galveston and Chambers counties located on the Bolivar Peninsula, including the municipality of High Island and the High Island Independent School District; and

(3) the territory within the Sabine Pass and Hamshire-Fannett independent school districts in Jefferson County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.180. GRAYSON COUNTY JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Grayson County Junior College District includes the territory within:

(1) Grayson County; and

(2) the Bonham, Dodd City, Wolfe City, Ector, Leonard, Savoy, Trenton, Whitewright, and Sam Rayburn independent school districts located in Fannin County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.181. HILL COLLEGE DISTRICT SERVICE AREA. The service area of the Hill College District includes the territory within:

(1) the Hillsboro, Itasca, Covington, Whitney, Abbott, and Bynum independent school districts; and

(2) Hill, Johnson, Bosque, and Somervell counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.182. HOUSTON COMMUNITY COLLEGE SYSTEM DISTRICT SERVICE AREA. The service area of the Houston Community College System District includes the territory within:

(1) the Houston, Alief, Katy, Spring Branch, and North Forest independent school districts;

(2) the Stafford Municipal School District; and

(3) the part of the Fort Bend Independent School District that is located in the municipalities of Houston, Missouri City, and Pearland.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 234 (S.B. 929), Sec. 1, eff. May 27, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 1098 (H.B. 3659), Sec. 1, eff. September 1, 2013.

Sec. 130.183. HOWARD COUNTY JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Howard County Junior College District includes the territory within Howard, Dawson, Martin, Glasscock, Sterling, Coke, Tom Green, Concho, Irion, Schleicher, Sutton, Menard, and Kimble counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.184. KILGORE JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Kilgore Junior College District includes the territory within:

(1) the Kilgore, West Rusk, Overton, Leverett's Chapel, White Oak, Sabine, Gladewater, Big Sandy, Union Grove, Gilmer, New Diana, Spring Hill, Pine Tree, Longview, Hallsville, Henderson, Carlisle, Laneville, and Mount Enterprise independent school districts; and

(2) the Tatum Independent School District, except the part of the district that is located in Panola County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.185. LAREDO COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Laredo Community College District includes the territory within:

(1) the municipality of Laredo; and

(2) Webb, Jim Hogg, and Zapata counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.186. LEE COLLEGE DISTRICT SERVICE AREA. The service

area of the Lee College District includes the territory within:

(1) the Goose Creek Consolidated Independent School District; and

(2) the Crosby, Dayton, Liberty, Barbers Hill, Anahuac, Huffman, Devers, East Chambers, Hardin, and Hull-Daisetta independent school districts.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.187. MCLENNAN COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the McLennan Community College District includes the territory within:

(1) McLennan and Falls counties; and

(2) the Calvert and Bremond independent school districts.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.188. MIDLAND COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Midland Community College District includes the territory within:

(1) Midland County, except the territory within the Greenwood Community; and

(2) Reagan, Pecos, Terrell, and Crockett counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 672 (H.B. 1374), Sec. 3, eff. June 15, 2007.

Sec. 130.189. NAVARRO COLLEGE DISTRICT SERVICE AREA. The service area of the Navarro College District includes the territory within Navarro, Ellis, Freestone, Limestone, and Leon counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.190. NORTH CENTRAL TEXAS COLLEGE DISTRICT SERVICE AREA. The service area of the North Central Texas College District

includes the territory within:

(1) Cooke and Montague counties;

(2) Denton County, except the territory within The Colony, the municipality of Frisco, and the Celina, Prosper, and Carrollton-Farmers Branch independent school districts; and

(3) the part of the Graham Independent School District that is located in Young County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 594 (S.B. 179), Sec. 1, eff. June 17, 2011.

Sec. 130.191. LONE STAR COLLEGE SYSTEM DISTRICT SERVICE AREA. The service area of the Lone Star College System District includes the territory within:

(1) the Aldine, Conroe, Cypress-Fairbanks, Humble, New Caney, Spring, Tomball, Magnolia, Willis, Montgomery, Splendora, Cleveland, Tarkington, and Klein independent school districts; and

(2) the Huntsville and New Waverly independent school districts in Walker County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2003, 78th Leg., ch. 94, Sec. 1, eff. May 20, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 11 (S.B. 386), Sec. 1, eff. April 29, 2011.

Sec. 130.192. NORTHEAST TEXAS COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Northeast Texas Community College District includes the territory within:

(1) Camp, Morris, and Titus counties;

(2) the Avinger and Hughes Springs independent school districts, located in Cass County;

(3) the Mount Vernon Independent School District, located in Franklin County;

(4) the Como-Pickton and Saltillo independent school districts, located in Hopkins County;

(5) the Ore City, Union Hill, and Harmony independent

school districts;

(6) the Winnsboro Independent School District;

(7) the part of the Pewitt Independent School District that is located in Cass County; and

(8) the part of the Pittsburg Independent School District that is located in Upshur County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.193. ODESSA COLLEGE DISTRICT SERVICE AREA. The service area of the Odessa College District includes the territory within:

(1) Ector, Brewster, Andrews, Crane, Jeff Davis, Ward, Winkler, Presidio, Upton, Reeves, Culberson, and Loving counties; and

(2) the Seminole Independent School District in Gaines County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 672 (H.B. 1374), Sec. 4, eff. June 15, 2007.

Sec. 130.194. PANOLA COLLEGE DISTRICT SERVICE AREA. The service area of the Panola College District includes the territory within:

(1) Panola, Marion, and Shelby counties; and

(2) Harrison County, except the territory within the Hallsville Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.195. PARIS JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Paris Junior College District includes the territory within:

(1) the Paris Independent School District;

(2) the part of the Prairiland Independent School District that was formerly the Cunningham School District;

(3) the municipality of Paris;

(4) Lamar and Delta counties;

(5) the Detroit and Clarksville independent school districts and the Talco-Bogata Consolidated Independent School District that is in Red River County;

(6) the North Hopkins, Sulphur Bluff, Sulphur Springs, Miller Grove, and Cumby independent school districts in Hopkins County;

(7) the Honey Grove Consolidated Independent School District in Fannin County;

(8) the Fannindel Independent School District, located in Fannin and Delta counties;

(9) Hunt County, except the part of the county that is located in the Terrell Independent School District; and

(10) the part of the Prairiland Independent School District that is located in Red River County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.196. RANGER JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Ranger Junior College District includes the territory within:

(1) the part of the Ranger Independent School District that is located in Eastland County, except the area that is known as the old Bullock School Land; and

(2) Comanche, Brown, Erath, and Young counties, except for the part of the Graham Independent School District that is located in Young County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 560 (H.B. 1274), Sec. 1, eff. June 17, 2005.

Sec. 130.197. SAN JACINTO COLLEGE DISTRICT SERVICE AREA. The service area of the San Jacinto College District includes the territory within:

(1) the Pasadena, La Porte, Deer Park, Channelview, Galena Park, and Sheldon independent school districts; and

(2) the part of the Clear Creek Independent School District

that is located in Harris County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.198. SOUTH PLAINS COLLEGE DISTRICT SERVICE AREA. The service area of the South Plains College District includes the territory within:

(1) the Whiteface Consolidated Independent School District;

(2) Bailey, Lamb, Hale, Floyd, Motley, Cochran, Hockley, Lubbock, Crosby, Yoakum, Terry, Lynn, and Garza counties; and

(3) Gaines County, except the territory within the Seminole Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.199. SOUTH TEXAS COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the South Texas Community College District includes the territory within Hidalgo and Starr counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.200. SOUTHWEST TEXAS JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Southwest Texas Junior College District includes the territory within Zavala, Uvalde, Real, Dimmit, Frio, Kinney, La Salle, Maverick, Medina, Val Verde, and Edwards counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.201. TARRANT COUNTY JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Tarrant County Junior College District includes the territory within Tarrant County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.202. TEMPLE JUNIOR COLLEGE DISTRICT SERVICE AREA. The

service area of the Temple Junior College District includes the territory within:

(1) the Temple Independent School District;

(2) the municipality of Temple;

(3) the Academy, Bartlett, Belton, Holland, Rogers, Troy, and Salado independent school districts located in Bell County;

(4) the Buckholts, Cameron, Rockdale, and Thorndale independent school districts located in Milam County;

(5) the Granger, Hutto, Taylor, and Thrall independent school districts located in Williamson County;

(6) the part of the Rosebud-Lott Independent School District that is located in Milam County; and

(7) the part of the Bartlett Independent School District that is located in Milam County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 523, Sec. 1, eff. May 31, 1997; Acts 2001, 77th Leg., ch. 173, Sec. 1, eff. May 18, 2001.

Sec. 130.203. TEXARKANA COLLEGE DISTRICT SERVICE AREA. The service area of the Texarkana College District includes the territory within:

(1) the taxing district, which includes all of Bowie County;

(2) Cass County, except the territory within the Hughes Springs, Avinger, and Pewitt independent school districts; and

(3) the Avery Independent School District located in Red River County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995. Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 825 (S.B. 1855), Sec. 2, eff. September 1, 2013.

Sec. 130.204. TEXAS SOUTHMOST COLLEGE DISTRICT SERVICE AREA. The service area of the Texas Southmost College District includes the territory within:

(1) the Brownsville, Los Fresnos Consolidated, and Point Isabel independent school districts; and

(2) Cameron and Willacy counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.205. TRINITY VALLEY COMMUNITY COLLEGE DISTRICT SERVICE AREA. The service area of the Trinity Valley Community College District includes the territory within:

(1) the part of the Terrell Independent School District located in Hunt County;

(2) Anderson, Henderson, Kaufman, and Rains counties; and

(3) Van Zandt County, except the territory within the Grand Saline, Lindale, and Van independent school districts.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.206. TYLER JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Tyler Junior College District includes the territory within:

(1) the Chapel Hill, Grand Saline, Lindale, Tyler, Yantis, Winona, Alba-Golden, Arp, Bullard, Hawkins, Jacksonville, Mineola, New Summerfield, Quitman, Rusk, Troup, and Whitehouse independent school districts; and

(2) the Van Independent School District, except the part of the district that is located in Henderson County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.207. VERNON REGIONAL JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Vernon Regional Junior College District includes the territory within Wilbarger, Archer, Baylor, Clay, Cottle, Foard, Hardeman, Haskell, King, Knox, Throckmorton, and Wichita counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.208. THE VICTORIA COLLEGE DISTRICT SERVICE AREA. The service area of The Victoria College District includes the territory

within:

(1) Victoria, Lavaca, DeWitt, Gonzales, and Calhoun counties;

(2) Jackson County, except the territory within the Ganado Independent School District; and

(3) Refugio County, except the territory within the Woodsboro Independent School District.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 2001, 77th Leg., ch. 572, Sec. 2, eff. June 11, 2001.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 601 (S.B. 495), Sec. 3, eff. June 16, 2015.

Sec. 130.209. WEATHERFORD COLLEGE DISTRICT SERVICE AREA. The service area of the Weatherford College District includes the territory within Hood, Parker, Wise, Jack, and Palo Pinto counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 45 (H.B. 407), Sec. 1, eff. September 1, 2013.

Sec. 130.210. WESTERN TEXAS COLLEGE DISTRICT SERVICE AREA. The service area of the Western Texas College District includes the territory within Scurry, Fisher, Jones, Nolan, Runnels, Dickens, Stonewall, Borden, Mitchell, and Kent counties.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.

Sec. 130.211. WHARTON COUNTY JUNIOR COLLEGE DISTRICT SERVICE AREA. The service area of the Wharton County Junior College District includes the territory within:

(1) Wharton County;

(2) the Needville Independent School District in Fort Bend County;

(3) the Wallis-Orchard Independent School District located in Austin County;

(4) the Columbus and Weimer independent school districts located in Colorado County;

(5) the Rice Consolidated Independent School District located in Colorado County;

(6) the Kendleton and Lamar independent school districts located in Fort Bend County;

(7) the Bay City, Boling, Matagorda, Palacios, Tidehaven, and Van Vleck independent school districts located in Matagorda County;

(8) the Ganado Independent School District located in Jackson County; and

(9) the incorporated area and extraterritorial jurisdiction of the City of Sugar Land located in Fort Bend County.

Added by Acts 1995, 74th Leg., ch. 971, Sec. 1, eff. Sept. 1, 1995.
Amended by:

Acts 2005, 79th Leg., Ch. 1211 (H.B. 776), Sec. 1, eff. June 18, 2005.

SUBCHAPTER K. BRANCH CAMPUSES

Sec. 130.251. BRANCH CAMPUSES. (a) The board of trustees of a junior college district may establish and operate branch campuses, centers, or extension facilities within the junior college district's service area, provided that each branch campus, center, or extension facility and each course or program offered in such locations is subject to the prior and continuing approval of the Texas Higher Education Coordinating Board.

(b) Such branch campuses, centers, or extension facilities shall be within the role and scope of the junior college as determined by the Texas Higher Education Coordinating Board.

(c) The board of trustees of a junior college district may accept or acquire by purchase or rent land and facilities in the name of the junior college district within the junior college district's service area.

(d) Before any course may be offered by a public junior college within the service area of another operating public junior college, it must be established that the second public junior college is not capable of or is unable to offer the course. After the need is established and the course is not locally available, then the first

public junior college may offer the course when approval is granted by the Texas Higher Education Coordinating Board.

(e) The board of trustees of a junior college district may enter cooperative agreement with independent, common, or county school districts, state or federal agencies as may be required to perform the services as outlined in this section.

(f) Notwithstanding Subchapter J, the service area of a junior college district does not include territory within the boundaries of the taxing district of another junior college district. If a branch campus, center, or extension facility operated by a junior college district outside its taxing district becomes located within the taxing district of another junior college district when the other district is established or annexes the territory that includes the campus, center, or facility, the junior college district operating the campus, center, or facility must discontinue the campus, center, or facility within a reasonable period, not to exceed one academic year. The junior college district in which the campus, center, or facility is located must fairly compensate the junior college district that discontinues the campus, center, or facility for any capital improvements that the discontinuing district acquired or constructed for the campus, center, or facility, to the extent the discontinuing district is otherwise unable to recover the current value of its investment in that capital improvement, as determined by the Texas Higher Education Coordinating Board.

(g) Subsections (a) and (c) do not apply to a branch campus, center, or extension facility that is established before September 1, 1999.

(h) This section does not affect the authority of the Texas Higher Education Coordinating Board regarding the continued operation of a branch campus, center, or extension facility.

Added by Acts 1971, 62nd Leg., p. 3350, ch. 1024, art. 2, Sec. 25, eff. Sept. 1, 1971. Amended by Acts 1975, 64th Leg., p. 2035, ch. 673, Sec. 2, eff. June 20, 1975; Acts 1975, 64th Leg., p. 2109, ch. 689, Sec. 1 to 4, eff. June 20, 1975; Acts 1990, 71st Leg., 6th C.S., ch. 32, Sec. 1, eff. June 20, 1990; Acts 1999, 76th Leg., ch. 1424, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1177 (S.B. 1004), Sec. 3, eff. June 19, 2015.

Transferred, redesignated and amended from Education Code, Section 130.086 by Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 2, eff. September 1, 2015.

Sec. 130.252. SECURITY FOR REVENUE BONDS ISSUED FOR BRANCH CAMPUS, CENTER, OR EXTENSION FACILITY. Bonds payable from revenue and issued by the governing body of a county or school district to finance the purchase of land or the construction of a facility to be used for a branch campus, center, or extension facility authorized under Section 130.251 may be secured by a trust indenture, a deed of trust, or a mortgage granting a security interest in the applicable land or facility.

Added by Acts 2013, 83rd Leg., R.S., Ch. 357 (H.B. 2474), Sec. 1, eff. June 14, 2013.
Transferred, redesignated and amended from Education Code, Section 130.0865 by Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 2, eff. September 1, 2015.

Sec. 130.253. BRANCH CAMPUS MAINTENANCE TAX. (a) The governing body of a school district or a county may levy a junior college district branch campus maintenance tax as provided by this section at a rate not to exceed five cents on each $100 valuation of all taxable property in its jurisdiction.

(b) On presentation of a petition for an election to authorize a junior college district branch campus maintenance tax signed by not fewer than five percent of the qualified voters of the jurisdiction in which the proposed tax is to be levied, the governing body of the school district or county, as applicable, shall determine the legality and the genuineness of the petition and, if it is determined to be legal and genuine, forward the petition to the Texas Higher Education Coordinating Board. The governing body of a county with a population of 150,000 or less, on completion of a needs assessment analysis showing adequate need and on approval by the coordinating board, on its own motion and without the presentation of a petition, may propose an election to authorize a branch campus maintenance tax.

(c) The Texas Higher Education Coordinating Board shall determine whether the requirements provided by Subsections (a) and

(b) have been satisfied and whether the proposed tax is feasible and desirable under the coordinating board's rules for junior colleges. In making its decision on the feasibility and desirability of the tax, the coordinating board shall consider the needs of the junior college, the needs of the community or communities served by the branch campus, and the welfare of the state as a whole. The commissioner of higher education shall deliver to the governing body of the school district or county, as applicable, the order of the coordinating board authorizing or denying further action in the levying of a junior college district branch campus maintenance tax.

(d) If the coordinating board approves the establishment of the junior college district branch campus maintenance tax, the governing body of the school district or county, as applicable, shall enter an order for an election to be held in the territory under its jurisdiction not less than 20 days nor more than 60 days after the date on which the order is entered to determine whether the junior college district branch campus maintenance tax may be levied. In the case of joint school district or joint county elections, by mutual agreement of the governing bodies, the elections shall be held on the same date throughout the jurisdictions.

(e) The president of the board of trustees of the school district or the county judge, as applicable, shall give notice of the election in the manner provided by law for notice by the county judge of general elections.

(f) The governing body of the school district or county, as applicable, shall procure the election supplies necessary to conduct the election and shall determine the quantity of the various types of supplies to be provided for use at each precinct polling place and early voting polling place.

(g) Any qualified voter residing within the boundaries of the jurisdiction in which the tax may be levied is entitled to vote at the election.

(h) The ballot shall be printed to provide for voting for or against the proposition: "The levy of a junior college district branch campus maintenance tax in an amount not to exceed (insert a number not higher than five) cents on each $100 valuation of all taxable property in _____." (insert name of school district or name of county, as applicable).

(i) To be adopted, the measure must receive a favorable vote of a majority of those voting on the measure.

(j) Not later than the 10th day after the date of the election, the governing body shall canvass the returns of the election and shall enter an order declaring the result of the election.

(k) The proceeds of the junior college district branch campus maintenance tax may be used only as follows:

(1) to operate and maintain a junior college district branch campus and support its programs and services in the area of the political subdivision that levied the tax; and

(2) under an agreement by the applicable junior college district and the political subdivision levying the tax, to make lease payments to the political subdivision for facilities used exclusively by the branch campus that are owned by the political subdivision.

(l) The governing body of the school district or county approving the junior college district branch campus maintenance tax shall set the tax levy.

(m) The junior college district shall maintain and furnish any records and reports required by the Texas Higher Education Coordinating Board. The reports shall be made available routinely to the governing body of the jurisdiction in which the tax is levied, and to members of the general public on request.

(n) This section does not affect the authority of any jurisdiction levying a junior college district branch campus maintenance tax to create a junior college district in the jurisdiction.

Added by Acts 1983, 68th Leg., p. 2193, ch. 409, Sec. 1, eff. Aug. 29, 1983. Amended by Acts 1991, 72nd Leg., ch. 136, Sec. 1, eff. May 21, 1991; Acts 1991, 72nd Leg., ch. 203, Sec. 2.78; Acts 1991, 72nd Leg., ch. 554, Sec. 49, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 287, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 776, Sec. 1, eff. June 18, 1999; Acts 1999, 76th Leg., ch. 1424, Sec. 2, eff. Sept. 1, 1999.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 357 (H.B. 2474), Sec. 2, eff. June 14, 2013.

Transferred, redesignated and amended from Education Code, Section 130.087 by Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 2, eff. September 1, 2015.

Sec. 130.254. SOUTH TEXAS COMMUNITY COLLEGE DISTRICT; INSTRUCTIONAL PROGRAMS IN EDCOUCH OR ELSA. The board of trustees of the South Texas Community College District shall adopt and implement a plan to expand opportunity for instructional programs consisting of postsecondary courses leading to an associate degree offered in a classroom setting within the corporate limits of the municipality of Edcouch or Elsa. Any instructional program provided under this section is subject to the requirements of Section 130.251.

Added by Acts 2015, 84th Leg., R.S., Ch. 1242 (H.B. 382), Sec. 1, eff. September 1, 2015.

CHAPTER 131. SOUTHWEST COLLEGIATE INSTITUTE FOR THE DEAF

Sec. 131.001. SOUTHWEST COLLEGIATE INSTITUTE FOR THE DEAF. The Southwest Collegiate Institute for the Deaf is a postsecondary educational institution providing instruction for hearing-impaired students preparing for a career or for enrollment in a senior college or university.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981.

Sec. 131.002. ADMINISTRATION. (a) The institute is under the direct control and management of the board of trustees of the Howard Junior College District.

(b) The institute and its programs shall be administered by personnel who are trained and qualified to work with hearing-impaired students and are fluent in manual communication skills.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981.

Sec. 131.003. LOCATION. The institute is located on land deeded to the governing board by the federal Department of Education for the purpose of operating the institute. The governing board may not conduct regular junior college programs for students with unimpaired hearing on the institute campus except as an integral part of the program offered to hearing-impaired students when:

(1) it is educationally appropriate to enroll hearing students in classes for the hearing-impaired; or

(2) special programs are needed to train hearing and hearing-impaired persons to become professional service providers for the deaf.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981.

Sec. 131.004. COURSES, PROGRAMS, AND SERVICES. (a) The institute shall offer, but is not limited to offering, the following courses, programs, and services for hearing-impaired post-secondary students:

(1) learning development services, including academic counseling, tutorial services, reading instruction, services to counter learning disabilities, and library-related services;

(2) communications services, including interpreters for academic and nonacademic functions, speech therapy, and auditory evaluation and training;

(3) academic college preparatory courses;

(4) career analysis services designed to assist each student in identifying a career interest, considering the student's aptitudes, abilities, and skills;

(5) regular college courses, including vocational and technical education and liberal arts courses;

(6) extracurricular activities, including intramural athletics; and

(7) postgraduation services, including job placement services and services designed to orient employers to hearing-impaired workers.

(b) The course work offered by the institute shall emphasize self-contained classrooms with instruction conducted by instructors who are trained and qualified to work with hearing-impaired students and are fluent in manual communication skills. Hearing-impaired students may enroll in integrated classes that are regular classes offered to students with unimpaired hearing enrolled in the junior college.

(c) The programs, services, and facilities of the institute shall be designed to be appropriate to the needs of hearing-impaired

students.

(d) The executive director shall determine which courses offered by the institute are appropriate for an electronic display on a screen or terminal, with less than 30 seconds delay, of a speaker's spoken message. The institute shall implement the electronic display in those courses.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981. Amended by Acts 1991, 72nd Leg., ch. 345, Sec. 2, eff. Sept. 1, 1991.

Sec. 131.005. TUITION. (a) A Texas resident student enrolled in the institute is exempt from tuition fees under Section 54.364.

(b) A student who is not a resident of Texas shall pay tuition at a rate that is the lesser of:

(1) the rate provided by this code for a nonresident student enrolled at a general academic teaching institution; or

(2) a rate determined by the board of trustees and the Coordinating Board, Texas College and University System to be the approximate cost to the institute, not including room and board, of educating a student during the academic year beginning the next fall.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981. Amended by Acts 1985, 69th Leg., ch. 140, Sec. 1, eff. May 24, 1985; Acts 1995, 74th Leg., ch. 116, Sec. 2, eff. May 17, 1995. Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 10, eff. January 1, 2012.

Sec. 131.006. APPROPRIATIONS; GRANTS. (a) The governing board of the institute may receive appropriations for the institute's operations only if the board operates the institute in compliance with this chapter.

(b) The board may accept gifts, grants, or donations of money or property given to the institute for the institute's exclusive use in carrying out the purposes of this subchapter.

(c) The board may expend appropriated funds for maintenance and operation, including the maintenance and operation of student housing and food service, unless the funds are specifically restricted to

another purpose by the appropriation.

Added by Acts 1981, 67th Leg., p. 366, ch. 149, Sec. 1, eff. May 14, 1981. Amended by Acts 1987, 70th Leg., ch. 25, Sec. 1, eff. April 14, 1987.

CHAPTER 132. CAREER SCHOOLS AND COLLEGES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 132.001. DEFINITIONS. In this chapter:

(1) "Career school or college":

(A) means any business enterprise operated for a profit or on a nonprofit basis that maintains a physical place of business within this state or solicits business within this state, that is not specifically exempted by this chapter, and:

(i) that offers or maintains a course or courses of instruction or study; or

(ii) at which place of business such a course or courses of instruction or study are available through classroom instruction or by distance education, or both, to a person for the purpose of training or preparing the person for a field of endeavor in a business, trade, technical, or industrial occupation, or for avocational or personal improvement; and

(B) does not include a school or educational institution that:

(i) is physically located in another state;

(ii) is legally authorized by the state of its physical location to offer postsecondary education and award degrees;

(iii) is accredited by a regional or national accrediting organization recognized by the United States secretary of education under the Higher Education Act of 1965 (20 U.S.C. Section 1001 et seq.); and

(iv) offers in this state only postsecondary distance or correspondence programs of instruction.

(1-a) "Class" or "course" means an identifiable unit of instruction that is part of a program of instruction.

(1-b) "Course time" means a course or class period as follows:

(A) a 50-minute to 60-minute lecture, recitation, or class, including a laboratory class or shop training, in a 60-minute

period;

(B) a 50-minute to 60-minute internship in a 60-minute period; or

(C) 60 minutes of preparation in asynchronous distance education.

(2) "Owner" of a career school or college means:

(A) in the case of a career school or college owned by an individual, that individual;

(B) in the case of a career school or college owned by a partnership, all full, silent, and limited partners;

(C) in the case of a career school or college owned by a corporation, the corporation, its directors, officers, and each shareholder owning shares of issued and outstanding stock aggregating at least 10 percent of the total of the issued and outstanding shares;

(D) in the case of a career school or college in which the ownership interest is held in trust, the beneficiary of that trust; or

(E) in the case of a career school or college owned by another legal entity, a person who owns at least 10 percent ownership interest in the entity.

(3) "School employee" means any person, other than an owner, who directly or indirectly receives compensation from a career school or college for services rendered.

(4) "Representative" means a person employed by a career school or college to act as an agent, solicitor, broker, or independent contractor to directly procure students for the school or college by solicitation within this state at any place.

(5) "Agency administrator" means the agency administrator of the Texas Workforce Commission or a person, knowledgeable in the administration of regulating career schools and colleges, designated by the agency administrator to administer this chapter.

(6) "Notice to the career school or college" means written correspondence sent to the address of record for legal service contained in the application for a certificate of approval. "Date of Notice" means the date the notice is mailed by the commission.

(7) "Support" or "supported" means the primary source and means by which a career school or college derives revenue to perpetuate its operation.

(8) "Person" means any individual, firm, partnership,

association, corporation, limited liability company, or other private entity or combination.

(9) "Unearned tuition" means total tuition and fees subject to refund under Section 132.061.

(10) "Small career school or college" means a career school or college that does not receive any payment from federal funds under 20 U.S.C. Section 1070 et seq. and its subsequent amendments or a prepaid federal or state source as compensation in whole or in part for any student tuition and fees or other charges and either:

(A) has an annual gross income from student tuition and fees that is less than or equal to $100,000 for programs regulated by the agency;

(B) exclusively offers programs to assist students to prepare for an undergraduate or graduate course of study at a college or university; or

(C) exclusively offers programs to assist students, who have obtained, or who are in the process of obtaining, degrees after completing an undergraduate or graduate course of study at a college or university, to prepare for an examination.

(11) "Commission" means the Texas Workforce Commission.

(12) "Division" means the division of education of the commission.

(13) "Distance education" means a formal education process in which:

(A) the student and instructor are separated by physical distance; and

(B) a variety of communication technologies may be used to deliver synchronous or asynchronous instruction to the student.

(14) "Program" or "program of instruction" means a postsecondary program of organized instruction or study that may lead to an academic, professional, or vocational degree, certificate, or other recognized educational credential.

(15) "Postsecondary program" means a program that requires a student to have a high school diploma or high school equivalency certificate, or requires that the person be beyond the age of compulsory education. A program of instruction in yoga or that trains persons to teach yoga is not considered a postsecondary program.

Added by Acts 1971, 62nd Leg., p. 2007, ch. 620, Sec. 1, eff. June 4,

1971. Amended by Acts 1973, 63rd leg., p. 1264, ch. 463, Sec. 1, eff. June 14, 1973; Acts 1989, 71st Leg., ch. 813, Sec. 4.01, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 1010, Sec. 1, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.11 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.33, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 1, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 1.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.01, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 1, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 2, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1337 (S.B. 1176), Sec. 1, eff. September 1, 2011.

Sec. 132.0015. REFERENCE TO PROPRIETARY SCHOOL. A reference in this code or another law to a proprietary school means a career school or college.

Added by Acts 2003, 78th Leg., ch. 364, Sec. 1.02, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.02, eff. Sept. 1, 2003.

Sec. 132.002. EXEMPTIONS. (a) The following schools or educational institutions may be exempted from this chapter by the commission under Subsection (d):

(1) a school or educational institution supported by taxation from either a local or state source;

(2) a nonprofit school owned, controlled, operated, and conducted by a bona fide religious, denominational, eleemosynary, or similar public institution exempt from property taxation under the laws of this state;

(3) a school or training program that offers instruction of purely avocational or recreational subjects as determined by the commission;

(4) a course or courses of instruction or study sponsored by an employer for the training and preparation of its own employees,

and for which no tuition fee is charged to the student;

(5) a course or courses of study or instruction sponsored by a recognized trade, business, or professional organization for the instruction of the members of the organization with a closed membership;

(6) a private college or university that awards a recognized baccalaureate, or higher degree, and that maintains and operates educational programs for which a majority of the credits given are transferable to a college, junior college, or university supported entirely or partly by taxation from either a local or state source;

(7) a school or course that is otherwise regulated and approved under and pursuant to any other law or rulemaking process of this state or approved for continuing education credit by an organization that accredits courses for the maintenance of a license, except as provided by Subsection (c);

(8) an aviation school or instructor approved by and under the supervision of the Federal Aviation Administration;

(9) a school that offers intensive review of a student's acquired education, training, or experience to prepare the student for an examination, other than a high school equivalency examination, that the student by law may not take unless the student has completed or substantially completed a particular degree program, or that the student is required to take as a precondition for enrollment in or admission to a particular degree program;

(10) a private school offering primary or secondary education, which may include a kindergarten or prekindergarten program, and that satisfies the compulsory attendance requirements of Section 25.085 pursuant to Section 25.086(a)(1);

(11) a course or courses of instruction by bona fide electrical trade associations for the purpose of preparing students for electrical tests required for licensing and for the purpose of providing continuing education to students for the renewal of electrical licenses;

(12) a nonprofit arts organization that has as its primary purpose the provision of instruction in the dramatic arts and the communications media to persons younger than 19 years of age;

(13) a course or training program conducted by a nonprofit association of air conditioning and refrigeration contractors approved by the Air Conditioning and Refrigeration Contractors

Advisory Board to provide instruction for technical, business, or license examination preparation programs relating to air conditioning and refrigeration contracting, as that term is defined by Chapter 1302, Occupations Code;

(14) a course of instruction by a plumbing trade association to prepare students for a plumbing test or program required for licensing, certification, or endorsement or to provide continuing education approved by the Texas State Board of Plumbing Examiners; and

(15) a course of instruction in the use of technological hardware or software if the course is offered to a purchaser of the hardware or software or to the purchaser's employee by a person who manufactures and sells, or develops and sells, the hardware or software, and if the seller is not primarily in the business of providing courses of instruction in the use of the hardware or software, as determined by the commission.

(b) Schools offering a course or courses of special study or instruction financed or subsidized by local, state, or federal funds or by any person, firm, association, or agency other than the student involved, on a contract basis and having a closed enrollment, may apply to the commission for exemption of such course or courses from this chapter and such course or courses may be declared exempt by the commission where the commission finds the course or courses to be outside the purview of this chapter.

(c) If a state agency that issues a license or other authorization for the practice of an occupation elects not to regulate or approve course hours that exceed the minimum education requirements for the issuance of the license or other authorization, the licensing agency shall enter into a memorandum of understanding with the commission for the regulation of those excess course hours under this chapter. Any course taught under a letter of approval or other written authorization issued by the licensing agency before the effective date of the memorandum is authorized under state law until the course is reviewed by the commission. The licensing agency may terminate the memorandum of understanding on notice to the commission.

(d) Except as provided by Subsection (g), a school or educational institution is exempt from regulation under this chapter only if:

(1) the owner of the school or educational institution:

(A) applies to the commission for an exemption under this section; and

(B) provides to the commission any information considered necessary by the commission to support the owner's application for an exemption; and

(2) the commission declares that the school or educational institution is exempt after finding that the school or institution is a school or institution listed in Subsection (a).

(d-1) A school or educational institution exempted from this chapter is authorized to offer training in this state allowed by the exemption.

(e) After a school or educational institution is declared exempt by the commission under this section, the commission may inspect the school or institution or require the owner of the school or institution to provide any information the commission considers necessary for the commission to ensure the school or institution's continued compliance with the requirements of the exemption.

(f) A school or educational institution listed in Subsection (a) may seek a certificate of approval under Subchapter C.

(g) An institution of higher education or a private or independent institution of higher education, as defined by Section 61.003, that was exempt from regulation under this chapter before September 1, 2003, remains exempt from regulation under this chapter and is not required to comply with this section.

(h) A school or educational institution that participates or intends to participate in student financial aid programs under Title IV, Higher Education Act of 1965 (20 U.S.C. Section 1070 et seq.), may not be exempted from this chapter by the commission on the basis of Subsection (a)(2) unless the school or institution demonstrates to the commission that:

(1) either:

(A) the school or institution is accredited by a regional or national accrediting organization recognized by the United States secretary of education; or

(B) the school or institution, or the primary campus of the school or institution, has been operating continuously in this state for at least 20 years in compliance with state career school regulatory requirements, regardless of the amount of time the current owner has owned the school or institution; or

(2) the school or institution:

(A) is owned, controlled, operated, and maintained by a religious organization lawfully operating as a nonprofit religious corporation; and

(B) awards only degrees or certificates relating to religion, including a certificate of Talmudic studies, an associate of biblical studies degree, a master of divinity degree, or a doctor of divinity degree.

(i) For purposes of Subsection (h)(1)(B), "primary campus" means, for two or more schools or educational institutions that are owned and operated by the same owner, the school or educational institution designated by the owner as the main or principal campus.

(j) A school or educational institution may demonstrate compliance with Subsection (h):

(1) through the application process under Subsection (d); or

(2) if the school or institution has previously been granted an exemption from this chapter and the most recent exemption was granted before June 30, 2013, by an affidavit submitted to the commission by the owner of the school or institution.

(k) The Texas Higher Education Coordinating Board shall take appropriate action, including by making appropriate referrals to an accrediting agency or to the attorney general, to address any complaint received by the coordinating board from a student or prospective student of a school or institution to which Subsection (h) applies that is:

(1) exempted from this chapter on the basis of Subsection (a)(2); and

(2) subject to regulation by the coordinating board.

Added by Acts 1971, 62nd Leg., p. 2007, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1972, 62nd Leg., 4th C.S., p. 15, ch. 1, Sec. 1, eff. Oct. 17, 1972; Acts 1973, 63rd Leg., p. 1264, ch. 463, Sec. 2, eff. June 14, 1973; Acts 1977, 65th Leg., p. 1075, ch. 392, Sec. 1, eff. Aug. 29, 1977; Acts 1989, 71st Leg., ch. 813, Sec. 4.02, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 1010, Sec. 9, 10, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.12 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.34, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1075, Sec. 1, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 364, Sec. 1.03, eff. Sept. 1, 2003; Acts

2003, 78th Leg., ch. 817, Sec. 8.03, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1276, Sec. 14A.770, eff. Sept. 1, 2003.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 974 (H.B. 2000), Sec. 1, eff. June 14, 2013.

Sec. 132.003. COURSE EXEMPTION: DEVELOPMENT OF CAREER SKILLS; RECREATIONAL OR AVOCATIONAL SUBJECTS. (a) Except as provided by Subsection (f), a course of instruction is exempt from this chapter if:

(1) the length of the course is 24 classroom hours or less;

(2) the fee for the course is less than $500;

(3) the course is designed to teach:

(A) knowledge or skills to maintain or enhance a person's competency or performance in a business, trade, or occupation; or

(B) recreational or avocational subjects;

(4) on completion of the course, there is not an award of any credits or units toward the completion of another course of instruction of more than 24 classroom hours;

(5) the person offering the course makes available to registrants a written description of the course content and any refund policy not later than the 14th day before the date the course begins;

(6) the person offering the course offers in writing as required by Subdivision (5) a refund of the course fee to any registrant who:

(A) completes at least eight classroom hours or one-half of the course, whichever is less;

(B) is dissatisfied with the course; and

(C) requests a refund and provides in writing to the person a reasonable basis for the registrant's dissatisfaction not later than the 14th day after the date the course is concluded;

(7) for a course in which the instructor or the instructor's qualifications are different from the instructor or the instructor's qualifications stated in any advertising, publicity, or solicitation for the course, the person offering the course:

(A) offers in writing as required by Subdivision (5) a refund of the course fee to any registrant who, before the course

begins, notifies the person that the registrant elects not to attend and requests a refund; and

(B) for the three-year period following the date the course is concluded, maintains records sufficient to identify the differences between advertised instructors and their qualifications and actual instructors and their qualifications; and

(8) for the three-year period following the date the course is concluded, the person offering the course maintains a record of:

(A) attendance of registrants;

(B) fees paid by registrants; and

(C) refunds paid to registrants.

(b) A general refund policy that provides for a full refund of fees at any time before the course begins satisfies the requirements of Subsection (a)(7)(A), if the general refund policy is made available in writing to registrants or potential registrants as required by Subsection (a)(5).

(c) If within the three-year record retention period the commission requests the production of records required under Subsection (a), a failure to produce the records for the commission by the person claiming an exemption for the course creates a rebuttable legal presumption that the course is not exempt from this chapter.

(d) A course of instruction that is otherwise exempt under Section 132.002 is not required to comply with the requirements of this section to qualify for an exemption from this chapter.

(e) In case of any conflict between the refund policy requirements of this section and the refund policy requirements of Section 132.061, this section prevails.

(f) A course of instruction is not exempt under this section if the course is designed to teach or is represented by the person offering the course as teaching knowledge of building, electrical, plumbing, mechanical, fire, or other similar technical codes applicable to the construction, remodeling, or repair of a home, building, or any other structure or improvement to real property in this state.

Added by Acts 2001, 77th Leg., ch. 750, Sec. 1, eff. Sept. 1, 2001.

Sec. 132.004. EXCLUSIVE OFFERING OF EXEMPTED COURSES OR

PROGRAMS BY BUSINESS ENTERPRISE. A business enterprise that offers exclusively courses or programs of instruction that are exempt under Section 132.002 or 132.003 is exempt from this chapter.

Added by Acts 2001, 77th Leg., ch. 750, Sec. 1, eff. Sept. 1, 2001.
Amended by:
Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 2, eff. September 1, 2005.

Sec. 132.005. APPLICABILITY. This chapter does not apply to a school or training program that offers only avocational or recreational instruction or teacher instruction for the following subjects:

(1) dance;
(2) music;
(3) martial arts;
(4) yoga;
(5) physical fitness;
(6) horseback riding;
(7) riflery or other weapon use;
(8) sewing, knitting, or other needlecrafts; or
(9) sports.

Added by Acts 2011, 82nd Leg., R.S., Ch. 293 (H.B. 1839), Sec. 1, eff. June 17, 2011.

SUBCHAPTER B. GENERAL POWERS AND DUTIES

Sec. 132.021. TEXAS WORKFORCE COMMISSION. (a) The commission shall exercise jurisdiction and control of the system of career schools and colleges, and the commission shall carry out supervision of the provisions of this chapter, and enforce minimum standards for approval of career schools and colleges under the operating regulations and policies hereinafter set forth and as may be adopted pursuant to this chapter.

(b) Repealed by Acts 2005, 79th Leg., Ch. 747, Sec. 12, eff. September 1, 2005.

(c) The commission may consult a recognized expert in a field of study for assistance in determining minimum program standards under this chapter for that field.

(d) The commission shall adopt policies and rules necessary for carrying out this chapter.

Added by Acts 1971, 62nd Leg., p. 2008, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.03, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.21, 32.22 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.35, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.09, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.24, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 12, eff. September 1, 2005.

Sec. 132.022. DUTIES OF COMMISSION. The commission shall carry out the policies of this chapter and enforce the rules adopted under this chapter. The commission shall also certify the names of those career schools and colleges meeting the requirements for a certificate of approval.

Added by Acts 1971, 62nd Leg., p. 2009, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.24 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.36, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.10, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.25, eff. Sept. 1, 2003.

Sec. 132.0225. DIVISION OF EDUCATION. To the extent possible, the agency administrator and commission shall administer their functions under this chapter through the division.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

Sec. 132.023. MEMORANDUM OF UNDERSTANDING FOR REGULATION OF CAREER SCHOOLS AND COLLEGES. (a) The commission shall develop, in consultation with the Texas Guaranteed Student Loan Corporation and each state agency that regulates career schools and colleges in this

state, a comprehensive strategy to reduce default rates at the regulated career schools and colleges and to improve the overall quality of the programs operated by these schools and colleges.

(b) The commission shall execute a memorandum of understanding outlining the strategy with the corporation and each state agency regulating career schools and colleges and shall adopt rules to carry out the commission's duties under this section. The Texas Guaranteed Student Loan Corporation shall adopt the memorandum of understanding as procedures of the corporation, and each agency by rule shall adopt the memorandum of understanding.

(c) The memorandum of understanding shall:

(1) require the development and monitoring of indicators that identify career schools and colleges that have excessive loan default rates, poor program performance, or both;

(2) require the sharing of specific information relating to the indicators between the commission and the Texas Guaranteed Student Loan Corporation or other agency; and

(3) require the application of specific sanctions by the commission or by the Texas Guaranteed Student Loan Corporation or other agency, as appropriate, to lower the default rates, improve program performance, or both.

(d) If the commission enters into a memorandum of understanding with the Texas Guaranteed Student Loan Corporation related to the regulation of career schools and colleges, the commission may require each career school or college governed by this chapter to provide information to the commission that is necessary for the purposes of the memorandum of understanding.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.05, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.25 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.37, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.11, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.26, eff. Sept. 1, 2003.

Sec. 132.024. STUDENT INFORMATION; OFFENSE; PENALTY. (a) In this section:

(1) "Student" means any prospective, current, or former student of:

(A) a career school or college; or

(B) any other school, educational institution, or business entity from which the commission receives, or regarding which the commission reviews, information through its administration or enforcement of this chapter.

(2) "Student information" means identifying information in the commission's possession regarding a student. The term includes:

(A) a student's name, address, telephone number, social security number, e-mail address, or date of birth;

(B) any other identifying number or other information that foreseeably could be combined with other publicly available information to reveal identifying information regarding the student; and

(C) a student's education records, as defined by 34 C.F.R. Section 99.3.

(b) Student information is not public information for purposes of Chapter 552, Government Code.

(c) Unless permitted by Subchapter F, Chapter 301, Labor Code, or commission rule, a person commits an offense if the person solicits, discloses, receives, or uses, or authorizes, permits, participates in, or acquiesces in another person's use of, student information.

(d) An offense under Subsection (c) is a Class A misdemeanor.

Added by Acts 2011, 82nd Leg., R.S., Ch. 326 (H.B. 2538), Sec. 1, eff. September 1, 2011.

Sec. 132.025. REQUIRED POSTING. To facilitate a prospective student's informed selection among career schools and colleges, the commission shall include in its searchable directory of career schools and colleges maintained on its Internet website information regarding any formal enforcement action taken by the commission against a school or college, including:

(1) any revocation of the school's or college's certificate of authority;

(2) any assessment of administrative penalties against the school or college; and

(3) any suspension of admission of students to the school or college.

Added by Acts 2015, 84th Leg., R.S., Ch. 1138 (S.B. 208), Sec. 1, eff. September 1, 2015.

SUBCHAPTER C. AUTHORIZED OPERATION OF PROPRIETARY SCHOOLS

Sec. 132.051. CERTIFICATE OF APPROVAL. (a) A career school or college may not maintain, advertise, solicit for, or conduct any program of instruction in this state until the career school or college receives a certificate of approval from the commission.

(b) Any contract entered into with any person for a program of instruction by or on behalf of any person operating any career school or college to which a certificate of approval has not been issued pursuant to this chapter is unenforceable in any action brought thereon. Any note, other instrument of indebtedness, or contract relating to payment for educational services obtained from a career school or college that does not hold a certificate of approval issued under this chapter is unenforceable in any action brought on the note, instrument, or contract.

Added by Acts 1971, 62nd Leg., p. 2009, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.06, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.31 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 1.04, 2.12, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.04, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 3, eff. September 1, 2005.

Sec. 132.052. APPLICATION FOR CERTIFICATE OF APPROVAL. Every career school or college desiring to operate in this state shall make written application to the commission for a certificate of approval. Such application shall be verified, be in such form as may be prescribed by the commission, and shall furnish the commission such information as the commission may require.

Added by Acts 1971, 62nd Leg., p. 2009, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.32 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.38, eff. Sept. 1, 1995; Acts

2003, 78th Leg., ch. 364, Sec. 2.13, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.27, eff. Sept. 1, 2003.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 3, eff. September 1, 2011.

Sec. 132.053. STATUTORY WAIVER AUTHORITY. (a) The commission may establish rules that waive, alter, suspend, or replace any of the following provisions governing small career schools and colleges:

(1) the fee schedule authorized under Section 132.201, provided that fees under a fee schedule established by rule may not be less than the reasonable administrative cost for regulation or more than the amount that a small career school or college would otherwise pay if it were not classified as a small career school or college;

(2) participation in the career school or college tuition trust account required by Section 132.2415;

(3) the refund policy provisions of Section 132.061;

(4) the examination of a school or college for compliance under Section 132.056(f);

(5) the reporting requirements of Section 132.055(b)(15); and

(6) the term for which a certificate of approval is issued under Section 132.056(b), provided that a rule adopted under this section may not provide for a term that exceeds three years or is less than one year.

(b) A rule proposed under this section may be adopted only if it will reduce the regulatory burden for small career schools and colleges and will adequately safeguard the interests of the students of small career schools and colleges to receive either the education for which they have contracted or an appropriate refund.

Added by Acts 1993, 73rd Leg., ch. 1010, Sec. 3, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.321 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.39, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.14, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.28, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.017, eff. September 1, 2011.

Sec. 132.054. SMALL SCHOOL OR COLLEGE EXEMPTION. The commission may exempt small career schools and colleges from any requirement of this chapter to reduce the cost to small schools and colleges of receiving a certificate of approval.

Added by Acts 1993, 73rd Leg., ch. 1010, Sec. 3, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.322 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.15, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.29, eff. Sept. 1, 2003.

Sec. 132.055. CRITERIA. (a) The commission may approve the application of a career school or college when the school or college is found, upon investigation at the premises of the school or college, to have met the criteria specified by Subsection (b).

(b)(1) The programs, curriculum, and instruction are of such quality, content, and length as may reasonably and adequately achieve the stated objective for which the programs, curriculum, or instruction is offered. Before a career school or college conducts a program of instruction in court reporting, the school or college must produce evidence that the school or college has obtained approval for the curriculum from the Judicial Branch Certification Commission.

(2) There is in the school or college adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

(4) The school or college maintains a written record of the previous education and training of the applicant student that clearly indicates that appropriate credit has been given by the school or college for previous education and training, with the new training period shortened where warranted through use of appropriate skills or achievement tests and the student so notified.

(5) The school or college provides a copy of each of the following to each student before enrollment: the applicable program

outline; the schedule of tuition, fees, and other charges and of refunds; regulations pertaining to grading, including incomplete grades; rules of operation and conduct; the name, mailing address, and telephone number of the commission for the purpose of directing complaints to the agency; and the current rates of job placement and employment of students issued a certificate of completion.

(6) Except as provided by Section 132.062, on completion of training, the student is given a certificate by the school or college indicating the program and that training was satisfactorily completed.

(7) Adequate records as prescribed by the commission are kept to show progress or grades, and satisfactory standards relating to progress and conduct are enforced.

(8) The school or college complies with all local, city, county, municipal, state, and federal rules and regulations, such as fire, building, and sanitation codes. The commission may require such evidence of compliance as is deemed necessary.

(9) The school or college is financially sound and capable of fulfilling its commitments for training.

(10) The school's or college's administrators, directors, owners, and instructors are of good reputation and character.

(11) The school or college has, maintains, and publishes in its catalogue and enrollment contract the proper policy for the refund of the unused portion of tuition, fees, and other charges in the event the student enrolled by the school or college in a program of instruction fails to take the program or withdraws or is discontinued from the program at any time prior to completion.

(12) The school or college does not utilize erroneous or misleading advertising, either by actual statement, omission, or intimation as determined by the commission.

(13) The school or college meets additional criteria as may be required by the commission.

(14) The school or college does not use a name like or similar to an existing school or college unless the commission approves the school's or college's use of the name.

(15) The school or college furnishes to the commission the current rates of students who receive a certificate of completion and of job placement and employment of students issued a certificate of completion.

(16) The school or college furnishes to the commission for

approval or disapproval student admission requirements for each program offered by the school or college.

(17) The school or college furnishes to the commission for approval or disapproval the course times and curriculum content for each program offered by the school or college.

(18) The school or college does not owe a penalty under Section 132.152, 132.155, or 132.157.

(19) The school or college maintains a policy regarding students called to active military service that meets the requirements prescribed by Section 132.0611.

Added by Acts 1971, 62nd Leg., p. 2010, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1983, 68th Leg., p. 1972, ch. 359, Sec. 1, eff. Sept. 1, 1983; Acts 1989, 71st Leg., ch. 813, Sec. 4.07, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 563, Sec. 1, eff. Sept. 1, 1993. Redesignated from Education Code Sec. 32.33 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.40, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 1.05, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.05, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 4, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 496 (S.B. 309), Sec. 2, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 42 (S.B. 966), Sec. 2.03, eff. September 1, 2014.

Sec. 132.0551. QUALIFICATIONS, TRAINING, AND CONTINUING EDUCATION REQUIRED. (a) Each director of admissions and each full-time instructor employed by a career school or college must meet the minimum qualification and training requirements established by commission rule.

(b) The chief administrative officer of or an owner with supervisory authority over a career school or college must meet the minimum qualification and training requirements established by commission rule.

(c) The commission shall require a person described by Subsection (a) or (b) to complete not less than six hours each year

of continuing education applicable to the position.

(d) The commission by rule shall establish the minimum qualification and training requirements and continuing education requirements for each position to which this section applies.

(e) In accordance with rules adopted for that purpose, the commission shall approve appropriate entities that the commission determines are qualified to provide the continuing education or training courses required by this section. In approving an entity under this subsection, the commission shall consider the entity's ability to offer a curriculum that:

(1) addresses the applicable requirements for the positions for which the education or training is provided;

(2) addresses the statutes, rules, and federal regulations or guidelines applicable to the positions;

(3) includes any criteria required to receive or retain accreditation from a nationally recognized organization; and

(4) addresses any other curriculum needs of a continuing education or training course established under this section.

(f) Each career school or college shall maintain records of any continuing education or training received by school or college officials or personnel and shall make the records available for inspection during regular business hours on the premises of the school. The records must indicate for which position the continuing education or training was received.

Added by Acts 2005, 79th Leg., Ch. 1279 (H.B. 2333), Sec. 1, eff. September 1, 2005.

Sec. 132.056. ISSUANCE OF CERTIFICATE OF APPROVAL; RENEWAL. (a) The commission, upon review of an application for a certificate of approval duly submitted in accordance with Section 132.052 and meeting the requirements of Section 132.055, shall issue a certificate of approval to the applicant career school or college. The certificate of approval shall be in a form prescribed by the commission and shall state in a clear and conspicuous manner at least the following information:

(1) date of issuance, effective date, and term of approval; and

(2) correct name and address of the school or college.

(b) The term for which a certificate of approval shall be issued may not exceed one year.

(c) The certificate of approval shall be issued to the owner of the applicant career school or college and is nontransferable. In the event of a change in ownership of the school or college, a new owner must, at least 30 days prior to the change in ownership, apply, in the manner prescribed by the commission, for a new certificate of approval.

(d) At least 30 days prior to expiration of a certificate of approval, the career school or college shall forward to the commission an application for renewal. The commission shall reexamine the premises of the school or college as frequently as the commission considers necessary and renew, revoke, or deny renewal of the school's or college's certificate of approval. If a school or college fails to file a complete application for renewal at least 30 days before the expiration date of the certificate of approval, the school or college, as a condition of renewal, must pay, in addition to the annual renewal fee, a late renewal fee in an amount established by commission rule of at least $100.

(e) Repealed by Acts 2005, 79th Leg., Ch. 747, Sec. 12, eff. September 1, 2005.

(f) The commission shall visit a career school or college to reexamine the school or college for compliance with the criteria provided by Section 132.055 not later than three months after the date the school or college begins operation or after a change in ownership of the school or college.

(g) Before the commission issues a certificate of approval or a renewal certificate of approval under this section, the commission may require a career school or college to comply with the requirements of Section 132.0551 and to submit evidence of that compliance to the commission.

Added by Acts 1971, 62nd Leg., p. 2010, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1985, 69th Leg., ch. 239, Sec. 29, eff. Sept. 1, 1985; Acts 1989, 71st Leg., ch. 813, Sec. 4.08, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.34 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.41, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 3, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.16, eff. Sept. 1, 2003; Acts 2003, 78th

Leg., ch. 817, Sec. 8.30, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 5, eff. September 1, 2005.
Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 12, eff. September 1, 2005.
Acts 2005, 79th Leg., Ch. 1279 (H.B. 2333), Sec. 2, eff. September 1, 2005.

Sec. 132.057. DENIAL OF CERTIFICATE OF APPROVAL. (a) If the commission, upon review and consideration of an application for certificate of approval, shall determine the applicant to be unacceptable, the commission shall set forth the reasons for denial, in writing, to the applicant.

(b) Any applicant whose certificate of approval is denied has the right of appeal under Subchapter D.

Added by Acts 1971, 62nd Leg., p. 2011, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1973, 63rd Leg., p. 1265, ch. 463, Sec. 3, eff. June 14, 1973. Redesignated from Education Code Sec. 32.35 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

Sec. 132.058. REVOCATION OF CERTIFICATE OF APPROVAL. (a) The commission may revoke an issued certificate of approval or place reasonable conditions upon the continued approval represented by the certificate. Prior to revocation or imposition of conditions upon a certificate of approval, the commission shall notify the holder of the certificate, in writing, of the impending action and set forth the grounds for the action. The commission may reexamine a career school or college two or more times during each year in which a notice relating to the school or college has been issued or conditions have been imposed on the school or college under this subsection.

(b) A certificate of approval may be revoked or made conditional if the commission has reasonable cause to believe that the career school or college is guilty of a violation of this chapter or of any rules adopted under this chapter.

Added by Acts 1971, 62nd Leg., p. 2011, ch. 620, Sec. 1, eff. June 4,

1971. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.09, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.36 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.17, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.31, eff. Sept. 1, 2003.

Sec. 132.059. REGISTRATION OF REPRESENTATIVES. (a) All representatives employed by a career school or college shall register with the commission. Application for registration may be made at any time and shall be based on information submitted in accordance with the provisions of Section 132.052.

(b) Registration of a representative is effective upon receipt of notice from the commission and remains in effect for a period not in excess of 12 calendar months. Renewal of representative registration shall be in accordance with the renewal application form forwarded to the career school or college by the commission.

(c) Denial or revocation of registration of a representative by the commission shall be in accordance with the provisions of this chapter applicable to denial or revocation of a certificate of approval. The commission may deny, suspend, or revoke the registration of a representative who has been convicted of a felony, whether within or without this state.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1246, Sec. 5, eff. September 1, 2011.

(e) The commission shall deny registration of a representative who owes a penalty under Section 132.152 or 132.155.

Added by Acts 1971, 62nd Leg., p. 2011, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.10, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.37 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.18, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.32, eff. Sept. 1, 2003.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 5, eff. September 1, 2011.

Sec. 132.061. REFUND POLICY. (a) Except as provided by

Subsection (g), as a condition for granting certification each career school or college must maintain a cancellation and settlement policy that must provide a full refund of all monies paid by a student if:

(1) the student cancels the enrollment agreement or contract within 72 hours (until midnight of the third day excluding Saturdays, Sundays, and legal holidays) after the enrollment contract is signed by the prospective student; or

(2) the enrollment of the student was procured as the result of any misrepresentation in advertising, promotional materials of the school or college, or representations by the owner or representatives of the school or college.

(b) Except as provided by Subsection (g), as a condition for granting certification each career school or college must maintain a policy for the refund of the unused portion of tuition, fees, and other charges in the event the student, after expiration of the 72-hour cancellation privilege, fails to enter a program in which the student is enrolled or withdraws or is discontinued from the program at any time prior to completion, and such policy must provide:

(1) refunds for resident programs and synchronous distance education courses or programs will be based on the period of enrollment computed on the basis of course or program time;

(2) the effective date of termination for refund purposes in residence programs and synchronous distance education courses or programs will be the earliest of the following:

(A) the last date of attendance, if the student is terminated by the school or college;

(B) the date of receipt of written notice of withdrawal from the student; or

(C) 10 school days following the last date of attendance;

(3) if tuition and fees are collected in advance of entrance, and if, after expiration of the 72-hour cancellation privilege, the student does not enter the residence career school or college, not more than $100 shall be retained by the school or college;

(4) for the student who enters a residence program or a synchronous distance education course and who withdraws or is otherwise terminated, the school or college may retain not more than $100 of any administrative fees charged and the minimum refund of the remaining tuition and fees will be the pro rata portion of tuition,

fees, and other charges that the number of hours remaining in the portion of the course or program for which the student has been charged after the effective date of termination bears to the total number of hours in the portion of the course or program for which the student has been charged, except that a student may not collect a refund if the student has completed 75 percent or more of the total number of hours in the portion of the program for which the student has been charged on the effective date of termination;

(5) refunds of items of extra expense to the student, such as instructional supplies, books, student activities, laboratory fees, service charges, rentals, deposits, and all other such ancillary miscellaneous charges, where these items are separately stated and shown in the data furnished the student before enrollment, will be made in a reasonable manner acceptable to the commission;

(6) refunds based on enrollment in residence and synchronous distance education courses or programs will be totally consummated within 60 days after the effective date of termination;

(7) refunds for asynchronous distance education courses or programs will be computed on the basis of the number of lessons in the course or program;

(8) the effective date of termination for refund purposes in asynchronous distance education courses or programs will be the earliest of the following:

(A) the date of notification to the student if the student is terminated;

(B) the date of receipt of written notice of withdrawal from the student; or

(C) the end of the third calendar month following the month in which the student's last lesson assignment was received unless notification has been received from the student that the student wishes to remain enrolled;

(9) if tuition and fees are collected before any courses for a program have been completed, and if, after expiration of the 72-hour cancellation privilege, the student fails to begin the program, not more than $50 shall be retained by the school or college;

(10) in cases of termination or withdrawal after the student has begun the asynchronous distance education course or program, the school or college may retain $50 of tuition and fees, and the minimum refund policy must provide that the student will be

refunded the pro rata portion of the remaining tuition, fees, and other charges that the number of courses completed and serviced by the school or college bears to the total number of courses in the program; and

(11) refunds based on enrollment in asynchronous distance education schools or colleges will be totally consummated within 60 days after the effective date of termination.

(c) In lieu of the refund policy herein set forth, for programs of instruction not regularly offered to the public, the commission may, for good cause shown, amend, modify, or substitute the terms of a career school's or college's policy due to the specialized nature and objective of the school's or college's program of instruction.

(d) If a program of instruction is discontinued by the career school or college and this prevents the student from completing the program, all tuition and fees paid are then due and refundable.

(e) If a refund is not made within the period required by this section, the career school or college shall pay a penalty. If the refund is made to a lending institution, the penalty shall also be paid to that institution and applied against the student's loan. The commission annually shall establish the level of the penalty at a level sufficient to provide a deterrent to the retention of student funds. The commission may exempt a school or college from the payment of the penalty if the school or college makes a good faith effort to refund the tuition, fees, and other charges but is unable to locate the student. The school or college shall provide to the commission on request documentation of the effort to locate the student.

(f) A career school or college shall record a grade of "incomplete" for a student who withdraws during the portion of a course or program for which the student is not eligible to collect a refund under Subsection (b)(4) if the student requests the grade at the time the student withdraws and the student withdraws for an appropriate reason unrelated to the student's academic status. A student who receives a grade of incomplete may re-enroll in the course or program during the 12-month period following the date the student withdraws and complete those incomplete subjects without payment of additional tuition for that portion of the course or program.

(g) A program that is 40 hours or less of course time, or a seminar or workshop, is exempt from the 72-hour rule provided by

Subsection (a). The career school or college shall maintain a policy for the refund of the unused portion of tuition, fees, and other charges in the event the student fails to enter the program or withdraws or is discontinued from the program at any time before completion of the program as provided by this section. The policy must provide that:

(1) refunds are based on the period of enrollment computed on the basis of course or program time;

(2) the effective date of termination for refund purposes is the earlier of:

(A) the last date of attendance; or

(B) the date the school or college receives written notice from the student that the student is withdrawing from the class; and

(3) the student will be refunded the pro rata portion of tuition, fees, and other charges that the number of hours remaining in the portion of the program for which the student has been charged after the effective date of termination bears to the total number of hours in the portion of the program for which the student has been charged.

(h) A closing career school or college shall, subject to Section 132.242, make a full refund to each student of the school or college who is owed a refund under this section.

(i) Each owner of a closing career school or college to which a certificate of approval has not been issued under this chapter is personally liable for the amount of any refund owed to a student under Subsection (h).

(j) The commission may adopt rules governing records necessary to make refunds authorized by this chapter.

Added by Acts 1971, 62nd Leg., p. 2013, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1973, 63rd Leg., p. 1266, ch. 463, Sec. 5, eff. June 14, 1973; Acts 1983, 68th Leg., p. 1972, ch. 359, Sec. 3, eff. Sept. 1, 1983; Acts 1989, 71st Leg., ch. 813, Sec. 4.12, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 1010, Sec. 4, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.39 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.43, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 5, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 1.06, eff. Sept. 1, 2003; Acts 2003, 78th

Leg., ch. 817, Sec. 8.06, eff. Sept. 1, 2003.
Amended by:
Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 6, eff. September 1, 2005.
Acts 2011, 82nd Leg., R.S., Ch. 1029 (H.B. 2784), Sec. 1, eff. September 1, 2011.

Sec. 132.0611. REFUND POLICY FOR STUDENTS CALLED TO ACTIVE MILITARY SERVICE. As a condition to receiving a certificate of approval under this chapter, including a renewal of a certificate of approval, a career school or college must maintain, and include in the school or college's catalogue and enrollment contract, a policy under which a student of the school or college who withdraws from the school or college as a result of the student being called to active duty in a military service of the United States or the Texas National Guard may elect one of the following options for each program in which the student is enrolled:

(1) if tuition and fees are collected in advance of the withdrawal, a pro rata refund of any tuition, fees, or other charges paid by the student for the program and a cancellation of any unpaid tuition, fees, or other charges owed by the student for the portion of the program the student does not complete following withdrawal;

(2) a grade of incomplete with the designation "withdrawn-military" for the courses in the program, other than courses for which the student has previously received a grade on the student's transcript, and the right to re-enroll in the program, or a substantially equivalent program if that program is no longer available, not later than the first anniversary of the date the student is discharged from active military duty without payment of additional tuition, fees, or other charges for the program other than any previously unpaid balance of the original tuition, fees, and charges for books for the program; or

(3) the assignment of an appropriate final grade or credit for the courses in the program, but only if the instructor or instructors of the program determine that the student has:

(A) satisfactorily completed at least 90 percent of the required coursework for the program; and

(B) demonstrated sufficient mastery of the program material to receive credit for completing the program.

Added by Acts 2007, 80th Leg., R.S., Ch. 496 (S.B. 309), Sec. 1, eff. September 1, 2007.

Sec. 132.062. WITHHOLDING RECORDS. A career school or college may withhold a student's transcript or certificate of completion of training until the student has fulfilled the student's financial obligation to the school or college.

Added by Acts 1983, 68th Leg., p. 1972, ch. 359, Sec. 2, eff. Sept. 1, 1983. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.13, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.40 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.19, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.33, eff. Sept. 1, 2003.

Sec. 132.063. APPROVED DEGREES. A career school or college may offer a degree approved by the Texas Higher Education Coordinating Board.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.14, eff. Aug. 28, 1989. Redesignated from Education Code Sec. 32.401 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.44, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.20, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.34, eff. Sept. 1, 2003.

Sec. 132.064. NONQUALIFICATION AS SMALL CAREER SCHOOL AND COLLEGE. (a) A career school or college operating as a small career school or college but that has an annual gross income from tuition and fees that exceed $100,000 (other than a test preparation school described by Section 132.001(10)(B) or (C)) that intends to receive a payment from federal funds under 20 U.S.C. Section 1070 et seq. or intends to receive prepayment of tuition, fees or other charges from federal or state funds shall send written notice to the commission. The notice must be sent not later than the following date, as applicable:

(1) the 60th day after the date on which annual gross income is determined to exceed the maximum;

(2) the day before receiving a payment of federal funds under 20 U.S.C. Section 1070 et seq.; or

(3) the day before enrolling a student who will prepay tuition, a fee, or another charge in whole or in part from federal or state funds.

(b) A career school or college that no longer qualifies as a small career school or college shall apply for an initial certificate of approval as a career school or college within 30 days after the date the school has notified the commission that it no longer qualifies as a small career school or college. The commission may apply or prorate any fees paid by the school or college as a small career school or college.

(c) A career school or college that no longer qualifies as a small career school or college shall submit to the commission an amount of money equal to the difference between the fee for the small career school or college certificate of approval submitted by the school or college and the fee that the school or college would be required to submit after its qualifications as a small career school or college cease.

(d) The authority of a career school or college to operate under a small career school or college certificate of approval terminates on the final determination of issuance or denial of an initial certificate of approval. If a school or college fails to file a complete application within the period required by Subsection (b), the school or college, as a condition of issuance, must pay a late fee in an amount established by commission rule of at least $100.

Added by Acts 1993, 73rd Leg., ch. 1010, Sec. 5, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.402 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.45, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 6, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.21, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.35, eff. Sept. 1, 2003.

Sec. 132.065. SCHOOLS NOT REQUIRED TO TAKE ATTENDANCE. (a) A career school or college that is eligible to participate in student financial aid programs under Title IV, Higher Education Act of 1965

(20 U.S.C. Section 1070 et seq.), is not required to take attendance.

(b) Before a student begins a program offered by a career school or college to which Subsection (a) applies, the school or college shall provide to the student written notice of all policies related to program interruption occurring before the student's completion of the program. The career school or college shall also notify each student in writing that if the student withdraws from the program, it is the student's responsibility to inform the school or college of the student's withdrawal.

(c) A student attending a program offered by a career school or college to which Subsection (a) applies may not be required to pay tuition to the school or college during the first week of the program. Except as otherwise provided by this subsection, the career school or college shall verify the student's enrollment in the program by documenting the student's participation in an academically related activity of the program at the end of the first week of each semester or other academic term of the program, at the end of the first month of each semester or other academic term of the program, at the midpoint of each semester or other academic term of the program, and at the end of each semester or other academic term of the program. If the career school or college is unable to verify the student's enrollment in the program at any of those times, the student is considered to have withdrawn from the program. The date on which the career school or college was first unable to verify the student's enrollment in the program is the date of the student's withdrawal for refund purposes, and the school or college is not required to verify the student's enrollment in the program after that date.

Added by Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 7, eff. September 1, 2005.

SUBCHAPTER D. APPEAL

Sec. 132.101. HEARING. (a) Should the applicant be dissatisfied with the denial of a certificate of approval by the commission, the applicant has the right to appeal the decision of the commission and request a hearing with the commission or a hearing officer appointed by the commission within 15 days after receipt of notice. Upon receipt of the request for a hearing, the commission

shall set a time and place for the hearing and then send notice to the school of the time and place.

(b) The hearing shall be held within 30 days from the receipt of the request for a hearing.

(c) At the hearing, an applicant may appear in person or by counsel and present evidence to the commission or a hearing officer appointed by the commission in support of the granting of the permit specified herein. All interested persons may also appear and present oral and documentary evidence to the commission or a hearing officer appointed by the commission concerning the issuance of a certificate of approval to the applicant school.

(d) Within 10 days after the hearing, the commission shall send notice to the school either affirming or revoking the denial of the certificate of approval.

Added by Acts 1971, 62nd Leg., p. 2014, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.41 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

Sec. 132.102. JUDICIAL APPEAL. (a) The commission's decision to deny a certificate of approval may be appealed to a district court in Travis County.

(b) Unless stayed by the court on a showing of good cause, the commission's decision may not be superseded during the appeal.

(c) On the filing of the lawsuit, citation shall be served on the commission. The commission shall prepare a complete record of all proceedings had before the commission or hearing examiner and shall certify a copy of the proceedings to the court. Trial before the court shall be on the basis of the record made before the commission or hearing examiner, and the court shall make its decision based on the record. The commission's decision shall be affirmed by the court if the court finds substantial evidence in the record to justify the decision, unless the court finds the order to be:

(1) arbitrary and capricious;

(2) in violation of the constitution or laws of this state; or

(3) in violation of rules promulgated by the commission pursuant to this chapter.

(d) The decision of the trial court is subject to appeal in the

same manner as any other civil lawsuit under the Texas Rules of Civil Procedure.

Added by Acts 1971, 62nd Leg., p. 2014, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 28, art. I, part D, Sec. 9,10, eff. Sept. 1, 1984. Redesignated from Education Code Sec. 32.42(a) to (e) and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.46, eff. Sept. 1, 1995.

Sec. 132.103. APPEAL FOLLOWING REVOCATION OF CERTIFICATE OF APPROVAL. Appeals concerning revocation of certificates of approval shall be prosecuted in the same manner and under the same provisions as provided for appeals from denial of such certificates.

Added by Acts 1971, 62nd Leg., p. 2014, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.42(f) and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

SUBCHAPTER E. CLASS ACTION SUITS

Sec. 132.121. CLASS ACTION. (a) Any person who is injured by any act taken or permitted in violation of this chapter may, on behalf of the person and others similarly situated, maintain an action in a district court in Travis County, regardless of the amount in controversy, for temporary or permanent injunctive relief, declaratory relief, or other relief, including damages, such action to be pursued in accordance with Rule 42, Texas Rules of Civil Procedure.

(b) A party filing such an action must give prompt notice to the attorney general, who shall be permitted to join, on application within 30 days, as a party plaintiff.

Added by Acts 1971, 62nd Leg., p. 2015, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.51 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

Sec. 132.122. NOTICE. In any class action permitted under this chapter, the court shall direct the defendant to serve on each member

of the class the best possible notice. If required in the interest of justice, the court may direct that individual notice be served on all members of the class who can be identified through reasonable efforts. Such notice shall inform the recipient that the recipient is thought to be a member of the class and, if so, the recipient may enter an appearance and join in the suit, either in person or through counsel.

Added by Acts 1971, 62nd Leg., p. 2015, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.52 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

Sec. 132.123. JUDGMENT AND COSTS. (a) The court shall enter judgment in each class action brought under this chapter in such form as shall be justified by the facts and the law applicable thereto. Damages shall be awarded only to those members of the class who joined as parties plaintiff, but all other relief granted by the court shall inure to the benefit of all members of the class.

(b) A plaintiff who prevails in a class action shall be awarded court costs and reasonable attorney's fees in the judgment. A legal aid society or legal services program that represents the plaintiff or plaintiffs in such an action shall be awarded a service fee in lieu of attorney's fees.

Added by Acts 1971, 62nd Leg., p. 2015, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.53 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995.

SUBCHAPTER F. PROHIBITED ACTS

Sec. 132.151. PROHIBITIONS. A person may not:

(1) operate a career school or college without a certificate of approval issued by the commission;

(2) solicit prospective students for or on behalf of a career school or college without being registered as a representative of the career school or college as required by this chapter;

(3) accept contracts or enrollment applications for or on behalf of a career school or college from a representative who is not bonded as required by this chapter;

(4) utilize advertising designed to mislead or deceive

prospective students;

(5) fail to notify the commission of the closure of any career school or college within 72 hours of cessation of classes and make available accurate records as required by this chapter;

(6) negotiate any promissory instrument received as payment of tuition or other charge by a career school or college prior to completion of 75 percent of the applicable program, provided that prior to such time, the instrument may be transferred by assignment to a purchaser who shall be subject to all the defenses available against the career school or college named as payee; or

(7) violate any provision of this chapter.

Added by Acts 1971, 62nd Leg., p. 2015, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1973, 63rd Leg., p. 1267, ch. 463, Sec. 6, eff. June 14, 1973; Acts 1989, 71st Leg., ch. 813, Sec. 4.15, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.61 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 7, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.22, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.36, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 8, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 3, eff. September 1, 2011.

Sec. 132.152. ADMINISTRATIVE PENALTY. (a) If a person violates Section 132.151, the commission may assess an administrative penalty against that person as provided by this section.

(b) The commission may assess the administrative penalty in an amount not to exceed $1,000. In determining the amount of the penalty, the commission shall consider the seriousness of the violation.

(c) If, after examination of a possible violation and the facts relating to that possible violation, the commission concludes that a violation has occurred, the commission shall issue a preliminary report that states the facts on which the conclusion is based, the fact that an administrative penalty is to be imposed, and the amount of the penalty to be assessed. Not later than the 10th day after the

date on which the commission issues the preliminary report, the commission shall send a copy of the report to the person charged with the violation, together with a statement of the right of the person to a hearing relating to the alleged violation and the amount of the penalty.

(d) Not later than the 20th day after the date on which the report is sent, the person charged must either make a written request for a hearing or remit the amount of the administrative penalty to the commission. Failure either to request a hearing or to remit the amount of the administrative penalty within the time provided by this subsection results in a waiver of a right to a hearing under this section. If the person charged requests a hearing, the hearing shall be conducted in the same manner as a hearing on the denial of certificate of approval under Section 132.101. If the hearing results in a finding that a violation has occurred, the commission shall:

(1) provide to the person written notice of:

(A) the findings established at the hearing; and

(B) the amount of the penalty; and

(2) enter an order requiring the person to pay the amount of the penalty.

(e) Not later than the 30th day after the date the person receives the order entered by the commission under Subsection (d), the person shall:

(1) pay the amount of the penalty;

(2) remit the amount of the penalty to the commission for deposit in an escrow account and file a petition for judicial review contesting the occurrence of the violation, the amount of the penalty, or both the occurrence of the violation and the amount of the penalty; or

(3) without paying the amount of the penalty, file a petition for judicial review contesting the occurrence of the violation, the amount of the penalty, or both the occurrence of the violation and the amount of the penalty and file with the court a sworn affidavit stating that the person is financially unable to pay the amount of the penalty.

(f) The commission's order is subject to judicial review in the same manner as an appeal of a decision to deny a certificate of approval under Section 132.102.

(g) If on review the court does not sustain the occurrence of

the violation or finds that the amount of the penalty should be reduced, the commission shall remit the appropriate amount to the person charged with the violation not later than the 30th day after the date the court's judgment becomes final.

(h) If the court sustains the occurrence of the violation:

(1) the court:

(A) shall order the person to pay the amount of the penalty; and

(B) may award to the commission the attorney's fees and court costs incurred by the commission in defending the action; and

(2) the commission shall remit the amount of the penalty to the comptroller for deposit in the general revenue fund.

(i) If the person does not pay the amount of the penalty after the commission's order becomes final for all purposes, the commission may refer the matter to the attorney general for collection of the amount of the penalty.

(j) to (m) Repealed by Acts 2003, 78th Leg., ch. 364, Sec. 1.10(1) and ch. 817, Sec. 9.01(2).

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.16, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.611 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 1.07, 1.10(1), eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.07, 9.01(2), eff. Sept. 1, 2003.

Sec. 132.153. COMPETITIVE BIDDING; ADVERTISING. The commission may not adopt rules to restrict competitive bidding or advertising by a career school or college except to prohibit false, misleading, or deceptive competitive bidding or advertising practices. Those rules may not restrict:

(1) the use of an advertising medium;

(2) the size or duration of an advertisement; or

(3) advertisement under a trade name.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.17, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.612 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. Sept. 1, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.47, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.23, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.37, eff. Sept. 1, 2003.

Sec. 132.154. INJUNCTIONS. (a) Whenever the commission has probable cause to believe that any career school or college has committed any acts that would be in violation of this chapter, the commission shall apply for an injunction restraining the commission of such acts.

(b) An action for an injunction under this section shall be brought in Travis County.

Added by Acts 1971, 62nd Leg., p. 2016, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1989, 71st Leg., ch. 813, Sec. 4.18, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.62 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 5, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.24, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.38, eff. Sept. 1, 2003.

Sec. 132.155. CIVIL PENALTY. (a) A person who violates this chapter or a rule adopted under this chapter is liable for a civil penalty in addition to any injunctive relief or other remedy provided by law. The civil penalty may not exceed $1,000 a day for each violation.

(b) The attorney general, at the request of the commission, may bring a civil action to collect a civil penalty under this section.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.19, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.63 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.48, eff. Sept. 1, 1995.

Sec. 132.156. SANCTIONS. (a) If the commission has reasonable cause to believe that a career school or college has violated this chapter or a rule adopted under this chapter, the commission may:

(1) order a peer review of the school or college; or

(2) suspend the admission of students to the school or college.

(b) A peer review ordered under this section shall be conducted by a peer review team composed of knowledgeable persons selected by the commission. The commission shall attempt to provide a balance on

each team between members assigned to the team who are from this state and those who are from other states. The team shall provide the commission with an objective assessment of the content of the career school's or college's curriculum and its application. The costs of providing a peer review team shall be paid by the school or college.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.20, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 32.64 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. Sept. 1, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.49, eff. Sept. 1, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.25, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.39, eff. Sept. 1, 2003.

Sec. 132.157. PENALTY FOR SMALL PROPRIETARY SCHOOL. (a) If a career school or college fails to timely comply with the requirements of Section 132.064, in addition to any other penalties authorized by law, the commission may assess a penalty in an amount not greater than two times the amount that the school or college would have paid in fees and other charges if the school or college had complied with the requirements of Section 132.064 or may assess a penalty in the amount of the tuition or fee charge to any students whose tuition or fees were contracted to be funded by a prepaid federal or state source.

(b) If the commission finds that the career school or college acted intentionally, the commission may, in addition to any other remedy available under law, assess a penalty against the owner in an amount not greater than four times the amount of the fees and charges that the school or college should have paid or four times the amount of the student tuition that was contracted to be funded from a prepaid federal or state source.

(c) The failure to notify the commission within four months after the career school's or college's earnings exceed that of a small career school or college gives rise to a rebuttable presumption of intent for purposes of assessment of a penalty.

(d) The failure to notify the commission within 10 days after a career school or college has enrolled a student whose tuition or fees are paid in whole or in part from a prepaid federal or state source gives rise to a rebuttable presumption of intent for purposes of

assessment of a penalty.

(e) A penalty under this section shall be assessed in accordance with the procedures stated in Section 132.152.

Added by Acts 1993, 73rd Leg., ch. 1010, Sec. 6, eff. Aug. 30, 1993. Redesignated from Education Code Sec. 32.65 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995; Acts 2003, 78th Leg., ch. 364, Sec. 2.26, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.40, eff. Sept. 1, 2003.

Sec. 132.158. PROHIBITION AGAINST CERTAIN ACTIVITIES BY FINANCIAL AID EMPLOYEES. (a) In this section:

(1) "Student loan" means a loan for which the loan agreement requires that all or part of the loan proceeds be used to assist a person in attending an institution of higher education or other postsecondary institution, including a career school or college.

(2) "Student loan lender" means a person whose primary business is:

(A) making, brokering, arranging, or accepting applications for student loans; or

(B) a combination of activities described by Paragraph (A).

(b) A person employed by a career school or college in the financial aid office of the school or college may not:

(1) own stock or hold another ownership interest in a student loan lender, other than through ownership of shares in a publicly traded mutual fund or similar investment vehicle in which the person does not exercise any discretion regarding the investment of the assets of the fund or other investment vehicle; or

(2) solicit or accept any gift from a student loan lender.

(c) A career school or college may not knowingly employ a person who violates Subsection (b). If a career school or college discovers that its employee is in violation of Subsection (b), the school or college shall promptly take appropriate action to cure the violation, including appropriate disciplinary action, based on the severity of the violation and whether the violation was inadvertent.

Added by Acts 2009, 81st Leg., R.S., Ch. 1344 (S.B. 194), Sec. 2, eff. June 19, 2009.

SUBCHAPTER G. FEES

Sec. 132.201. CERTIFICATE AND REGISTRATION FEES. (a) Certificate and registration fees, except those charged pursuant to Subsection (d), shall be collected by the commission. Each fee shall be in an amount set by the commission in an amount not to exceed 150 percent of each fee in the following schedule:

(1) the initial fee for a career school or college:

(A) for a certificate of approval is $2,000; or

(B) for a small career school or college certificate of approval is $1,000;

(2) the first renewal fee and each subsequent renewal fee for a career school or college is the greater of:

(A) an amount that is determined by applying a percentage, not to exceed 0.3 percent, to the gross tuition and fees, excluding refunds as provided by Section 132.061 or 132.0611, of the school or college; or

(B) $500;

(3) the initial registration fee for a representative is $60;

(4) the annual renewal fee for a representative is $30;

(5) the fee for a change of a name of a career school or college or owner is $100;

(6) the fee for a change of an address of a career school or college is $180;

(7) the fee for a change in the name or address of a representative or a change in the name or address of a career school or college that causes the reissuance of a representative permit is $10;

(8) the application fee for an additional program is $150, except for seminars and workshops, for which the fee is $25;

(9) the application fee for a director, administrative staff member, or instructor is $15;

(10) the application fee for the authority to grant degrees is $2,000;

(11) the application fee for an additional degree program is $250; and

(12) the fee for an inspection required by commission rule of classroom facilities that are separate from the main campus is

$250.

(b) The commission shall periodically review and recommend adjustments in the level of fees to the legislature.

(c) For purposes of this section, the gross amount of annual student fees and tuition for a career school or college is the amount determined by the commission based on any report submitted by the school or college to the commission or other information obtained by the commission.

(d) In connection with the regulation of any career school or college or program through a memorandum of understanding pursuant to Section 132.002(c), the commission shall set an application and annual renewal fee, not to exceed $2,000. The fee shall be an amount reasonably calculated to cover the administrative costs associated with assuming the additional regulation.

(e) The fee for an investigation at a career school or college to resolve a complaint filed against the school or college is $600. The fee may be charged only if:

(1) the complaint could not have been resolved by telephone or written correspondence only;

(2) a representative of the commission visits the school or college as a part of the complaint resolution process; and

(3) the school or college is found to be at fault.

(f) The commission may allow payment of any fee authorized under this section or under Section 132.2415 that exceeds $1,000 to be paid by installment. The commission shall provide for appropriate interest charges and late penalties in addition to any other remedy that is provided for by law for the late payment of a fee installment authorized under this section. The commission may assess a reasonable service charge or interest to be paid by a career school or college that pays a fee by installment in an amount not to exceed 10 percent annually of the fee that is to be paid by installment.

(g) All fees, interest, or other charges collected under this section shall be used only for the administration of this chapter.

(h) The commission may apply or prorate a fee paid by a small career school or college that has complied with the notification requirements of Section 132.064 toward an initial certificate as a career school or college in the event that a career school or college has ceased to qualify as a small career school or college during a certification period.

(i) The commission may charge each career school or college a

fee for the cost of a service that collects, analyzes, and reports student-level data in order to assess the outcome of students who attend career schools and colleges. The total amount of the fees charged under this subsection must not exceed the cost of the service to the commission.

Added by Acts 1971, 62nd Leg., p. 2016, ch. 620, Sec. 1, eff. June 4, 1971. Amended by Acts 1973, 63rd Leg., p. 1268, ch. 463, Sec. 7, eff. June 14, 1973; Acts 1983, 68th Leg., p. 1975, ch. 359, Sec. 4, eff. Sept. 1, 1983; Acts 1985, 69th Leg., ch. 239, Sec. 28, eff. Sept. 1, 1985; Acts 1989, 71st Leg., ch. 813, Sec. 4.21, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 391, Sec. 65, eff. Aug. 26, 1991; Acts 1993, 73rd Leg., ch. 1010, Sec. 7, eff. Aug. 30, 1993.
Redesignated from Education Code Sec. 32.71 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.50, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 8, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 2.27, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.41, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 9, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 496 (S.B. 309), Sec. 3, eff. September 1, 2007.

Sec. 132.202. REQUIRED POSTING BY CERTAIN SCHOOLS OR EDUCATIONAL INSTITUTIONS NOT OPERATING IN THIS STATE. A school or educational institution described by Section 132.001(1)(B) shall post a conspicuous notice on the home page of its website stating:

(1) that the career school or college is not regulated in Texas under this chapter;

(2) the name of any regulatory agencies that approve and regulate the school's programs in the state where the school is physically located and in which it has legal authorization to operate; and

(3) how to file complaints or make other contact with applicable regulatory agencies.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1246 (S.B. 1534), Sec. 4, eff. September 1, 2011.

SUBCHAPTER H. FUNDING

Sec. 132.221. FUNDING. (a) The cost of administration of this chapter shall be included in the appropriation for the commission.

(b) Fees collected by the commission shall be used to help defray the cost and expense of administering this chapter.

Added by Acts 1971, 62nd Leg., p. 2016, ch. 620, Sec. 1, eff. June 4, 1971. Redesignated from Education Code Sec. 32.81 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.51, eff. Sept. 1, 1995.

SUBCHAPTER I. PROTECTION OF TUITION

Sec. 132.2415. TUITION TRUST ACCOUNT. (a) The Texas Workforce Commission depository bonds guaranty trust account is renamed the career school or college tuition trust account. The career school or college tuition trust account is the account designated to receive all amounts related to the protection of career school or college tuition. The balance of the trust account may not exceed $1 million.

(b) The commission may collect annually a fee from each career school or college to be deposited to the credit of the career school or college tuition trust account. The total amount of the fees collected in a year shall be set by the commission in the amount estimated as necessary to pay the liabilities of the trust account during that year, not to exceed 0.2 percent of the gross amount of tuition and fees charged by career schools and colleges in that year, excluding amounts refunded under Section 132.061 or 132.0611.

(c) If, at the end of a fiscal year, the commission determines that the commission has collected fees under this chapter in excess of the amount necessary to defray the expense of administering this chapter, the commission may transfer any portion of the excess amount to the career school or college tuition trust account.

(d) From money in the career school or college tuition trust account, the commission shall attempt to provide a full refund to each student of a closed career school or college of the amount owed to the student as determined under Section 132.061. The commission may provide a partial refund to a student only if the commission determines that the amount in the trust account is insufficient to

provide a full refund to the student. The commission shall consider the following factors in determining the amount of a partial refund to be paid to a student:

(1) the amount of money in the trust account;

(2) the cost and number of claims against the trust account resulting from closure of the school or college;

(3) the average cost of a claim paid from the trust account in the past; and

(4) the availability of other schools or colleges, regardless of whether the school or college is a career school or college, at which the student may complete the student's training.

Added by Acts 2003, 78th Leg., ch. 364, Sec. 1.08, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.09, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 10, eff. September 1, 2005.

Acts 2007, 80th Leg., R.S., Ch. 496 (S.B. 309), Sec. 4, eff. September 1, 2007.

Sec. 132.242. CLOSED SCHOOL OR COLLEGE. (a) If a career school or college closes, the commission shall attempt to arrange for students of the closed school or college to attend another school or college, regardless of whether the school or college is a career school or college.

(b) The expense incurred by a school or college, regardless of whether the school or college is a career school or college, in providing a teachout that is directly related to educating a student placed in the school or college under this section, including the applicable tuition for the period for which the student has paid tuition, shall be paid from the career school or college tuition trust account.

(c) If the student cannot be placed in another school or college, regardless of whether the school or college is a career school or college, the student's tuition and fees shall be refunded under Section 132.061(d).

(d) If a student does not accept a place that is available and reasonable in another school or college, regardless of whether the school or college is a career school or college, the student's

tuition and fees shall be refunded under the refund policy maintained by the closing career school or college under Section 132.061.

(e) For each closed career school or college, refunds shall be paid from the career school or college tuition trust account in an amount not to exceed $150,000.

(f) If another school or college, regardless of whether the school or college is a career school or college, assumes responsibility for the closed career school's or college's students with no significant changes in the quality of training, the student is not entitled to a refund under Subsection (c) or (d).

(g) Attorney's fees, court costs, or damages may not be paid from the career school or college tuition trust account.

Added by Acts 1989, 71st Leg., ch. 813, Sec. 4.22, eff. Jan. 1, 1992. Redesignated from Education Code Sec. 32.92 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 2, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.53, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 1064, Sec. 9, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 364, Sec. 1.09, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 817, Sec. 8.10, eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 747 (H.B. 2806), Sec. 11, eff. September 1, 2005.

SUBCHAPTER J. CEASE AND DESIST ORDERS

Sec. 132.301. HEARING; NOTICE. (a) The commission may set a hearing on whether to issue a cease and desist order against a person under Section 132.303 if the commission has reason to believe that the person is operating a career school or college without a certificate issued by the commission in violation of Section 132.151.

(b) The commission shall serve on the person a statement of charges and a notice of hearing, including a copy of the applicable rules of the commission.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 719 (H.B. 2371), Sec. 1, eff. June 15, 2007.

Sec. 132.302. HEARING. Except as agreed by the parties with prior written approval of the commission, a hearing under this subchapter must be held not earlier than the fifth day or later than the 30th day after the date of service of the statement and notice required under Section 132.301.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.

Sec. 132.303. CEASE AND DESIST ORDER. After a hearing held under this subchapter, the commission may issue against the person charged with operating a career school or college without a certificate issued by the commission an order that requires that the person immediately cease and desist from violating this chapter.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.

Sec. 132.304. ENFORCEMENT; REFERRAL TO THE ATTORNEY GENERAL. The commission may refer the matter to the consumer protection division of the attorney general's office for enforcement if the commission has reason to believe that a person has violated or failed to respond to a cease and desist order issued under this subchapter.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.

Sec. 132.305. EFFECT OF PRIOR PROCEEDINGS. The commission may proceed under this chapter or any other applicable law without regard to prior proceedings.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.

Sec. 132.306. RULES. The commission shall adopt rules as necessary to implement this subchapter.

Added by Acts 2003, 78th Leg., ch. 817, Sec. 8.08, eff. Sept. 1, 2003.

CHAPTER 133. APPRENTICESHIP SYSTEM OF ADULT CAREER AND TECHNOLOGY EDUCATION

Sec. 133.001. DEFINITIONS. In this chapter:

(1) "Apprenticeship training program" means a training program that provides on-the-job training, preparatory instruction, supplementary instruction, or related instruction in a trade that has been certified as an apprenticible occupation by the Bureau of Apprenticeship Training of the United States Department of Labor.

(2) "Preparatory instruction" means a course of instruction lasting six months or less that teaches the basic skills required for an individual to comply with the terms of the individual's apprenticeship agreement as required by Section 133.002(d).

(3) "Supplementary instruction" means a course of instruction for persons employed as journeymen craftsmen in apprenticible trades that is designed to provide new skills or upgrade current skills.

(4) "Related instruction" means organized, off-the-job instruction in theoretical or technical subjects required for the completion of an apprenticeship program for a particular apprenticible trade.

(5) "Commission" means the Texas Employment Commission.

(6) "Bureau" means the Bureau of Apprenticeship Training of the United States Department of Labor.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1993, 73rd Leg., ch. 771, Sec. 19, eff. Sept. 1, 1993. Redesignated from Education Code Sec. 33.01 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.54, eff. Sept. 1, 1995.

Sec. 133.002. GENERAL PROVISIONS RELATING TO APPRENTICESHIP TRAINING PROGRAMS. (a) Pursuant to the provisions of this chapter, the commission may allocate state funds for the support of apprenticeship training programs that meet the criteria set forth in this chapter.

(b) A program must be sponsored by a public school district or a state postsecondary institution pursuant to a contract between the district or institution and an apprenticeship committee.

(c) A program must be under the direction of an apprenticeship committee whose members are appointed by one or more employers of apprentices, one or more bargaining agents representing members of an apprenticible trade, or a combination of the above, and the committee shall perform the duties set forth in Section 133.003. If an apprenticeship committee is composed of representatives of one or more employers and one or more bargaining agents, the number of committee members designated by the employer or employers shall be equal to the number of committee members designated by the bargaining agent or agents.

(d) Each apprentice participating in a program must be given a written apprenticeship agreement by the apprenticeship committee stating the standards and conditions of the apprentice's employment and training. The standards must conform substantially with the standards of apprenticeship for the particular trade which have been adopted by the bureau.

(e) An apprentice may not be charged tuition or fees by a public school district or state postsecondary institution other than an administrative fee to cover the costs of processing the apprentice's records which shall not exceed $5 for each course in which the apprentice is enrolled.

(f) Funding for a program, in addition to any other money available, shall be provided by the apprenticeship committee pursuant to the terms of the contract referred to in Subsection (b).

(g) Pursuant to the terms of the contract referred to in Subsection (b), adequate facilities, personnel, and resources to effectively administer the apprenticeship training program in a manner consistent with the public's need for skilled craftsmen and the apprentices' need for marketable skills in apprenticible occupations must be provided.

(h) A program must be registered with the bureau and approved by the commission.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.02 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.55, eff. Sept. 1, 1995.

Sec. 133.003. DUTIES OF APPRENTICESHIP COMMITTEE. The apprenticeship committee for each apprenticeship training program shall:

(1) establish standards and goals for preparatory instruction, supplementary instruction, and related instruction for apprentices in the program;

(2) establish rules governing the on-the-job training and other instruction for apprentices in the program;

(3) plan and organize instructional materials designed to provide technical and theoretical knowledge and basic skills required by apprentices in the program;

(4) recommend qualified instructions for the program;

(5) monitor and evaluate the performance and progress of each apprentice in the program and the program as a whole;

(6) interview applicants and select those most qualified for entrance into the program;

(7) provide for the keeping of records of the on-the-job training and progress of each apprentice;

(8) encourage instructors to maintain recommended qualifications; and

(9) perform any other duties which, in the opinion of the apprenticeship committee, promote the goals of individual apprentices and of the program as a whole.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.03 by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995.

Sec. 133.004. NOTICE OF AVAILABLE FUNDS. In order to insure that all citizens of Texas have an equal opportunity to benefit from apprenticeship training programs, the commission shall provide for statewide publication in a manner recommended by the advisory committee and intended to give actual notice to all potential program sponsors of the amount of funds that will be available to support apprenticeship training programs during the current and following fiscal years, the qualifications required of program sponsors and apprenticeship committees, and the procedures to be followed in

applying for state funds. The notice may also include other information recommended by the advisory committee and approved by the commission. Notwithstanding the foregoing, the commission shall publish any information concerning available funds given to a particular program sponsor in a manner recommended by the advisory committee and intended to give actual notice to all potential program sponsors statewide.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.04 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.56, eff. Sept. 1, 1995.

Sec. 133.005. AUDIT PROCEDURES. (a) The commission shall maintain a clear audit trail of all funds appropriated for the apprenticeship system of adult career and technology education. For each course that is funded, the audit trail shall include the following records:

(1) the name of the sponsoring public school district or state postsecondary institution;

(2) the name of the instructor;

(3) the number of students enrolled;

(4) the place and schedule of class meetings; and

(5) certification by the bureau for preparatory and related instruction courses that the students enrolled were registered apprentices.

(b) Public school districts or state postsecondary institutions receiving funds shall maintain a clear audit trail which shall include records of receipts for all expenditures relating solely to each particular course. Where an expense is shared by two or more courses, the allocation to that expense from the funds for a particular course shall be supported by a formula based on the comparative benefit derived by each course from the expense. No charges for the depreciation of facilities or the retirement of indebtedness shall be allocated to an apprenticeship course.

(c) Funds appropriated for the apprenticeship system of adult vocational education shall not be commingled with funds appropriated for other purposes.

(d) All state funds appropriated to the commission pursuant to

this chapter are subject to audit by the state auditor in accordance with Chapter 321, Government Code. Funds received pursuant to this chapter by a school district or postsecondary institution are subject to audit as otherwise provided by law.

(e) All records, receipts, working papers, and other components of the audit trail shall be public records.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1981, 67th Leg., p. 23, ch. 19, Sec. 1, eff. April 1, 1981; Acts 1989, 71st Leg., ch. 584, Sec. 86, eff. Sept. 1, 1989. Redesignated from Education Code Sec. 33.07 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.57, eff. Sept. 1, 1995.

Sec. 133.006. APPROPRIATION AND DISTRIBUTION OF FUNDS. (a) On recommendation of the advisory committee the commission shall adopt formulas and administrative procedures to be used in requesting appropriations of state funds as a budgetary line item for the Apprenticeship System of Adult Career and Technology Education.

(b) The commission shall prepare an update to the Apprenticeship Related Instruction Cost Study adopted by the State Board of Education on February 10, 1973, prior to each biennial session of the legislature.

(c) On recommendation of the advisory committee the commission shall adopt forms, formulas, and administrative procedures for the distribution of available funds to apprenticeship training programs. Distribution formulas must be uniform in application to all local program sponsors.

(d) On recommendation of the advisory committee the commission shall reserve until December 1 of each year a percentage of the funds appropriated under the line item described in this section to be used solely for apprenticeship-related instruction programs. This percentage shall be established by the formulas required by this section. Reserved funds that are not obligated on December 1 may be used for preparatory and supplementary instruction programs as well as related instruction programs.

(e) No funds shall be distributed to a public school district or state postsecondary institution until the district or institution has filed all reports required by this chapter and by the commission.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.08 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.58, eff. Sept. 1, 1995.

Sec. 133.007. RULES. The commission shall promulgate rules necessary to implement the provisions of this chapter.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.09 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.59, eff. Sept. 1, 1995.

Sec. 133.008. STATUS OF RECOMMENDATIONS. (a) Recommendations of the advisory committee submitted to the commission must be acted on, and either accepted or rejected.

(b) A recommendation which is rejected must be returned immediately to the advisory committee, accompanied by written notice of the reasons for rejecting the recommendation.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.10 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995. Amended by Acts 1995, 74th Leg., ch. 655, Sec. 11.60, eff. Sept. 1, 1995.

Sec. 133.009. APPLICABILITY. The provisions of this chapter apply only to those apprenticeship training programs which receive state funds pursuant to the provisions of Section 133.002.

Added by Acts 1977, 65th Leg., p. 621, ch. 230, Sec. 1, eff. Aug. 29, 1977. Redesignated from Education Code Sec. 33.11 and amended by Acts 1995, 74th Leg., ch. 260, Sec. 3, eff. May 30, 1995.

CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

Sec. 134.001. DEFINITIONS. In this chapter:

(1) "Commission" means the Texas Workforce Commission.

(2) "Public junior college" and "public technical

institute" have the meanings assigned by Section 61.003.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 3(a), eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 1, eff. June 10, 2015.
Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 1, eff. June 16, 2015.

Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a) The commission shall establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund for purposes of this chapter;

(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 2, eff. June 10, 2015.
Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 2, eff. June 16, 2015.

Sec. 134.003. ADVISORY BOARD. (a) An advisory board of education and workforce stakeholders is created to assist the commission in administering this chapter.

(b) The advisory board is composed of six members who serve two-year terms and are appointed as follows:

(1) one member appointed by the governor;

(2) one member appointed by the lieutenant governor;

(3) one member appointed by the speaker of the house of representatives;

(4) one member appointed by the Texas Higher Education Coordinating Board;

(5) one member appointed by the commission; and

(6) the chair of the commission, who serves as the presiding officer.

(c) The advisory board shall meet at least once each quarter, or as needed, to review received applications and recommend awarding grants under this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 3, eff. June 10, 2015.
Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 3, eff. June 16, 2015.

Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM. (a) The commission shall establish and administer the Jobs and Education for Texans (JET) Grant Program to provide grants to public junior colleges, public technical institutes, and independent school districts described under Section 134.007 that apply to the advisory board in the manner prescribed by the advisory board. The commission shall award the grants on the advice and recommendations of the advisory board.

(b) Grants may be awarded under this chapter from the Jobs and Education for Texans (JET) fund to defray the start-up costs associated with the development of new career and technical education programs at public junior colleges, public technical institutes, and independent school districts described under Section 134.007 that meet the requirements of Section 134.006.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 1, eff. September 1, 2013.
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 4, eff.

June 10, 2015.

Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 4, eff. June 16, 2015.

Sec. 134.006. GRANTS TO EDUCATIONAL INSTITUTIONS FOR CAREER AND TECHNICAL EDUCATION PROGRAMS. (a) The commission may award a grant for the development of new career and technical education courses or programs at public junior colleges, public technical institutes, and independent school districts.

(b) A grant received under this section may be used only:

(1) to support courses or programs that prepare students for career employment in occupations that are identified by local businesses as being in high demand, including courses offered for dual credit;

(2) to finance initial costs of career and technical education course or program development, including the costs of constructing or renovating facilities, purchasing equipment, and other expenses associated with the development of a new course; and

(3) to finance a career and technical education course or program that leads to a license, certificate, or postsecondary degree.

(c) In awarding a grant under this section, the commission shall primarily consider the potential economic returns to the state from the development of the career and technical education course or program. The commission may also consider whether the course or program:

(1) is part of a new, emerging industry or high-demand occupation;

(2) offers new or expanded dual credit career and technical educational opportunities in public high schools; or

(3) is provided in cooperation with other public junior colleges or public technical institutes across existing service areas.

(d) To be eligible to receive a grant under this section, a public junior college, public technical institute, or independent school district described under Section 134.007 must provide matching funds in accordance with rules adopted under Section 134.008. The matching funds may be obtained from any source available to the public junior college, public technical institute, or independent

school district, including industry consortia, community or foundation grants, individual contributions, and local governmental agency operating funds.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 5, eff. June 10, 2015.
Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 5, eff. June 16, 2015.

Sec. 134.007. GRANTS AWARDED TO INDEPENDENT SCHOOL DISTRICT. The commission may award a grant to an independent school district under this chapter if the district has entered into a partnership with a public junior college or public technical institute for the purpose of:

(1) promoting career and technical education to the district's students; or

(2) offering dual credit courses to the district's students.

Added by Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 6, eff. June 10, 2015.

Sec. 134.008. RULES. The commission shall adopt rules as necessary for the administration of this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 895 (H.B. 3), Sec. 64, eff. June 19, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 416 (H.B. 3062), Sec. 7, eff. June 10, 2015.
Acts 2015, 84th Leg., R.S., Ch. 630 (S.B. 1351), Sec. 6, eff. June 16, 2015.

CHAPTER 135. TEXAS STATE TECHNICAL COLLEGE SYSTEM
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 135.01. TEXAS STATE TECHNICAL COLLEGE SYSTEM; ROLE AND MISSION. (a) Texas State Technical College System is a coeducational two-year institution of higher education offering courses of study in technical-vocational education for which there is demand within the State of Texas.

(b) Texas State Technical College System shall contribute to the educational and economic development of the State of Texas by offering occupationally oriented programs with supporting academic course work, emphasizing highly specialized advanced and emerging technical and vocational areas for certificates or associate degrees. The Texas State Technical College System is authorized to serve the State of Texas through excellence in instruction, public service, faculty and manpower research, and economic development. The system's economic development efforts to improve the competitiveness of Texas business and industry include exemplary centers of excellence in technical program clusters on the system's campuses and support of educational research commercialization initiatives. Through close collaboration with business, industry, governmental agencies, and communities, including public and private secondary and postsecondary educational institutions, the system shall facilitate and deliver an articulated and responsive technical education system.

(c) In developing and offering highly specialized technical programs with related supportive coursework, primary consideration shall be placed on industrial and technological manpower needs of the state. The emphasis of each Texas State Technical College System campus shall be on advanced or emerging technical programs not commonly offered by public junior colleges.

Acts 1971, 62nd Leg., p. 3316, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 6, eff. Aug. 26, 1985; Acts 1987, 70th Leg., ch. 823, Sec. 2.02, eff. June 20, 1987; Acts 1991, 72nd Leg., ch. 287, Sec. 1, eff. Sept. 1, 1991.

Sec. 135.011. DEFINITIONS. In this chapter:

(1) "Board" means the board of regents of the Texas State Technical College System.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

(3) "System" means the Texas State Technical College

System.

(4) "Faculty research" means research using the system's facilities and equipment that is:

(A) consistent with the system's mission; and

(B) funded by private sources, competitively acquired sources, or appropriated public funding.

(5) "Campus" means a unit of the system that grants associate degrees and certificates.

(6) "Extension center" means a site, operating under the administration of a campus, that has an extension program.

(7) "Extension program" includes credit and noncredit instruction in technical-vocational education.

Added by Acts 1991, 72nd Leg., ch. 287, Sec. 2, eff. Sept. 1, 1991.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 629 (H.B. 1325), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 1219 (S.B. 489), Sec. 1, eff. June 17, 2011.

Sec. 135.02. LOCATION. (a) The Texas State Technical College System is composed of:

(1) a system office located in the city of Waco in McLennan County;

(2) a campus located in the city of Harlingen in Cameron County;

(3) a campus serving West Texas that operates as a collective unit of strategically positioned permanent locations in the city of Sweetwater in Nolan County, the city of Abilene in Taylor County, the city of Brownwood in Brown County, and the city of Breckenridge in Stephens County;

(4) a campus located in the city of Marshall in Harrison County;

(5) a campus located in the city of Waco in McLennan County;

(6) a campus located in Fort Bend County;

(7) a campus located in the city of Red Oak in Ellis County; and

(8) campuses assigned to the system from time to time by

specific legislative Act.

(b) The system may operate an extension center created after September 1, 1991, in a city or county if:

(1) the coordinating board has given prior approval to the extension center, after considering the role and mission of the system, the needs of this state and of the community involved, the actions of the legislature, if any, and the efficient and effective use of the state's educational resources for the economic development of this state;

(2) a political subdivision of this state provides and maintains appropriate equipment and facilities for the delivery of technical-vocational education, including maintenance and utilities; and

(3) funding for the extension center is approved by specific legislative Act.

Text of subsec. (c) as amended by Acts 1991, 72nd Leg., ch. 287, Sec. 3

(c) The board may accept or acquire by purchase in the name of the State of Texas land and facilities in any of the counties in which a campus or extension center is located. The coordinating board must review and approve the acceptance or acquisition of any land and facilities if:

(1) the board of regents requests to place the land and facilities on its educational and general buildings and facilities inventory; and

(2) the combined value of the land and facilities is more than $300,000 at the time the board of regents requests the property to be added to the educational and general buildings and facilities inventory.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 394, Sec. 1, eff. June 17, 2011.

(d), (e) Repealed by Acts 1999, 76th Leg., ch. 1363, Sec. 3, eff. September 1, 1999.

Acts 1971, 62nd Leg., p. 3316, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1971, 62nd Leg., p. 3341, ch. 1024, art. 2, Sec. 10, eff. Sept. 1, 1971; Acts 1989, 71st Leg., ch. 464, Sec. 7, eff. June 14, 1989; Acts 1991, 72nd Leg., ch. 268, Sec. 1 to 3, eff. Aug. 26, 1991; Acts 1991, 72nd Leg., ch. 287, Sec. 3, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 359, Sec. 3; Acts 1999, 76th Leg.,

ch. 1363, Sec. 1, 3, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 238, Sec. 1, eff. May 22, 2001.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 394 (S.B. 514), Sec. 1, eff. June 17, 2011.
Acts 2011, 82nd Leg., R.S., Ch. 1219 (S.B. 489), Sec. 2, eff. June 17, 2011.
Acts 2013, 83rd Leg., R.S., Ch. 1096 (H.B. 3640), Sec. 1, eff. June 14, 2013.
Acts 2015, 84th Leg., R.S., Ch. 49 (H.B. 1051), Sec. 1, eff. May 21, 2015.
Acts 2015, 84th Leg., R.S., Ch. 91 (H.B. 658), Sec. 1, eff. May 23, 2015.

Sec. 135.04. APPROVAL OF PROGRAMS. (a) Educational programs wholly or partially financed from state funds are subject to the prior approval or disapproval and continuing review of the coordinating board.

(b) Before any program may be offered by a campus or extension center within the tax district of a public junior college that is operating a vocational and technical program, it must be established that the public junior college is not capable of offering or is unable to offer the program. After it is established that a need for the program exists and that the program is not locally available, the campus or extension center may offer the program, provided approval is secured from the coordinating board. Approval of technical-vocational programs under this section does not apply to Brown, McLennan, Cameron, Fort Bend, and Potter counties.

(c) Where a local government, business, or industry located in a county or a portion of a county that is not operating a public junior college district requests that the campus or extension center offer a program, the campus or extension center may offer the program provided approval is secured from the coordinating board.

Acts 1971, 62nd Leg., p. 3316, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 8, eff. Aug. 26, 1985; Acts 1991, 72nd Leg., ch. 287, Sec. 4, eff. Sept. 1, 1991.
Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 1076 (H.B. 3332), Sec. 2, eff.

June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 91 (H.B. 658), Sec. 2, eff. May 23, 2015.

Sec. 135.05. SERVICES FOR THE DEAF. (a) The system shall provide qualified interpreters for deaf students in attendance at each campus. In order to be qualified, an interpreter must:

(1) be capable of giving verbatim transliteration or interpretation of the spoken word through finger spelling, the language of signs, or speaking without voice;

(2) be capable of sign-to-voice interpretation from the language of signs to the spoken word; and

Text of (3) as amended by Acts 1991, 72nd Leg., ch. 287, Sec. 5

(3) hold a certificate from the National Registry of Interpreters for the Deaf or an equivalent certificate issued by the Texas Commission for the Deaf.

Text of (3) as amended by Acts 1991, 72nd Leg., ch. 345, Sec. 3

(3) hold a Level III, IV, or V certificate issued by the Texas Commission for the Deaf or other certificate approved by the executive officer of the institute.

(b) The system shall also provide equipment, materials, and services, including tutoring, counseling, and other support services, necessary for the deaf student to take full advantage of existing educational programs.

(c) The executive officer shall determine which courses offered by the institute are appropriate for an electronic display on a screen or terminal, with less than 30 seconds delay, of a speaker's spoken message. The institute shall implement the electronic display in those courses.

Added by Acts 1977, 65th Leg., p. 1034, ch. 379, Sec. 1, eff. Aug. 29, 1977. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 5, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., ch. 345, Sec. 3, eff. Sept. 1, 1991.

Sec. 135.06. EXTENSION PROGRAM. (a) Texas State Technical College System is authorized to provide extension programs of training in the fields of Technical-Vocational Education as temporary

programs to address current unemployment problems.

(b) The system may accept in the name of the State of Texas any real or personal properties. The system shall not be authorized by this section to establish permanent programs or campuses.

(c) The system may operate an extension program by the use of gifts and grants from any public or private source and other legislative appropriations.

(d) The system may enter into contracts with existing political subdivisions, state agencies, state institutions, private entities, or federal agencies to carry out an extension program.

(e) The extension program shall be limited to the needs for Technical-Vocational Training in the area being served and shall be subject to the provisions of Subsections (e) and (j) of Section 61.051 of this code.

(f) The system may not use legislative appropriations for physical plant operations or utility costs of an extension program or center created after September 1, 1991.

Added by Acts 1983, 68th Leg., p. 4527, ch. 742, Sec. 1, eff. Aug. 29, 1983. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 9, eff. Aug. 26, 1985; Acts 1991, 72nd Leg., ch. 287, Sec. 6, eff. Sept. 1, 1991.

Sec. 135.07. FUNDING; GIFTS AND GRANTS. (a) The legislature shall appropriate funds for administration, instruction, and physical plant operations and utilities for each campus of the system and for each extension program created before September 1, 1991, on the basis of formulas developed by the coordinating board.

(b) The legislature shall appropriate funds for administration of and instruction at each extension program created after September 1, 1991, and operated by the system on the basis of formulas developed by the coordinating board.

(c) The system may accept gifts and grants from any public or private source.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.03, eff. June 20, 1987. Amended by Acts 1989, 71st Leg., ch. 882, Sec. 1, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 287, Sec. 7, eff. Sept. 1, 1991.

Sec. 135.08. AIRPORT. (a) The Waco campus may operate its airport as a public airport.

(b) The system may not use legislative appropriations for the airport but may use federal or public agency grants for aviation or economic development.

Added by Acts 1991, 72nd Leg., ch. 287, Sec. 8, eff. Sept. 1, 1991.

SUBCHAPTER B. BOARD OF REGENTS; ADMINISTRATIVE PROVISIONS

Sec. 135.21. BOARD OF REGENTS. The organization and control of the system is vested in a board of nine regents.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 9, eff. Sept. 1, 1991.

Sec. 135.22. APPOINTMENT OF BOARD. The governor shall appoint members of the board with the advice and consent of the senate. In appointing members of the board the governor shall include persons representing agriculture, business, industry, and labor. Each member of the board shall be a citizen of Texas and shall take the constitutional oath of office.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 135.23. TERMS OF OFFICE. The term of office of each regent is six years. Any vacancy that occurs on the board is filled for the unexpired term by appointment of the governor.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 10, eff. Sept. 1, 1991.

Sec. 135.24. ORGANIZATION; BYLAWS. The board shall elect one of the members chairman; elect other officers as it deems necessary; and enact bylaws, rules, and regulations as it deems necessary for

the successful management and operation of the system.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 11, eff. Sept. 1, 1991.

Sec. 135.25. MEETINGS. The board shall meet as prescribed by its bylaws.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 12, eff. Sept. 1, 1991.

Sec. 135.26. COMPENSATION. Members of the board may not receive salary or compensation for their services, but they shall receive reimbursement for their actual expenses incurred in attending to the work of the board.

Acts 1971, 62nd Leg., p. 3317, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 13, eff. Sept. 1, 1991.

Sec. 135.27. SYSTEM CENTRAL ADMINISTRATION OFFICE; EXECUTIVE OFFICER. (a) The central administration office of the system shall provide oversight and coordination of the activities of each component of the system.

(b) The board shall appoint an executive officer of the system and determine the executive officer's term of office, salary, and duties.

(c) The executive officer shall recommend a plan for the organization of the system and the appointment of an executive officer for each campus of the system.

(d) The executive officer of the system is responsible to the board for the general management and success of the system, and the board shall cooperate with the executive officer to carry out that responsibility.

(e) In addition to other powers and duties provided by this code or other law, the central administration office of the system

shall recommend necessary policies and rules to the governing board of the system to ensure conformity with all laws and rules and to provide uniformity in data collection and financial reporting procedures.

Added by Acts 1989, 71st Leg., ch. 464, Sec. 8, eff. June 14, 1989. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 14, eff. Sept. 1, 1991.

SUBCHAPTER C. BOARD OF REGENTS; POWERS AND DUTIES

Sec. 135.51. CERTIFICATES, DIPLOMAS, AND ASSOCIATE DEGREES. (a) The board shall prescribe and award associate of applied science degrees, certificates, and diplomas limited to those appropriate to technical education.

(b) The board may offer and award an associate of science degree in a field of study at Texas State Technical College--Harlingen campus if the coordinating board determines that the degree in that field of study:

(1) is appropriate to the role and mission of the system; and

(2) meets the educational or workforce needs of the region in which the campus is located.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 10, eff. Aug. 26, 1985; Acts 1991, 72nd Leg., ch. 287, Sec. 15, eff. Sept. 1, 1991.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 629 (H.B. 1325), Sec. 2, eff. June 19, 2009.

Sec. 135.52. FEES AND TUITION. (a) The board shall collect tuition at the rates provided by law and registration fees.

(b) The board may charge a student a higher rate of tuition than the tuition that would otherwise be charged for a course in which the student enrolls if:

(1) the student has previously enrolled in the same course or a course of substantially the same content and level two or more times; and

(2) the student's enrollment in the course is not included in the contact hours used in the funding formulas established under Section 61.059 for use in making appropriation recommendations for the system.

(c) Subsection (b) does not apply to a non-degree-credit developmental course.

(d) The total amount of tuition charged to the student under Subsection (b) for the repeated course may not exceed the full cost of instruction for the course with respect to the student.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1985, 69th Leg., ch. 646, Sec. 11, eff. Aug. 26, 1985.
Amended by:
Acts 2005, 79th Leg., Ch. 1220 (H.B. 994), Sec. 2, eff. June 18, 2005.

Sec. 135.53. NONRESIDENT FEE EXEMPTIONS. The board may enter into cooperative agreements which exempt technical students from nonresident fees when there are reciprocal privileges granted to Texas residents.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971.

Sec. 135.54. CONTRACTS. The board may contract with individuals, federal, state, and local agencies and departments, corporations, and associations to provide:

(1) educational programs designed to meet the need for trained personnel in Texas; or

(2) programs for economic development that benefit this state.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 16, eff. Sept. 1, 1991.

Sec. 135.55. SUITS; VENUE. The board may sue, and may be

sued, in the name of the Texas State Technical College System, with venue being in either McLennan County or Travis County.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 17, eff. Sept. 1, 1991.

Sec. 135.56. BONDS AND NOTES; PLEDGE OF REVENUE. (a) The board may irrevocably pledge the fees, charges, revenues, and the proceeds of the lease, sale, transfer, or exchange of or from the buildings, land, structures, and the additions to the existing buildings and structures authorized to be constructed, improved, or equipped and to pledge the revenue of the proceeds of the lease, sale, transfer, or exchange of or from any other revenue-producing buildings, structures, facilities, and other property to the payment of the interest on and the principal of bonds authorized to be issued by Chapter 55 of this code, and to enter into agreements regarding the imposition of fees, charges, and other revenue and the collection, pledge, and disposition as the board deems appropriate. However, where land and improvements on the land, the revenue of which has been pledged to pay bonds, are to be sold, the sale is conditioned on the deposit by the board of the proceeds of the sale to the sinking fund created by the bond order of the issuing authority.

(b) All income received by the board under the provisions of this section shall be accounted for and used in the same manner as other money available to the board for the establishment or operation of the system.

(c) The bonds authorized to be issued under Chapter 55 of this code are special obligations of the board issuing the bonds and are payable only from a pledge of the fees, charges, and other revenues authorized by this section and from the proceeds of the lease, sale, transfer, or exchange of land and improvements on the land the revenue of which is pledged to secure the payment of interest on and principal of the bonds.

(d) The board, in addition to the authority already provided, may issue revenue bonds for the purposes authorized and in the manner prescribed and under the terms and conditions set forth in Chapter 55 of this code.

(e) The board may issue additional revenue bonds for the purposes authorized and in the manner prescribed by 26 U.S.C. Section 142, relating to airport development, water and sewage treatment, residential construction, and other matters within the role and scope of the system.

Acts 1971, 62nd Leg., p. 3318, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 18, eff. Sept. 1, 1991.

Sec. 135.561. USE OF PROPERTY. The board may lease, sell, transfer, or exchange land and permanent improvements owned by the system as the board determines is in the best interest of fulfilling the mission of the system.

Added by Acts 1991, 72nd Leg., ch. 287, Sec. 19, eff. Sept. 1, 1991.

Sec. 135.57. INSURANCE. The board may procure the property and liability insurance coverages required by the United States to protect it and its agencies against the possibility of loss or liability in connection with property owned by the United States and loaned to the system pursuant to the provisions of the National Industrial Reserve Act of 1948, 50 U.S.C. Secs. 451-462.

Acts 1971, 62nd Leg., p. 3319, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 20, eff. Sept. 1, 1991.

Sec. 135.58. WORKERS' COMPENSATION INSURANCE. The board may provide workers' compensation insurance for its employees according to the provisions of Chapter 229, Acts of the 50th Legislature, 1947, as amended (Article 8309b, Vernon's Texas Civil Statutes).

Acts 1971, 62nd Leg., p. 3319, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 21, eff. Sept. 1, 1991.

Sec. 135.59. CONTRACTS WITH INSTITUTIONS OF HIGHER EDUCATION. The board may enter into any contracts and agreements with an institution of higher education, as defined by Section 61.003 of this code, or a private or independent college or university that is accredited by a recognized accrediting agency under Section 61.003 of this code, for joint participation in programs that may be designed to benefit the State of Texas.

Acts 1971, 62nd Leg., p. 3319, ch. 1024, art. 1, Sec. 1, eff. Sept. 1, 1971. Amended by Acts 1991, 72nd Leg., ch. 287, Sec. 22, eff. Sept. 1, 1991.

Sec. 135.60. EMINENT DOMAIN. (a) The board may exercise the power of eminent domain to acquire land, clearance easements for airport zoning, and facilities in any of the counties in which a campus is located or in a county adjacent to one of those counties.

(b) The board must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, but the board is not required to provide a bond for appeal or a bond for costs.

Added by Acts 1991, 72nd Leg., ch. 287, Sec. 23, eff. Sept. 1, 1991.

Sec. 135.61. FORECASTING TECHNICAL EDUCATION PROGRAM NEEDS. (a) The board shall develop and administer a program to forecast the types of technical education programs that are needed to maintain and improve the state's economic and technological competitiveness.

(b) The program shall review the state's business and industry workforce needs for trained and educated workers and suggest specific technical education programs in specific areas that are needed to ensure or that would enhance the state's economic and technological competitiveness. The board may recommend the creation of new technical education programs or new methods of delivering technical education programs.

(c) The board shall provide information and recommendations developed under the program to any institution of higher education, as defined by Section 61.003, that:

(1) provides technical education programs; or

(2) the board determines should offer technical education programs for the purpose of Subsection (a).

Added by Acts 1999, 76th Leg., ch. 1563, Sec. 1, eff. June 19, 1999.

SUBCHAPTER D. PARTNERSHIPS BETWEEN TEXAS STATE TECHNICAL COLLEGE SYSTEM AND PUBLIC JUNIOR COLLEGES

Sec. 135.101. DEFINITION. In this subchapter, "public junior college" has the meaning assigned by Section 61.003.

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

Sec. 135.102. PARTNERSHIP AGREEMENTS. (a) With the approval of the coordinating board, the board and a public junior college may enter into a partnership agreement designed to coordinate the management and operations of the institutions and to enhance the delivery of technical education programs across this state. The agreement does not abrogate the powers and duties of the boards with regard to the governance of their respective institutions.

(b) A partnership agreement under this subchapter must:

(1) provide that the participating institutions, in conjunction with the local community, identify and offer courses that will meet the educational and workforce development goals for the region;

(2) provide that program offerings receive approval from the coordinating board;

(3) provide for the distribution of responsibilities regarding specific program offerings and resulting awards;

(4) provide for the distribution of tuition, fees, and state funds associated with formula funding regarding program offerings; and

(5) comply with applicable rules of the coordinating board relating to contractual agreements.

(c) A partnership agreement between the system and a public junior college under this subchapter is considered to be in compliance with Sections 135.04(b) and (c).

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

Sec. 135.103. JOINT USE OF PERSONNEL. The governing boards of the participating institutions may fill by joint appointment any administrative, faculty, or support position necessary for the operation of the institutions.

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

Sec. 135.104. SUPPORT SERVICES. The governing boards of the participating institutions may assign the management and operation of selected services, including maintenance of buildings and grounds, operation of auxiliary enterprises, and operation of a jointly supported library, to one of the institutions in order to achieve cost-effectiveness.

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

Sec. 135.105. FACILITIES. (a) The participating institutions may, under the terms of the partnership agreement, make provisions for adequate physical facilities for use by the institutions.

(b) The participating institutions may individually or collectively lease, purchase, finance, construct, or rehabilitate physical facilities under this section appropriate to partnership needs. The owning or financing of facilities under this section promotes the public purpose of supporting higher education and further promotes the public purpose of developing and diversifying the economy of this state and eliminating unemployment and underemployment in this state under the authority granted by Section 52-a, Article III, Texas Constitution.

(c) A participating institution of higher education may lease facilities from or to another participating institution for administrative and instructional purposes.

(d) Participating institutions may solicit, accept, and administer, on terms and conditions acceptable to the participating institutions, gifts, grants, or donations of any kind and from any source for facilities and equipment.

(e) A facility used for the purposes of a partnership agreement under this subchapter is not considered a facility used to operate an

extension program under Section 135.06.

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

Sec. 135.106. STATE FUNDING. The system is entitled to receive state appropriations on the same formula basis as if the system did not enter into a partnership agreement under this subchapter, and any other participating institution of higher education is entitled to state appropriations on the same formula basis as other similar institutions of higher education.

Added by Acts 2013, 83rd Leg., R.S., Ch. 366 (H.B. 2760), Sec. 1, eff. June 14, 2013.

CHAPTER 136. TEXAS INNOVATIVE ADULT CAREER EDUCATION GRANT PROGRAM

Sec. 136.001. DEFINITIONS. In this chapter:

(1) "Nonprofit organization" means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

(2) "Nonprofit workforce intermediary and job training organization" means a nonprofit organization that engages in comprehensive long-term job training in partnership with a public junior college, public state college, or public technical institute and provides labor market intermediary services to participant students.

(3) "Program" means the Texas Innovative Adult Career Education (ACE) Grant Program established under Section 136.005.

(4) "Public junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

Sec. 136.002. GRANT ADMINISTRATOR. (a) The Texas Higher Education Coordinating Board shall designate the governing board of a

junior college district primarily located in a municipality with a population of 750,000 or more that is primarily located in a county with a population of 1.5 million or less as the grant administrator of the program, including the funds available under Section 136.003.

(b) The grant administrator may participate in the program if the grant administrator is otherwise an eligible organization under Section 136.006.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

Sec. 136.003. TEXAS INNOVATIVE ADULT CAREER EDUCATION (ACE) GRANT FUND. (a) The comptroller shall establish the Texas Innovative Adult Career Education (ACE) Grant fund as a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund for purposes of this chapter;

(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

Sec. 136.004. PROGRAM ADVISORY BOARD. (a) The grant administrator shall establish a program advisory board that provides input and recommendations for the awarding of grants under this chapter.

(b) The program advisory board must be composed of members representing the philanthropic community, the business employer community, and public junior colleges and public technical institutes and must include the mayor of one of the five most populous municipalities in this state. The grant administrator may appoint a nonvoting, ex officio member to the program advisory board. The program advisory board shall elect a chair of the board from among its members.

(c) The program advisory board shall provide oversight to

ensure that the grant administrator:

(1) establishes and adheres to an appropriate system that provides acceptable standards for ensuring accountability in the awarding and monitoring of grants;

(2) enters into a written grant agreement or contract with each grantee that establishes clear goals and obligations in unambiguous terms;

(3) acts with due diligence to monitor the implementation of a grant agreement, including carrying out appropriate monitoring activities including reviews at reasonable intervals; and

(4) takes prompt and appropriate corrective action on becoming aware of any evidence of a violation by a grantee of this chapter or of rules adopted under this chapter.

(d) The program advisory board shall meet as needed to review received grant applications and make recommendations to the grant administrator regarding awarding grants under this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

Sec. 136.005. TEXAS INNOVATIVE ADULT CAREER EDUCATION (ACE) GRANT PROGRAM. (a) The grant administrator shall establish and administer the Texas Innovative Adult Career Education (ACE) Grant Program to provide grants to eligible nonprofit workforce intermediary and job training organizations. In awarding grants under the program, the grant administrator shall take into consideration the recommendations of the program advisory board.

(b) Grants may be awarded under this chapter from the Texas Innovative Adult Career Education (ACE) Grant fund only to develop, support, or expand programs of eligible nonprofit workforce intermediary and job training organizations to prepare low-income students to enter careers in high-demand and significantly higher-earning occupations.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

Sec. 136.006. ELIGIBLE ORGANIZATIONS. (a) To be eligible for a grant under the program, a nonprofit workforce intermediary and job

training organization must:

(1) apply to the grant administrator in the manner prescribed by the grant administrator;

(2) provide to eligible low-income students, in partnership with public junior colleges, public state colleges, or public technical institutes:

(A) job training; and

(B) a continuum of services designed to move a program participant from application to employment, including outreach, assessment, case management, support services, and career placement;

(3) be governed by a board or other governing structure that includes recognized leaders of broad-based community organizations and executive-level or managerial-level members of the local business community;

(4) demonstrate to the satisfaction of the program advisory board that the organization's program has achieved or will achieve the following measures of success among program participants:

(A) above-average completion of developmental education among participating public junior college, public state college, or public technical institute students;

(B) above-average persistence rates among participating public junior college, public state college, or public technical institute students;

(C) above-average certificate or degree completion rates by participating students within a three-year period compared to demographically comparable public junior college, public state college, and public technical institute students; and

(D) entry into careers with significantly higher earnings for program participants than previously achieved; and

(5) provide matching funds in accordance with rules adopted under this chapter.

(b) The matching funds required under Subsection (a)(5) may be obtained from any source available to the organization, including in-kind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds. The grant administrator may adopt rules requiring an organization to demonstrate compliance with the matching funds requirement before the payment of the next installment under an awarded grant.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff.

September 1, 2013.

Sec. 136.007. RULES. (a) The grant administrator shall adopt rules as necessary for the administration of this chapter in the manner provided by Chapter 2001, Government Code, for a state agency.

(b) The grant administrator, with recommendations of the program advisory board, shall adopt rules regarding eligibility, program tuition and fees, administrative costs, matching funds, and case management and other supports for the program. The rules may include provisions for the payment in periodic installments of grant awards.

Added by Acts 2013, 83rd Leg., R.S., Ch. 859 (H.B. 437), Sec. 2, eff. September 1, 2013.

SUBTITLE H. RESEARCH IN HIGHER EDUCATION

CHAPTER 141. RESEARCH ENHANCEMENT PROGRAM

Sec. 141.001. DEFINITIONS. In this chapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board, or its successor.

(2) "Enhancement program" means the research enhancement program established under this chapter.

(3) "Faculty member" means a person who is tenured or is in a tenure track position and is employed by a public senior college or university.

(4) "Public senior college or university" has the meaning assigned by Section 61.003(4) of this code.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.

Sec. 141.002. ESTABLISHMENT; PURPOSE. The research enhancement program is established to encourage and provide support for research conducted by faculty members. The program replaces the research program that currently is referred to as "Organized Research."

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20,

1987.

Sec. 141.003. FUNDING. (a) The research enhancement program is funded by legislative appropriations. A public senior college or university may receive gifts, grants, and donations to augment legislative appropriations.

(b) The legislature shall appropriate money for the enhancement program to each public senior college or university using a formula developed by the coordinating board that is based on the number of full-time faculty members, or the equivalent, at each public senior college or university, as determined by the coordinating board.

(c) Supplies, materials, services, and equipment purchased with these funds shall not be subject to the purchasing authority of the comptroller.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.87, eff. September 1, 2007.

Sec. 141.004. GUIDELINES AND PROCEDURES. Each public senior college or university that receives funds under this chapter shall:

(1) develop guidelines and procedures to use in selecting the research projects to be funded;

(2) appoint a faculty committee to review research proposals submitted for consideration and to select the projects to be funded using the guidelines and procedures developed under this section; and

(3) provide for awards on a competitive basis.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.

Sec. 141.005. MERIT REVIEW. The coordinating board shall appoint a committee that consists of higher education representatives to evaluate the enhancement program's effectiveness and shall report its findings to the coordinating board not later than September 1 of

the second year of each biennium.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.

CHAPTER 142. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; ADVANCED TECHNOLOGY PROGRAM

Sec. 142.001. DEFINITIONS. In this chapter:

(1) "Applied research" means research directed at gaining the knowledge or understanding necessary to meet a specific and recognized need, including the discovery of new scientific knowledge that has specific objectives relating to products or processes.

(1-a) "Basic research" means research the primary object of which is to gain a fuller fundamental knowledge of the subject under study.

(2) "Coordinating board" has the meaning assigned by Section 141.001 of this code.

(3) "Eligible institution" means:

(A) an institution of higher education; or

(B) a private or independent institution of higher education.

(3-a) "Institution of higher education," "medical and dental unit," and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(4) "Research program" means the Norman Hackerman advanced research program established under this chapter.

(5) "Faculty member" means a person who is tenured or is in a tenure track position or a research professional employed by an eligible institution.

(6) "Technology program" means the advanced technology program established under this chapter.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1250 (H.B. 58), Sec. 1, eff. June 19, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1335 (S.B. 44), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.018(a),

eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 7.018(b), eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 540 (H.B. 2631), Sec. 2, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 52, eff. September 1, 2013.

Sec. 142.002. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; PURPOSE. The Norman Hackerman advanced research program is established to encourage and provide support for basic research conducted by faculty members and students in astronomy, atmospheric science, biological and behavioral sciences, chemistry, computer sciences, earth sciences, engineering, information science, mathematics, material sciences, oceanography, physics, environmental issues affecting the Texas-Mexico border region, the reduction of industrial, agricultural, and domestic water use, social sciences, and related disciplines in eligible institutions.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987. Amended by Acts 1993, 73rd Leg., ch. 876, Sec. 1, eff. Aug. 30, 1993; Acts 1999, 76th Leg., ch. 1500, Sec. 1, eff. June 19, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1335 (S.B. 44), Sec. 2, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 540 (H.B. 2631), Sec. 3, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 53, eff. September 1, 2013.

Sec. 142.0025. ADVANCED TECHNOLOGY PROGRAM; PURPOSE. (a) It is essential to the state's economic growth that the state exploit the potential of technology to advance the development and growth of technology and that industry be promoted and expanded. The advanced technology program is established as a means to accomplish this purpose.

(b) Providing appropriated funds to faculty members of

institutions of higher education and private or independent institutions of higher education to conduct applied research is important to the state's welfare and, consequently, is an important public purpose for the expenditure of public funds because the applied research will enhance the state's economic growth by:

(1) educating the state's scientists and engineers;

(2) creating new products and production processes; and

(3) contributing to the application of science and technology to state businesses.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.
Transferred, redesignated and amended from Education Code, Section 143.002 by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 54, eff. September 1, 2013.

Sec. 142.003. ADMINISTRATION; GUIDELINES AND PROCEDURES. (a) The coordinating board shall administer the technology program and the research program.

(b) The coordinating board shall appoint an advisory committee that consists of experts in the specified research areas of both programs to advise the coordinating board regarding the coordinating board's development of research priorities, guidelines, and procedures for the selection of specific projects at eligible institutions.

(c) The guidelines and procedures developed for the research program by the coordinating board must:

(1) provide for awards on a competitive, peer review basis for specific projects at eligible institutions; and

(2) require that, as a condition of receiving an award, an eligible institution must use a portion of the award to support, in connection with the project for which the award is made, basic research conducted by:

(A) graduate or undergraduate students, if the eligible institution is a medical and dental unit; or

(B) undergraduate students, if the eligible institution is any other eligible institution.

(d) The guidelines and procedures developed for the technology program by the coordinating board must:

(1) provide for determining whether an institution of higher education or private or independent institution of higher education qualifies as an eligible institution for the purposes of the technology program by demonstrating exceptional capability to attract federal, state, and private funding for scientific and technical research and having an exceptionally strong research staff and the necessary equipment and facilities; and

(2) provide for awards on a competitive, peer review basis for specific projects at eligible institutions.

(e) The coordinating board shall encourage projects under the technology program that leverage funds from other sources and projects that propose innovative, collaborative efforts:

(1) across academic disciplines;

(2) among two or more eligible institutions; or

(3) between an eligible institution or institutions and private industry.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1335 (S.B. 44), Sec. 3, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 55, eff. September 1, 2013.

Sec. 142.0035. TECHNOLOGY PROGRAM: PRIORITY RESEARCH AREAS. The technology program may provide support for faculty members to conduct research in areas determined by an advisory panel appointed by the coordinating board. Initial research areas shall include: agriculture, biotechnology, biomedicine, energy, environment, materials science, microelectronics, aerospace, marine science, aquaculture, telecommunications, manufacturing science, environmental issues affecting the Texas-Mexico border region, the reduction of industrial, agricultural, and domestic water use, recycling, and related disciplines. The advisory committee appointed under Section 142.003(b) may add or delete priority research areas as the advisory committee considers warranted.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987. Amended by Acts 1989, 71st Leg., ch. 621, Sec. 1, eff. June

14, 1989; Acts 1991, 72nd Leg., ch. 303, Sec. 12, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 876, Sec. 2, eff. Aug. 30, 1993; Acts 1999, 76th Leg., ch. 1500, Sec. 2, eff. June 19, 1999. Transferred, redesignated and amended from Education Code, Section 143.003 by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 56, eff. September 1, 2013.

Sec. 142.004. FUNDING. (a) The programs created under this chapter are funded by appropriations and by gifts, grants, and donations made for purposes of each program.

(b) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 540, Sec. 5, eff. June 17, 2011.

(c) The funds allocated for the research program may be expended to support the particular projects for which an award is made and may not be expended for the general support of ongoing research at an eligible institution or for the construction or remodeling of a facility.

(c-1) The funds allocated for the technology program may be:

(1) expended to support particular research projects for which an award is made, and may not be expended for the general support of ongoing research and instruction at an eligible institution or for the construction or remodeling of a facility; and

(2) used to match a grant provided by private industry for a particular collaborative research project with an eligible institution.

(d) Research projects shall be reviewed and funded each biennium.

(e) Supplies, materials, services, and equipment purchased with these funds shall not be subject to the purchasing authority of the comptroller.

(f) The advisory committee appointed under Section 142.003(b) shall determine when and to what extent funds appropriated under this chapter will be allocated to each program under this chapter unless the legislature specifies a division in the General Appropriations Act.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.88, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 540 (H.B. 2631), Sec. 4, eff. June 17, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 540 (H.B. 2631), Sec. 5, eff. June 17, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 57, eff. September 1, 2013.

Sec. 142.006. MERIT REVIEW. (a) The coordinating board shall appoint a committee that consists of experts in the specified research areas to evaluate the research program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

(b) The coordinating board shall appoint a committee consisting of representatives of higher education and private enterprise advanced technology research organizations to evaluate the technology program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987. Amended by Acts 2003, 78th Leg., ch. 820, Sec. 32, eff. Sept. 1, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 58, eff. September 1, 2013.

Sec. 142.007. CONFIDENTIALITY. Information submitted as part of a pre-proposal or proposal or related to the evaluation and selection of research projects to be funded by the research program or technology program is confidential unless made public by coordinating board rule.

Added by Acts 2003, 78th Leg., ch. 820, Sec. 33, eff. Sept. 1, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 58, eff. September 1, 2013.

Sec. 142.009. APPLIED RESEARCH FOR CLEAN COAL PROJECT AND OTHER PROJECTS FOR ELECTRICITY GENERATION. The coordinating board shall use money available for the purpose from legislative appropriations, including gifts, grants, and donations, to support at one or more eligible institutions applied research related to:

(1) the development, construction, and operation in this state of a clean coal project, as defined by Section 5.001, Water Code; or

(2) electricity generation using lignite coal deposits in this state or integrated gasification combined cycle technology.

Added by Acts 2007, 80th Leg., R.S., Ch. 1246 (H.B. 2608), Sec. 1, eff. June 15, 2007.
Transferred and redesignated from Education Code, Section 143.0051 by Acts 2013, 83rd Leg., R.S., Ch. 1155 (S.B. 215), Sec. 59, eff. September 1, 2013.

CHAPTER 143. ADVANCED TECHNOLOGY PROGRAM

CHAPTER 145. OVERHEAD COST RECOVERY

Sec. 145.001. GRANTS AND RESEARCH EXPENSES. (a) In this section:

(1) "Defined institution" means:

(A) "general academic teaching institution" as defined by Section 61.003(3) of this code;

(B) "medical and dental unit" as defined by Section 61.003(5) of this code; and

(C) "other agency of higher education" as defined by Section 61.003(6) of this code.

(2) "Funding entity" means a governmental or private entity that provides a defined institution with the funds to conduct research and pay the overhead expenses of conducting research.

(b) Each defined institution shall retain and deposit or invest in accordance with Section 51.003 or Section 51.0031 of this code any funds received from a funding entity designated for paying overhead expenses of conducting research.

(c) The funds retained by a defined institution under Subsection (b) may not be accounted for in an appropriations act in such a way as to reduce the general revenue funds to be appropriated to a general academic teaching institution or a medical or dental

unit. The retained funds are subject to the following requirements:

(1) The funds shall be expended under guidelines approved by the institution's governing board for projects encouraging further research at the unit, agency, or department level at which the research was conducted, including:

(A) conducting early pregrant feasibility studies;

(B) preparing competitive proposals for sponsored programs;

(C) providing carryover funding for research teams to provide continuity between externally funded projects;

(D) supporting new researchers pending external funding;

(E) engaging in research programs of critical interest to the general welfare of the citizens of this state;

(F) purchasing capital equipment directly related to expanding the research capability of the institution; and

(G) research or project administrative costs; and

(2) the funds remaining after the application of Subdivision (1) shall be used by a general academic teaching institution or a medical or dental unit to support research as approved by a general academic teaching institution or a medical or dental unit.

(d) Each general academic teaching institution and each medical or dental unit shall report to the Legislative Budget Board as part of the biennial budget reporting process:

(1) the actual amounts of money retained and expended under this section; and

(2) the estimated amounts of money to be retained and expended under this section during the next biennium.

Added by Acts 1987, 70th Leg., ch. 823, Sec. 3.08, eff. June 20, 1987. Amended by Acts 2003, 78th Leg., ch. 269, Sec. 1, eff. June 18, 2003.

CHAPTER 149. GEO-TECHNOLOGY RESEARCH INSTITUTE

Sec. 149.001. DEFINITIONS. In this chapter:

(1) "Center" means the Houston Advanced Research Center.

(2) "Institute" means the Geo-Technology Research Institute.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 8, eff. Sept. 1, 1993.

Sec. 149.002. GEO-TECHNOLOGY RESEARCH INSTITUTE. The Geo-Technology Research Institute is located at the center, a research consortium that includes The University of Texas at Austin, Texas A&M University, Rice University, and the University of Houston.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 8, eff. Sept. 1, 1993. Amended by Acts 1999, 76th Leg., ch. 1427, Sec. 1, eff. June 19, 1999.

Sec. 149.003. ADMINISTRATION. The board of directors of the center directs the administration of the institute.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 8, eff. Sept. 1, 1993.

Sec. 149.004. DUTIES. (a) The institute shall conduct basic and applied research and analysis in geoscience, geo-technology, and related fields, including the implementation of technological advances and development of integrated databases.

(b) Results of the research of the institute shall be made available to state agencies, other public bodies and officials, industry, and private citizens.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 8, eff. Sept. 1, 1993. Amended by Acts 1999, 76th Leg., ch. 1427, Sec. 2, eff. June 19, 1999.

Sec. 149.005. FUNDS. (a) The institute may receive:

(1) funds from the federal government or the state government, including funds from:

(A) direct appropriations to the institute;

(B) an agreement under Chapter 771 or 791, Government Code; or

(C) a contract under Subtitle D, Title 10, Government Code, including funds received as a vendor in a proprietary purchase made under Section 2155.067, Government Code; and

(2) pledges or gifts from private sources.

(b) The board of directors of the center shall manage and approve disbursement of all funds, pledges, and gifts.

(c) The use of state funds is limited to expenditures for basic and applied research and analysis, excluding construction costs.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 8, eff. Sept. 1, 1993. Amended by Acts 1999, 76th Leg., ch. 1427, Sec. 3, eff. June 19, 1999.

CHAPTER 150. TRANSPORTATION RESEARCH

Sec. 150.001. DEFINITIONS. In this chapter:

(1) "Department" means the Texas Department of Transportation.

(2) "Public senior college or university" has the meaning assigned by Section 61.003.

(3) "Transportation facilities" means highways, turnpikes, airports, railroads, including high-speed railroads, bicycle and pedestrian facilities, waterways, pipelines, electric utility facilities, communication lines and facilities, public transportation facilities, port facilities, and facilities appurtenant to other transportation facilities.

Added by Acts 1997, 75th Leg., ch. 382, Sec. 2, eff. May 28, 1997.

Sec. 150.002. CONTRACTS. (a) The department may contract with a public senior college or university for the college or university to conduct research relating to transportation, including the economics, planning, design, construction, maintenance, or operation of transportation facilities.

(b) An agreement entered into under this chapter is not subject to Chapter 771, Government Code.

Added by Acts 1997, 75th Leg., ch. 382, Sec. 2, eff. May 28, 1997.

Sec. 150.003. PAYMENT FOR SERVICES, MATERIALS, AND EQUIPMENT. (a) The comptroller may draw a warrant in favor of a public senior college or university based on a voucher or claim submitted by the

college or university through the department for services rendered and materials and equipment provided by the college or university under a contract entered into under this chapter.

(b) The comptroller shall pay a warrant issued under this section out of money appropriated by the legislature to the department. Payments received by a public senior college or university under this section are local funds of the college or university.

Added by Acts 1997, 75th Leg., ch. 382, Sec. 2, eff. May 28, 1997.

CHAPTER 151. BORDER HEALTH INSTITUTE

Sec. 151.001. DEFINITION. In this chapter, "institute" means the Border Health Institute, a collaboration or consortium of independent public and private entities.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.

Sec. 151.002. ESTABLISHMENT; PURPOSE. (a) The Border Health Institute is established in the city of El Paso.

(b) The institute shall operate in a manner that facilitates and assists the activities of international, national, regional, or local health-related institutions working in the Texas-Mexico border region.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 811 (S.B. 1526), Sec. 1, eff. June 19, 2009.

Sec. 151.003. INSTITUTE MEMBERSHIP. (a) Subject to Subsection (b), the institute is composed of the following institutions:

(1) The University of Texas at El Paso;

(2) Texas Tech University Health Sciences Center at El Paso;

(3) El Paso Community College District;

(4) R. E. Thomason General Hospital;

(5) El Paso City/County Health District;

(6) Department of State Health Services; and

(7) Medical Center of the Americas Foundation.

(b) The governing board of the institute may adopt procedures for:

(1) changing, adding, or removing entities as members of the institute; and

(2) creating developmental or advisory boards for the institute.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 811 (S.B. 1526), Sec. 2, eff. June 19, 2009.

Sec. 151.004. ADMINISTRATION. (a) The governing board of the institute is composed of the chief executive officer or president of each entity that is a member of the institute or that officer's or president's designee.

(b) The governing board of the institute is responsible for the operation of the institute. The board shall adopt rules relating to:

(1) the operation and deliberations of the governing board; and

(2) the operation of the institute.

(c) The governing board may employ an executive director of the institute and any other officer or employee necessary for the operation of the institute.

(d) Repealed by Acts 2009, 81st Leg., R.S., Ch. 811, Sec. 4, eff. June 19, 2009.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.
Amended by:
Acts 2009, 81st Leg., R.S., Ch. 811 (S.B. 1526), Sec. 4, eff. June 19, 2009.

Sec. 151.005. FUNDING. (a) In addition to any amount appropriated by the legislature, the institute may apply for and accept funds from the federal government or any other public or private entity. The institute or any member of the institute may also solicit and accept pledges, gifts, and endowments from private

sources on the institute's behalf. A pledge, gift, or endowment solicited under this section must be consistent with the purposes of the institute.

(b) The governing board of the institute shall manage and approve disbursements of appropriations, funds, pledges, gifts, and endowments that are the property of the institute.

(c) The governing board of the institute shall manage any capital improvements constructed, owned, or leased by the institute and any real property acquired by the institute.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.

Sec. 151.008. STRATEGIC PLAN. The institute shall develop a long-term strategic plan that includes a statement of the institute's goals and objectives for:

(1) providing health care services to persons living in the border region;

(2) providing health care education to persons living in the border region; and

(3) conducting research into issues affecting public health in the border region, including research related to:

(A) diabetes;

(B) health issues of particular concern to persons of Hispanic descent;

(C) infectious diseases;

(D) emerging infections;

(E) trauma care;

(F) environmental health; and

(G) children's health.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 811 (S.B. 1526), Sec. 3, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 20, eff. September 1, 2013.

Sec. 151.009. COORDINATING BOARD OVERSIGHT. The institutions subject to the oversight of the Texas Higher Education Coordinating

Board under Chapter 61 and the rules of the coordinating board adopted under Chapter 61 remain subject to that supervision and those rules as those institutions participate in the institute and its activities.

Added by Acts 1999, 76th Leg., ch. 883, Sec. 1, eff. June 18, 1999.

CHAPTER 153. CENTERS FOR TECHNOLOGY DEVELOPMENT AND TRANSFER

Sec. 153.001. DEFINITIONS. In this chapter:

(1) "Center" means an office, department, or other organizational unit established under this chapter.

(2) "Governing board" has the meaning assigned by Section 61.003.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

(4) "Organization" has the meaning assigned by Section 1.201, Business & Commerce Code.

(5) "Person" has the meaning assigned by Section 1.201, Business & Commerce Code.

(6) "Technology" means the application of scientific knowledge for practical purposes and includes inventions, discoveries, trade secrets, copyrighted materials, tools, machines, materials, processes to do work, processes to produce goods, processes to perform services, processes to carry out other useful activities, trademarks, and computer software.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

Sec. 153.002. FINDINGS. The legislature finds that:

(1) it is essential to the continued economic growth and diversification of this state that technology development and transfer be promoted and expanded;

(2) the students, scientists, researchers, faculty, and staff of the institutions of higher education of this state have developed and, in all likelihood, will continue to develop technology that will contribute to the continued growth and diversification of the state's economy;

(3) the electorate of this state authorized the legislature to allow for the programs created by this chapter by adopting Section

52-a, Article III, Texas Constitution; and

(4) an institution of higher education is authorized to engage in technology development and transfer activities under the authority provided to its governing board and other state and federal law.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

Sec. 153.003. CREATION OF CENTERS. (a) An institution of higher education, subject to approval by its governing board, is authorized to establish centers to manage, transfer, market, or otherwise commercialize technology owned by it or in which it owns an interest.

(b) Each center shall be administered within an institution of higher education.

(c) Centers may provide services to multiple institutions of higher education. An institution of higher education may contract with a center under the control of a governing board other than its own.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

Sec. 153.004. OPERATION OF CENTERS. (a) To the extent authorized by its governing board, an institution of higher education, through a center established under this chapter, may:

(1) accept and administer funds, including state appropriations, gifts, grants, contracts, and donations, to aid in the establishment, maintenance, and operation of the center or to aid in the discovery, development, protection, or commercialization of technology;

(2) solicit and enter into agreements to fund the discovery, development, protection, and commercialization of technology;

(3) make technology owned or controlled by it available to persons for commercial applications through license agreements, assignments, or other forms of transfer;

(4) acquire interests in and ownership of technology;

(5) provide business, scientific, and engineering services and technical assistance to persons engaged in the development,

manufacture, or marketing of technology in which it owns an interest;

(6) acquire insurance and pay premiums on insurance of any kind and in amounts considered necessary and advisable to accomplish the purposes of this chapter;

(7) establish and operate corporations, either for profit or not for profit, and limited liability companies for the development and commercialization of technology and convey equity interests in such entities; and

(8) engage in other related activities required to achieve the purposes of this chapter.

(b) Property and services of institutions of higher education may be used to achieve the purposes of this chapter.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

Sec. 153.005. PROGRAMS. (a) To the extent authorized by its governing board, an institution of higher education, through a center, may operate programs to provide assistance to persons in commercializing technology owned by it or in which it has an interest. Assistance may include providing monetary support or nonmonetary support, including the use of premises, computers, computer software, telecommunications terminal equipment, office equipment and supplies, machinery, custodial services, utilities, or other services that are customarily treated as overhead expenses by institutions of higher education.

(b) The policies and procedures to be used by an institution of higher education to assess the qualifications of persons participating in a center's programs, including objective criteria for admission and for the measurement of progress and standards for continuance or termination of participation, shall be approved by the institution's governing board.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

Sec. 153.006. SUPPORT OF CENTERS. (a) In order to carry out the purposes of this chapter and to support the activities of centers described in this chapter, to the extent authorized by its governing board, an institution of higher education may:

(1) enter into agreements establishing royalties, fees, and

other consideration for technology developed in whole or part by the institution;

(2) accept equity interests in, convertible promissory debt instruments issued by, or a combination of equity interests in and convertible promissory debt instruments issued by organizations that license, manage, or otherwise administer rights to technology belonging to the institution or under its control in exchange for such rights, in whole or in part;

(3) accept equity interests in, convertible promissory debt instruments issued by, or a combination of equity interests in and convertible promissory debt instruments issued by organizations that license or otherwise have rights in the institution's technology as consideration for its providing monetary, business, scientific, or engineering services or technical assistance;

(4) use income from the commercialization of technology to fund the activities of the center;

(5) solicit, accept, and administer gifts, grants, and donations;

(6) enter into contracts for legal services with a competent lawyer or law firm to:

(A) prepare, file, pursue, and maintain patent applications in the United States or foreign jurisdictions;

(B) secure copyright protection for computer software;

(C) prepare, file, and pursue trademark and service mark applications;

(D) pursue litigation to prevent or stop infringement of any intellectual property rights of the institution; or

(E) handle any other legal matter related to the operation and activities of the center; and

(7) enter into such other business arrangements as may be appropriate for achieving the purposes of this chapter.

(b) The fees or other compensation paid in connection with a legal services contract authorized by Subsection (a) may be paid on a contingency fee basis, at an hourly rate, or on another basis the governing board of the institution considers appropriate.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.
Amended by Acts 2003, 78th Leg., ch. 1266, Sec. 1.12, eff. June 20, 2003.
Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 338 (H.B. 2051), Sec. 1, eff. June 14, 2013.

Sec. 153.007. NO FIDUCIARY DUTY. Except as otherwise provided by law, a governing board, an institution of higher education, a university system, a center, or any employee or member of those entities does not owe a fiduciary duty to any person claiming an interest in consideration received by a university system or an institution of higher education in exchange for technology.

Added by Acts 2001, 77th Leg., ch. 749, Sec. 1, eff. Sept. 1, 2001.

CHAPTER 154. CONSORTIUM OF ALZHEIMER'S DISEASE CENTERS

Sec. 154.001. DEFINITION. In this chapter, "council" means the Texas Council on Alzheimer's Disease and Related Disorders.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.001 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.002. CONSORTIUM; CLINICAL CENTERS. (a) The council shall establish a consortium of Alzheimer's disease centers, to be initially composed of the Alzheimer's disease centers at the Baylor College of Medicine, the Texas Tech University Health Sciences Center, the University of North Texas Health Science Center at Fort Worth, and The University of Texas Southwestern Medical Center. The council may add additional consortium participants to the consortium as necessary.

(b) The council shall provide funds to the consortium participants to assist those participants to develop clinical centers that meet the standards of the consortium.

(c) A participant's clinical center may employ any personnel necessary to support its activities, including clinical, administrative, and data management personnel.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.002 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Amended by:
Acts 2013, 83rd Leg., R.S., Ch. 179 (H.B. 1844), Sec. 12, eff. September 1, 2013.

Sec. 154.003. PROGRAMS. (a) The consortium shall coordinate and direct its programs to provide to the extent practicable centralized, uniform services among the consortium participants.

(b) The consortium shall:

(1) offer clinical services to all patients of the consortium's clinical centers, notwithstanding the independent status of each participant;

(2) establish a database for:

(A) making data available to each consortium participant according to its specific activities;

(B) providing a resource index to facilitate research projects; and

(C) providing data on patient health outcomes to appropriate state agencies and to researchers in this state; and

(3) with the aid of the council and the National Alzheimer's Association or its affiliate, develop and distribute to patients, caregivers, and health care professionals educational materials and services and inform patients of any research projects and therapeutic trials open for their participation.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.003 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.004. STEERING COMMITTEE. To advise the council on consortium activities, the council shall establish a steering committee composed of one representative from each consortium participant.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.004 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.005. DATA COORDINATING CENTER. (a) The council shall

establish a data coordinating center to be located at the Texas Tech University Health Sciences Center. To the extent practicable, the center shall be operated in association with the data management operations of that institution's Alzheimer's disease center.

(b) The data coordinating center shall establish a database and make data available to each consortium participant according to the specific activities of the participant.

(c) The council shall appoint a physician or other person with a similar clinical background to administer the center.

(d) The person administering the center may employ any personnel necessary to support the center's activities, including a project coordinator. The person may require the project coordinator to hold a master's or doctoral degree related to public health.

(e) The project coordinator shall coordinate the center's activities among the center, the consortium participants, the council, and the public.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.005 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.006. FUNDING. (a) The council may receive state appropriated funds for the purpose of supporting the research activities of the consortium under this chapter.

(b) The council may solicit and accept gifts, grants, and donations for purposes of this chapter.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 151.006 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.007. ACCESS TO DATA. (a) The council may restrict access to the data maintained by the consortium or data coordinating center to consortium participants that contribute data as requested by the council.

(b) The steering committee periodically shall review and evaluate the availability and sharing of data under this section.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999.

Renumbered from Education Code, Sec. 151.007 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

Sec. 154.008. PERFORMANCE REVIEW. The council, with recommendations from the steering committee, shall review and evaluate the performance of the consortium participants and data coordinating center at least every five years.

Added by Acts 1999, 76th Leg., ch. 1381, Sec. 1, eff. Aug. 30, 1999. Renumbered from Education Code, Sec. 105.008 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(50), eff. Sept. 1, 2003.

CHAPTER 155. SEVERE STORM RESEARCH AND PLANNING CENTER

Sec. 155.001. DEFINITIONS. In this chapter:

(1) "Center" means the severe storm research and planning center.

(2) "Commission" means the regional planning commission, council of governments, or similar regional planning agency created under Chapter 391, Local Government Code, whose membership includes the most populous county that borders on the Gulf of Mexico or on a bay or inlet of the Gulf of Mexico.

Added by Acts 2007, 80th Leg., R.S., Ch. 676 (H.B. 1493), Sec. 1, eff. June 15, 2007.

Sec. 155.002. ESTABLISHMENT; PURPOSE. The commission shall create a severe storm research and planning center to facilitate research and develop plans, programs, and technology associated with the impact of and response to hurricanes and other severe storms in the Gulf Coast Region and adjacent areas, including:

(1) the development of real-time storm surge forecasting ability for hurricanes and other severe storms;

(2) the development of radar-based rainfall and flood warning systems for urban and coastal areas;

(3) the development of public education programs relating to compliance with government-initiated evacuation orders;

(4) the assessment of infrastructure risks; and

(5) the development of evacuation plans.

Added by Acts 2007, 80th Leg., R.S., Ch. 676 (H.B. 1493), Sec. 1, eff. June 15, 2007.

Sec. 155.003. ADMINISTRATION. (a) The commission shall administer the center.

(b) The commission shall appoint an advisory committee to advise the commission regarding the development of priorities, guidelines, and procedures for the implementation of this chapter. The advisory committee must include representatives of:

(1) Rice University;

(2) the University of Houston;

(3) The University of Texas at Austin;

(4) Texas A&M University;

(5) Texas A&M University at Galveston;

(6) Texas Southern University;

(7) The University of Texas at Brownsville;

(8) regional planning commissions, councils of governments, or similar regional planning agencies created under Chapter 391, Local Government Code, whose membership includes a municipality or county located in the Gulf Coast Region;

(9) engineering and construction firms associated with public works contracts; and

(10) the medical profession in a major urban area located in the Gulf Coast Region.

(c) The commission and advisory committee may cooperate, coordinate, and share information with a governmental entity or postsecondary educational institution in another state that borders the Gulf of Mexico.

(d) The commission, in consultation with the advisory committee, shall adopt guidelines and procedures for the administration of this chapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 676 (H.B. 1493), Sec. 1, eff. June 15, 2007.

Sec. 155.004. CONTRACT. To the extent funding is available and for the purpose of operating, managing, and providing services or facilities for the center, the commission shall contract with a

private postsecondary educational institution that:

(1) is a member of the Association of American Universities;

(2) has an enrollment of at least 3,000 students; and

(3) is located in a municipality in the Gulf Coast Region with a population of 1.8 million or more.

Added by Acts 2007, 80th Leg., R.S., Ch. 676 (H.B. 1493), Sec. 1, eff. June 15, 2007.

Sec. 155.005. FUNDING. (a) The commission may receive state-appropriated funds for the purpose of supporting the activities of the center.

(b) The commission may solicit and accept gifts, grants, and donations for purposes of this chapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 676 (H.B. 1493), Sec. 1, eff. June 15, 2007.

CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM

Sec. 156.001. DEFINITIONS. In this chapter:

(1) "Adult stem cell" means an undifferentiated cell that is:

(A) found in differentiated tissue; and

(B) able to renew itself and differentiate to yield all or nearly all of the specialized cell types of the tissue from which the cell originated.

(2) "Consortium" means the Texas Adult Stem Cell Research Consortium.

(3) "Institution of higher education" means an institution of higher education as defined by Section 61.003 or a private college or university that receives state funds.

(4) "Program" means the adult stem cell research program established under this chapter.

(5) "Research coordinating board" means the Texas Adult Stem Cell Research Coordinating Board.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD. (a) The Texas Adult Stem Cell Research Coordinating Board is composed of seven members appointed as follows:

(1) three members who are interested persons, including at least one person who represents an institution of higher education and one person who is a representative of an advocacy organization representing patients, appointed by the governor, with the advice and consent of the senate;

(2) two members who are interested persons appointed by the lieutenant governor; and

(3) two members who are interested persons appointed by the speaker of the house of representatives.

(b) The governor shall designate as the presiding officer of the research coordinating board a board member appointed under Subsection (a)(1) who represents an institution of higher education. The presiding officer serves in that capacity at the will of the governor.

(c) The members of the research coordinating board serve staggered six-year terms. If a vacancy occurs on the board, the appropriate appointing authority shall appoint, in the same manner as the original appointment, another person to serve for the remainder of the unexpired term.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.003. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a member of the research coordinating board if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of medicine;

(2) the person's spouse is an officer, manager, or paid

consultant of a Texas trade association in the field of medicine; or

(3) the person is a member of the Texas Higher Education Coordinating Board.

(c) A person may not be a member of the research coordinating board if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.004. COMPOSITION OF CONSORTIUM. (a) The research coordinating board shall establish the Texas Adult Stem Cell Research Consortium.

(b) The consortium is composed of participating institutions of higher education and businesses that:

(1) accept public money for adult stem cell research; or

(2) otherwise agree to participate in the consortium.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND PROCEDURES. (a) The research coordinating board shall administer the program to:

(1) make grants and loans to consortium members for:

(A) adult stem cell research projects, including projects to develop therapies, protocols, or medical procedures involving adult stem cells;

(B) the development of facilities to be used solely for adult stem cell research projects; and

(C) the commercialization of products or technology involving adult stem cell research and treatments;

(2) support consortium members in all stages of the process of developing treatments and cures based on adult stem cell research, beginning with initial laboratory research through successful clinical trials;

(3) establish appropriate regulatory standards and

oversight bodies for:

(A) adult stem cell research conducted by consortium members; and

(B) the development of facilities for consortium members conducting adult stem cell research; and

(4) assist consortium members in applying for grants or loans under the program.

(b) The research coordinating board shall develop research priorities, guidelines, and procedures for providing grants and loans for specific research projects conducted by consortium members. The priorities, guidelines, and procedures must require the grants and loans to be made on a competitive, peer review basis.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.006. FUNDING. The program shall be funded by gifts, grants, and donations described by Section 156.007. The program may not be funded by legislative appropriations.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium shall solicit, and the research coordinating board may accept on behalf of the consortium, a gift, grant, or donation made from any public or private source for the purpose of promoting adult stem cell research or commercialization.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

Sec. 156.008. BIENNIAL REPORT. Not later than September 1 of each even-numbered year, the research coordinating board shall submit a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board and to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee or

subcommittee with jurisdiction over higher education.

Added by Acts 2015, 84th Leg., R.S., Ch. 992 (H.B. 177), Sec. 1, eff. September 1, 2015.

TITLE 4. COMPACTS

CHAPTER 160. REGIONAL EDUCATION COMPACT

Sec. 160.01. STATE POLICY. It is declared to be the policy of the State of Texas to promote the development and maintenance of regional educational services and facilities in the Southern States in the professional, technological, scientific, literary, and other fields so as to provide greater educational advantages for the citizens of the State of Texas and the citizens of the States in the Southern Region. This policy can best be accomplished under the plan embodied in the regional compact entered into by the State of Texas and thirteen other States February 8, 1948, through their respective Governors.

Acts 1971, 62nd Leg., p. 3014, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.02. TEXT OF COMPACT. The regional education compact, as amended, reads as follows:

THE REGIONAL COMPACT

(As amended)

WHEREAS, The States who are parties hereto have during the past several years, conducted careful investigation looking toward the establishment and maintenance of jointly owned and operated regional educational institutions in the Southern States in the professional, technological, scientific, literary and other fields, so as to provide greater educational advantages and facilities for the citizens of the several States who reside within such region; and

WHEREAS, Meharry Medical College of Nashville, Tennessee, has proposed that its lands, buildings, equipment, and the net income from its endowment be turned over to the Southern States, or to an agency acting in their behalf, to be operated as a regional institution for medical, dental and nursing education upon terms and conditions to be hereafter agreed upon between the Southern States and Meharry Medical College; which proposal, because of the present financial condition of the institution has been approved by the said

States who are parties hereto; and

WHEREAS, The said States desire to enter into a compact with each other providing for the planning and establishment of regional educational facilities; now,

THEREFORE, In consideration of the mutual agreements, covenants and obligations assumed by the respective States who are parties hereto (hereinafter referred to as "States"), the said several States do hereby form a geographical district or region consisting of the areas lying within the boundaries of the contracting States, which, for the purpose of this Compact, shall constitute an area for regional education supported by public funds derived from taxation by the constituent States and derived from other sources for the establishment, acquisition, operation and maintenance of regional educational schools and institutions, for the benefit of citizens of the respective States residing within the region so established, as may be determined from time to time in accordance with the terms and provisions of this Compact.

The States do further hereby establish and create a joint agency which shall be known as the Board of Control for Southern Regional Education (hereinafter referred to as the "Board"), the members of which Board shall consist of the Governor of each State, ex officio, and four additional citizens of each State to be appointed by the Governor thereof, at least one of whom shall be selected from the field of education and at least one of whom shall be a member of the Legislature of that State. The Governor shall continue as a member of the Board during his tenure of office as Governor of the State but the members of the Board appointed by the Governor shall hold office for a period of four (4) years except that in the original appointments one Board member so appointed by the Governor shall be designated at the time of his appointment to serve an initial term of two (2) years, one Board member to serve an initial term of three (3) years, and the remaining Board member to serve the full term of four (4) years, but thereafter the successor of each appointed Board member shall serve the full term of four (4) years. Vacancies on the Board caused by death, resignation, refusal or inability to serve, shall be filled by appointment by the Governor for the unexpired portion of the term. The officers of the Board shall be a Chairman, a Vice-Chairman, a Secretary, a Treasurer, and such additional officers as may be created by the Board from time to time. The Board shall meet annually and officers shall be elected to hold office

until the next annual meeting. The Board shall have the right to formulate and establish by-laws not inconsistent with the provisions of this Compact to govern its own actions in the performance of the duties delegated to it, including the right to create and appoint an Executive Committee and a Finance Committee with such powers and authority as the Board may delegate to them from time to time. The Board may, within its discretion, elect as its Chairman a person who is not a member of the Board, provided such person resides within a signatory State; and upon such election such person shall become a member of the Board with all the rights and privileges of such membership.

It shall be the duty of the Board to submit plans and recommendations to the States from time to time for their approval and adoption by appropriate legislative action for the development, establishment, acquisition, operation and maintenance of educational schools and institutions within the geographical limits of the regional area of the States, of such character and type and for such educational purposes, professional, technological, scientific, literary, or otherwise, as they may deem and determine to be proper, necessary or advisable. Title to all such educational institutions when so established by appropriate legislative actions of the States, and to all properties and facilities used in connection therewith, shall be vested in said Board as the agency of and for the use and benefit of the said States and citizens thereof; and all such educational institutions shall be operated, maintained and financed in the manner herein set out, subject to any provisions or limitations which may be contained in the legislative Acts of the State authorizing the creation, establishment and operation of such educational institutions.

In addition to the power and authority heretofore granted, the Board shall have the power to enter into such agreements or arrangements with any of the States and with educational institutions or agencies, as may be required in the judgment of the Board, to provide adequate services and facilities for the graduate, professional, and technical education for the benefit of the citizens of the respective States residing within the region, and such additional and general power and authority as may be vested in the Board from time to time by legislative enactment of the said States.

Any two (2) or more States who are parties of this Compact shall have the right to enter into supplemental agreements providing for

the establishment, financing and operation of regional educational institutions for the benefit of citizens residing within an area which constitutes a portion of the general region herein created, such institutions to be financed exclusively by such States and to be controlled exclusively by the members of the Board representing such States, provided such agreement is submitted to and approved by the Board prior to the establishment of such institutions.

Each State agrees that, when authorized by the Legislature, it will from time to time make available and pay over to said Board such funds as may be required for the establishment, acquisition, operation and maintenance of such regional educational institutions as may be authorized by the States under the terms of this Compact, the contribution of each State at all times to be in the proportion that its population bears to the total combined population of the States who are parties hereto as shown from time to time by the most recent official published report of the Bureau of the Census of the United States of America; or upon such other basis as may be agreed upon.

This Compact shall not take effect or be binding upon any State unless and until it shall be approved by proper legislative action of as many as six (6) or more of the States whose Governors have subscribed hereto within a period of eighteen (18) months from the date hereof. When and if six (6) or more States shall have given legislative approval to this Compact within said eighteen (18) months period, it shall be and become binding upon such six (6) or more States sixty (60) days after the date of legislative approval by the sixth State, and the Governors of such six (6) or more States shall forthwith name the members of the Board from their States as hereinabove set out, and the Board shall then meet on call of the Governor of any State approving this Compact, at which time the Board shall elect officers, adopt by-laws, appoint committees and otherwise fully organize. Other States whose names are subscribed hereto shall thereafter become parties hereto upon approval of this Compact by legislative action within two (2) years from the date hereof, upon such conditions as may be agreed upon at the time. Provided, however, that with respect to any State whose constitution may require amendment in order to permit legislative approval of the Compact, such State or States shall become parties hereto upon approval of this Compact by legislative action within seven (7) years from the date hereof, upon such conditions as may be agreed upon at

the time.

After becoming effective this Compact shall thereafter continue without limitation of time; provided, however, that it may be terminated at any time by unanimous action of the States; and provided further that any State may withdraw from this Compact if such withdrawal is approved by its Legislature, such withdrawal to become effective two (2) years after written notice thereof to the Board accompanied by a certified copy of the requisite legislative action, but such withdrawal shall not relieve the withdrawing State from its obligations hereunder accruing up to the effective date of such withdrawal. Any State so withdrawing shall ipso facto cease to have any claim to or ownership of any of the property held or vested in the Board or of any of the funds of the Board held under the terms of this Compact.

If any State shall at any time become in default in the performance of any of its obligations assumed herein or with respect to any obligation imposed upon said State as authorized by and in compliance with the terms and provisions of this Compact, all rights, privileges and benefits of such defaulting State, its members on the Board and its citizens, shall ipso facto be and become suspended from and after the date of such default. Unless such default shall be remedied and made good within a period of one year immediately following the date of such default this Compact may be terminated with respect to such defaulting State by an affirmative vote of three-fourths (3/4) of the members of the Board (exclusive of the members representing the State in default), from and after which time such State shall cease to be a party to this Compact and shall have no further claim to or ownership of any of the property held by or vested in the Board or to any of the funds of the Board held under the terms of this Compact, but such termination shall in no manner release such defaulting State from any accrued obligation or otherwise affect this Compact or the rights, duties, privileges or obligations of the remaining States thereunder.

IN WITNESS WHEREOF this Compact has been approved and signed by Governors of the several States, subject to the approval of their respective Legislatures in the manner hereinabove set out, as of the 8th day of February, 1948.

STATE OF FLORIDA
By Millard F. Caldwell
Governor

STATE OF MARYLAND
By Wm. Preston Lane, Jr.
Governor
STATE OF GEORGIA
By M.E. Thompson
Governor
STATE OF LOUISIANA
By J.H. Davis
Governor
STATE OF ALABAMA
By James E. Folsom
Governor
STATE OF MISSISSIPPI
By F.L. Wright
Governor
STATE OF TENNESSEE
By Jim McCord
Governor
STATE OF ARKANSAS
By Ben Laney
Governor
COMMONWEALTH OF VIRGINIA
By William M. Tuck
Governor
STATE OF NORTH CAROLINA
By R. Gregg Cherry
Governor
STATE OF SOUTH CAROLINA
By J. Strom Thurmond
Governor
STATE OF TEXAS
By Beauford H. Jester
Governor
STATE OF OKLAHOMA
By Roy J. Turner
Governor
STATE OF WEST VIRGINIA
By Clarence W. Meadows
Governor

Acts 1971, 62nd Leg., p. 3014, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.03. COMPACT APPROVED. The above compact is approved. The State of Texas is declared to be a party to said compact, and the agreements, covenants, and obligations contained therein are declared to be binding on the State of Texas, insofar as is permissible under the Constitution of the State of Texas.

Acts 1971, 62nd Leg., p. 3018, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.04. GOVERNOR AS REPRESENTATIVE. The State of Texas shall be represented by the governor in all matters concerning the regional education program, and he shall have all powers necessary to effectuate the purposes of the compact including the power to make contracts with the Board of Control for Southern Regional Education for the education of Texas citizens in states other than Texas.

Acts 1971, 62nd Leg., p. 3018, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.05. ENROLLED COPIES. The governor shall sign an enrolled copy of this chapter and sufficient copies shall be provided to supply each state approving the compact with an enrolled copy. The governor shall sign an enrolled copy of Section 160.06 of this code for submission to the Southern Regional Education Board.

Acts 1971, 62nd Leg., p. 3018, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.06. CONSENT TO INCREASED MEMBERSHIP. Consent is hereby given by the State of Texas to the membership of the States of West Virginia and Delaware in the Southern Regional Education Compact set out above upon the same terms and conditions as if each had signed, ratified, and approved the same as one of the original contracting states, subject to the approval of the other states party to the compact, and subject to the execution of a copy of the compact by the governor of each of the respective states of West Virginia and Delaware, and subject to the approval of the compact and acceptance of its terms, agreements, and obligations by their respective

Legislatures.

Acts 1971, 62nd Leg., p. 3018, ch. 994, Sec. 15, eff. Aug. 30, 1971.

Sec. 160.07. ACADEMIC COMMON MARKET. (a) The Coordinating Board, Texas College and University System, is hereby authorized to participate on behalf of the State of Texas in the interstate agreement known as the "Academic Common Market," which provides reciprocal higher educational opportunities to the citizens of states declared as parties to the Southern Regional Education Compact.

(b) The governing board of any public institution of higher education may propose programs and curricula for approval by the Coordinating Board, Texas College and University System, which are to be offered to citizens of participating states on a resident tuition or registration fee basis.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 359, Sec. 16(4), eff. January 1, 2012.

Added by Acts 1977, 65th Leg., p. 105, ch. 50, Sec. 1, eff. Aug. 29, 1977.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 359 (S.B. 32), Sec. 16(4), eff. January 1, 2012.

Sec. 160.08. CONSENT TO MEMBERSHIP OF OKLAHOMA. Consent is hereby given by the State of Texas to the membership of the State of Oklahoma in the Southern Regional Education Compact set out in this chapter on the same terms and conditions as if that state had signed, ratified, and approved the compact as one of the original contracting states, subject to the approval of the other states party to the compact, and subject to the execution of a copy of the compact by the Governor of Oklahoma, and subject to the approval of the compact and acceptance of its terms, agreements, and obligations by the Oklahoma Legislature.

Added by Acts 1985, 69th Leg., ch. 9, Sec. 1, eff. March 28, 1985.

CHAPTER 161. COMPACT FOR EDUCATION

Sec. 161.01. COMPACT ENTERED INTO: TEXT. The Compact for Education is hereby entered into and enacted into law in the form substantially as follows:

COMPACT FOR EDUCATION

Article I. Purpose and Policy

Section A. It is the purpose of this compact to:

1. Establish and maintain close cooperation and understanding among executive, legislative, professional educational and lay leadership on a nationwide basis at the State and local levels.

2. Provide a forum for the discussion, development, crystallization and recommendation of public policy alternatives in the field of education.

3. Provide a clearing house of information on matters relating to educational problems and how they are being met in different places throughout the Nation, so that the executive and legislative branches of State Government and of local communities may have ready access to the experience and record of the entire country, and so that both lay and professional groups in the field of education may have additional avenues for the sharing of experience and the interchange of ideas in the formation of public policy in education.

4. Facilitate the improvement of State and local educational systems so that all of them will be able to meet adequate and desirable goals in a society which requires continuous qualitative and quantitative advance in educational opportunities, methods and facilities.

Section B. It is the policy of this compact to encourage and promote local and State initiative in the development, maintenance, improvement and administration of educational systems and institutions in a manner which will accord with the needs and advantages of diversity among localities and States.

Section C. The party States recognize that each of them has an interest in the quality and quantity of education furnished in each of the other States, as well as in the excellence of its own educational systems and institutions, because of the highly mobile character of individuals within the Nation, and because the products and services contributing to the health, welfare and economic advancement of each State are supplied in significant part by persons educated in other States.

Article II. State Defined

As used in this Compact, "State" means a State, territory, or

possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

Article III. The Commission

Section A. The Education Commission of the States, hereinafter called "the Commission," is hereby established. The Commission shall consist of seven members representing each party State. One of such members shall be the Governor or his designated representative, and six shall be appointed by and serve at the pleasure of the Governor, unless the laws of the State otherwise provide. In addition to any other principles or requirements which a State may establish for the appointment and service of its members of the Commission, the guiding principle for the composition of the membership on the Commission from each party State shall be that the members representing such State shall, by virtue of their training, experience, knowledge or affiliations be in a position collectively to reflect broadly the interests of the State Government, higher education, the State education system, local education, lay and professional, public and non-public educational leadership. Of those appointees, one may be the head of a State agency or institution, designated by the Governor, having responsibility for one or more programs of public education. In addition to the members of the Commission representing the party States, there may be not to exceed ten non-voting commissioners selected by the steering committee for terms of one year. Such commissioners shall represent leading national organizations of professional educators or persons concerned with educational administration.

Section B. The members of the Commission shall be entitled to one vote each on the Commission. No action of the Commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the Commission are cast in favor thereof. Action of the Commission shall be only at a meeting at which a majority of the commissioners are present. The Commission shall meet at least once a year. In its bylaws, and subject to such directions and limitations as may be contained therein, the Commission may delegate the exercise of any of its powers to the steering committee or the executive director, except for the power to approve budgets or requests for appropriations, the power to make policy recommendations pursuant to Article IV and adoption of the annual report pursuant to Article III(j).

Section C. The Commission shall have a seal.

Section D. The Commission shall elect annually, from among its members, a chairman, who shall be a Governor, a vice chairman and a treasurer. The Commission shall provide for the appointment of an executive director. Such executive director shall serve at the pleasure of the Commission, and together with the treasurer and such other personnel as the Commission may deem appropriate shall be bonded in such amount as the Commission shall determine. The executive director shall be secretary.

Section E. Irrespective of the civil service, personnel or other merit system laws of any of the party States, the executive director subject to the approval of the steering committee shall appoint, remove or discharge such personnel as may be necessary for the performance of the functions of the Commission, and shall fix the duties and compensation of such personnel. The Commission in its bylaws shall provide for their personnel policies and programs of the Commission.

Section F. The Commission may borrow, accept or contract for the services of personnel from any party jurisdiction, the United States, or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party jurisdictions or their subdivisions.

Section G. The Commission may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any State, the United States, or any other governmental agency or from any person, firm, association, foundation, or corporation, and may receive, utilize and dispose of the same. Any donation or grant accepted by the Commission pursuant to this paragraph or services borrowed pursuant to paragraph (f) of this Article shall be reported in the annual report of the Commission. Such report shall include the nature, amount and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

Section H. The Commission may establish and maintain such facilities as may be necessary for the transacting of its business. The Commission may acquire, hold, and convey real and personal property and any interest therein.

Section I. The Commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form

and shall file a copy thereof and a copy of any amendment thereto, with the appropriate agency or officer in each of the party States.

Section J. The Commission annually shall make to the Governor and legislature of each party State a report covering the activities of the Commission for the preceding year. The Commission may make such additional reports as it may deem desirable.

Article IV. Powers

In addition to authority conferred on the Commission by other provisions of the compact, the Commission shall have authority to:

1. Collect, correlate, analyze and interpret information and data concerning educational needs and resources.

2. Encourage and foster research in all aspects of education, but with special reference to the desirable scope of instruction, organization, administration, and instructional methods and standards employed or suitable for employment in public educational systems.

3. Develop proposals for adequate financing of education as a whole and at each of its many levels.

4. Conduct or participate in research of the types referred to in this Article in any instance where the Commission finds that such research is necessary for the advancement of the purposes and policies of this compact, utilizing fully the resources of national associations, regional compact organizations for higher education, and other agencies and institutions, both public and private.

5. Formulate suggested policies and plans for the improvement of public education as a whole, or for any segment thereof, and make recommendations with respect thereto available to the appropriate governmental units, agencies and public officials.

6. Do such other things as may be necessary or incidental to the administration of any of its authority or functions pursuant to this compact.

Article V. Cooperation With Federal Government

Section A. If the laws of the United States specifically so provided, or if administrative provision is made therefor within the Federal Government, the United States may be represented on the Commission by not to exceed ten representatives. Any such representative or representatives of the United States shall be appointed and serve in such manner as may be provided by or pursuant to Federal law, and may be drawn from any one or more branches of the Federal Government, but no such representative shall have a vote on the Commission.

Section B. The Commission may provide information and make recommendations to any executive or legislative agency or officer of the Federal Government concerning the common educational policies of the States, and may advise with any such agencies or officers concerning any matter of mutual interest.

Article VI. Committees

Section A. To assist in the expeditious conduct of its business when the full Commission is not meeting, the Commission shall elect a steering committee of thirty members which, subject to the provisions of this compact and consistent with the policies of the Commission, shall be constituted and function as provided in the bylaws of the Commission. One-third of the voting membership of the steering committee shall consist of Governors, and the remainder shall consist of other members of the Commission. A Federal representative on the Commission may serve with the steering committee, but without vote. The voting members of the steering committee shall serve for terms of two years, except that members elected to the first steering committee of the Commission shall be elected as follows: fifteen for one year and fifteen for two years. The chairman, vice chairman, and treasurer of the Commission shall be members of the steering committee and, anything in this paragraph to the contrary notwithstanding, shall serve during their continuance in these offices. Vacancies in the steering committee shall not affect its authority to act, but the Commission at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term. No person shall serve more than two terms as a member of the steering committee; provided that service for a partial term of one year or less shall not be counted toward the two-term limitation.

Section B. The Commission may establish advisory and technical committees composed of State, local, and Federal officials, and private persons to advise it with respect to any one or more of its functions. Any advisory or technical committee may, on request of the States concerned, be established to consider any matter of special concern to two or more of the party States.

Section C. The Commission may establish such additional committees as its bylaws may provide.

Article VII. Finance

Section A. The Commission shall advise the Governor or designated officer or officers of each party State of its budget and

estimated expenditures for such period as may be required by the laws of that party State. Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party States.

Section B. The total amount of appropriation requests under any budget shall be apportioned among the party States. In making such apportionment, the Commission shall devise and employ a formula which takes equitable account of the populations and per capita income levels of the party States.

Section C. The Commission shall not pledge the credit of any party States. The Commission may meet any of its obligations in whole or in part with funds available to it pursuant to Article III(g) of this compact, provided that the Commission takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the Commission makes use of funds available to it pursuant to Article III(g) thereof, the Commission shall not incur any obligation prior to the allotment of funds by the party States adequate to meet the same.

Section D. The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established by its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become part of the annual reports of the Commission.

Section E. The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party States and by any persons authorized by the Commission.

Section F. Nothing contained herein shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

Article VIII. Eligible Parties; Entry into and Withdrawal

Section A. This compact shall have as eligible parties all States, Territories, and Possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. In respect of any such jurisdiction not having a Governor, the term "Governor," as used in this compact, shall mean the closest equivalent official of such jurisdiction.

Section B. Any State or other eligible jurisdiction may enter into this compact and it shall become binding thereon when it has adopted the same: provided that in order to enter into initial effect, adoption by at least ten eligible party jurisdictions shall be required.

Section C. Adoption of the compact may be either by enactment thereof or by adherence thereto by the Governor; provided that in the absence of enactment, adherence by the Governor shall be sufficient to make his State a party only until December 31, 1967. During any period when a State is participating in this compact through gubernatorial action, the Governor shall appoint those persons who, in addition to himself, shall serve as the members of the Commission from his State, and shall provide to the Commission an equitable share of the financial support of the Commission from any source available to him.

Section D. Except for a withdrawal effective on December 31, 1967, in accordance with paragraph C of this Article, any party State may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing State has given notice in writing of the withdrawal to the Governors of all other party States. No withdrawal shall affect any liability already incurred by or chargeable to a party State prior to the time of such withdrawal.

Article IX. Construction and Severability

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any State or of the United States, or the application thereof to any Government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any Government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any State participating therein, the compact shall remain in full force and effect as to the State affected as to all severable matters.

Acts 1971, 62nd Leg., p. 3019, ch. 994, Sec. 15, eff. Sept. 1, 1967.

Sec. 161.02. TEXAS REPRESENTATIVES. The Texas membership to the Educational Commission of the States shall be the governor or his designated representative and six citizens of the state, including the state commissioner of education and the state commissioner of higher education, who shall be appointed and serve at the pleasure of the governor. These seven members shall officially represent Texas on the Education Commission of the States.

Acts 1971, 62nd Leg., p. 3024, ch. 994, Sec. 15, eff. Sept. 1, 1967. Amended by Acts 1989, 71st Leg., ch. 1000, Sec. 1, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1087, Sec. 1, eff. Sept. 1, 1989.

Sec. 161.03. NOTICE OF MEETINGS. The governor's office shall file with the secretary of state for publication in the Texas Register a notice of the meetings of the Education Commission of the States.

Acts 1971, 62nd Leg., p. 3024, ch. 994, Sec. 15, eff. Sept. 1, 1967. Amended by Acts 1989, 71st Leg., ch. 1000, Sec. 2, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1087, Sec. 1, eff. Sept. 1, 1989.

Sec. 161.04. ANNUAL REPORT. Before October 1 of each year, the Compact for Education Commissioners for Texas shall prepare and file with the presiding officer of each house of the legislature a complete and detailed report relating to the compact describing the activities of and accounting for all funds received and disbursed by the commissioners in the preceding fiscal year. The report must be included as a part of the annual financial report of the governor's office.

Added by Acts 1989, 71st Leg., ch. 1000, Sec. 2, eff. Sept. 1, 1989; Acts 1989, 71st Leg., ch. 1087, Sec. 1, eff. Sept. 1, 1989.

CHAPTER 162. INTERSTATE COMPACT ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN

Sec. 162.001. DEFINITIONS. In this chapter:

(1) "Compact" means the Interstate Compact on Educational Opportunity for Military Children executed under Section 162.002.

(2) "Compact commissioner" means the individual appointed under Section 162.004.

Added by Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 1, eff. May 5, 2009.

Sec. 162.002. EXECUTION OF COMPACT. This state enacts the Interstate Compact on Educational Opportunity for Military Children and enters into the compact with all other states legally joining in the compact in substantially the following form:

INTERSTATE COMPACT ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN

ARTICLE I. PURPOSE

It is the purpose of this compact to remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents by:

A. Facilitating the timely enrollment of children of military families and ensuring that they are not placed at a disadvantage due to difficulty in the transfer of education records from the previous school district(s) or variations in entrance/age requirements.

B. Facilitating the student placement process through which children of military families are not disadvantaged by variations in attendance requirements, scheduling, sequencing, grading, course content or assessment.

C. Facilitating the qualification and eligibility for enrollment, educational programs, and participation in extracurricular academic, athletic, and social activities.

D. Facilitating the on-time graduation of children of military families.

E. Providing for the promulgation and enforcement of administrative rules implementing the provisions of this compact.

F. Providing for the uniform collection and sharing of information between and among member states, schools, and military families under this compact.

G. Promoting coordination between this compact and other compacts affecting military children.

H. Promoting flexibility and cooperation between the educational system, parents, and the student in order to achieve educational success for the student.

ARTICLE II. DEFINITIONS

As used in this compact, unless the context clearly requires a different construction:

A. "Active duty" means: full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. Sections 1209 and 1211.

B. "Children of military families" means: a school-aged child(ren), enrolled in kindergarten through twelfth (12th) grade, in the household of an active duty member.

C. "Compact commissioner" means: the voting representative of each compacting state appointed pursuant to Article VIII of this compact.

D. "Deployment" means: the period one (1) month prior to the service members' departure from their home station on military orders through six (6) months after return to their home station.

E. "Education(al) records" means: those official records, files, and data directly related to a student and maintained by the school or local education agency, including but not limited to records encompassing all the material kept in the student's cumulative folder such as general identifying data, records of attendance and of academic work completed, records of achievement and results of evaluative tests, health data, disciplinary status, test protocols, and individualized education programs.

F. "Extracurricular activities" means: a voluntary activity sponsored by the school or local education agency or an organization sanctioned by the local education agency. Extracurricular activities include, but are not limited to, preparation for and involvement in public performances, contests, athletic competitions, demonstrations, displays, and club activities.

G. "Interstate Commission on Educational Opportunity for Military Children" means: the commission that is created under Article IX of this compact, which is generally referred to as Interstate Commission.

H. "Local education agency" means: a public authority legally constituted by the state as an administrative agency to provide control of and direction for kindergarten through twelfth (12th) grade public educational institutions.

I. "Member state" means: a state that has enacted this compact.

J. "Military installation" means: a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility, which is located within any of the several states, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Marianas Islands and any other United States territory. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.

K. "Non-member state" means: a state that has not enacted this compact.

L. "Receiving state" means: the state to which a child of a military family is sent, brought, or caused to be sent or brought.

M. "Rule" means: a written statement by the Interstate Commission promulgated pursuant to Article XII of this compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the compact, or an organizational, procedural, or practice requirement of the Interstate Commission, and has the force and effect of statutory law in a member state, and includes the amendment, repeal, or suspension of an existing rule.

N. "Sending state" means: the state from which a child of a military family is sent, brought, or caused to be sent or brought.

O. "State" means: a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Marianas Islands and any other United States territory.

P. "Student" means: the child of a military family for whom the local education agency receives public funding and who is formally enrolled in kindergarten through twelfth (12th) grade.

Q. "Transition" means: (1) the formal and physical process of transferring from school to school; or (2) the period of time in which a student moves from one school in the sending state to another school in the receiving state.

R. "Uniformed service(s)" means: the Army, Navy, Air Force, Marine Corps, Coast Guard, as well as the Commissioned Corps of the National Oceanic and Atmospheric Administration, and Public Health Services.

S. "Veteran" means: a person who served in the uniformed services and who was discharged or released therefrom under conditions other than dishonorable.

ARTICLE III. APPLICABILITY

A. Except as otherwise provided in Section B, this compact shall apply to the children of:

1. active duty members of the uniformed services as defined in this compact, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. Sections 1209 and 1211;

2. members or veterans of the uniformed services who are severely injured and medically discharged or retired for a period of one (1) year after medical discharge or retirement; and

3. members of the uniformed services who die on active duty or as a result of injuries sustained on active duty for a period of one (1) year after death.

B. The provisions of this interstate compact shall only apply to local education agencies as defined in this compact.

C. The provisions of this compact shall not apply to the children of:

1. inactive members of the national guard and military reserves;

2. members of the uniformed services now retired, except as provided in Section A;

3. veterans of the uniformed services, except as provided in Section A; and

4. other U.S. Department of Defense personnel and other federal agency civilian and contract employees not defined as active duty members of the uniformed services.

ARTICLE IV. EDUCATIONAL RECORDS AND ENROLLMENT

A. Unofficial or "hand-carried" education records--In the event that official education records cannot be released to the parents for the purpose of transfer, the custodian of the records in the sending state shall prepare and furnish to the parent a complete set of unofficial education records containing uniform information as determined by the Interstate Commission. Upon receipt of the unofficial education records by a school in the receiving state, the school shall enroll and appropriately place the student based on the information provided in the unofficial records pending validation by the official records, as quickly as possible.

B. Official education records/transcripts--Simultaneous with the enrollment and conditional placement of the student, the school in the receiving state shall request the student's official education record from the school in the sending state. Upon receipt of this

request, the school in the sending state will process and furnish the official education records to the school in the receiving state within ten (10) days or within such time as is reasonably determined under the rules promulgated by the Interstate Commission.

C. Immunizations--Compacting states shall give thirty (30) days from the date of enrollment or within such time that does not exceed thirty (30) days as is reasonably determined under the rules promulgated by the Interstate Commission, for students to obtain any immunization(s) required by the receiving state. For a series of immunizations, initial vaccinations must be obtained within thirty (30) days or within such time that does not exceed thirty (30) days as is reasonably determined under the rules promulgated by the Interstate Commission. The collection and exchange of information pertaining to immunizations shall be subject to confidentiality provisions prescribed by federal law.

D. Kindergarten and first grade entrance age--Students shall be allowed to continue their enrollment at grade level in the receiving state commensurate with their grade level (including kindergarten) from a local education agency in the sending state at the time of transition, regardless of age. A student that has satisfactorily completed the prerequisite grade level in the local education agency in the sending state shall be eligible for enrollment in the next highest grade level in the receiving state, regardless of age. A student transferring after the start of the school year in the receiving state shall enter the school in the receiving state on their validated level from an accredited school in the sending state.

ARTICLE V. PLACEMENT AND ATTENDANCE

A. Course placement--When the student transfers before or during the school year, the receiving state school shall initially honor placement of the student in educational courses based on the student's enrollment in the sending state school and/or educational assessments conducted at the school in the sending state if the courses are offered. Course placement includes but is not limited to honors, international baccalaureate, advanced placement, vocational, technical, and career pathways courses. Continuing the student's academic program from the previous school and promoting placement in academically and career challenging courses should be paramount when considering placement. This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement and continued enrollment of the student in the

course(s).

B. Educational program placement--The receiving state school shall initially honor placement of the student in educational programs based on current educational assessments conducted at the school in the sending state or participation/placement in like programs in the sending state. Such programs include, but are not limited to: (1) gifted and talented programs; and (2) English as a second language (ESL). This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement of the student.

C. Special education services--(1) In compliance with the federal requirements of the Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Section 1400 et seq.), the receiving state shall initially provide comparable services to a student with disabilities based on his/her current Individualized Education Program (IEP); and (2) In compliance with the requirements of Section 504 of the Rehabilitation Act (29 U.S.C.A. Section 794), and with Title II of the Americans with Disabilities Act (42 U.S.C.A. Sections 12131-12165), the receiving state shall make reasonable accommodations and modifications to address the needs of incoming students with disabilities, subject to an existing 504 or Title II Plan, to provide the student with equal access to education. This does not preclude the school in the receiving state from performing subsequent evaluations to ensure appropriate placement of the student.

D. Placement flexibility--Local education agency administrative officials shall have flexibility in waiving course/program prerequisites, or other preconditions for placement in courses/programs offered under the jurisdiction of the local education agency.

E. Absence as related to deployment activities--A student whose parent or legal guardian is an active duty member of the uniformed services, as defined by the compact, and has been called to duty for, is on leave from, or immediately returned from deployment to a combat zone or combat support posting, shall be granted additional excused absences at the discretion of the local education agency superintendent to visit with his or her parent or legal guardian relative to such leave or deployment of the parent or guardian.

ARTICLE VI. ELIGIBILITY

A. Eligibility for enrollment

1. Special power of attorney, relative to the guardianship of a child of a military family and executed under applicable law, shall be sufficient for the purposes of enrollment and all other actions requiring parental participation and consent.

2. A local education agency shall be prohibited from charging local tuition to a transitioning military child placed in the care of a non-custodial parent or other person standing in loco parentis who lives in a jurisdiction other than that of the custodial parent.

3. A transitioning military child, placed in the care of a non-custodial parent or other person standing in loco parentis who lives in a jurisdiction other than that of the custodial parent, may continue to attend the school in which he/she was enrolled while residing with the custodial parent.

B. Eligibility for extracurricular participation--State and local education agencies shall facilitate the opportunity for transitioning military children's inclusion in extracurricular activities, regardless of application deadlines, to the extent they are otherwise qualified.

ARTICLE VII. GRADUATION

In order to facilitate the on-time graduation of children of military families, states and local education agencies shall incorporate the following procedures:

A. Waiver requirements--Local education agency administrative officials shall waive specific courses required for graduation if similar coursework has been satisfactorily completed in another local education agency or shall provide reasonable justification for denial. Should a waiver not be granted to a student who would qualify to graduate from the sending school, the local education agency shall provide an alternative means of acquiring required coursework so that graduation may occur on time.

B. Exit exams--States shall accept: (1) exit or end-of-course exams required for graduation from the sending state; or (2) national norm-referenced achievement tests; or (3) alternative testing, in lieu of testing requirements for graduation in the receiving state. In the event the above alternatives cannot be accommodated by the receiving state for a student transferring in his or her senior year, then the provisions of Article VII, Section C, shall apply.

C. Transfers during senior year--Should a military student

transferring at the beginning or during his or her senior year be ineligible to graduate from the receiving local education agency after all alternatives have been considered, the sending and receiving local education agencies shall ensure the receipt of a diploma from the sending local education agency, if the student meets the graduation requirements of the sending local education agency. In the event that one of the states in question is not a member of this compact, the member state shall use best efforts to facilitate the on-time graduation of the student in accordance with Sections A and B of this article.

The Texas commissioner of education shall adopt a passing standard on one or more national norm-referenced achievement tests for purposes of permitting a student to whom this compact applies to meet that standard as a substitute for completing a specific course or achieving a score on an assessment instrument otherwise required by this state for graduation. Each passing standard must be at least as rigorous as the applicable requirement otherwise imposed by this state for graduation, and be consistent with college readiness standards adopted under Section 28.008, Texas Education Code. Before adopting or revising a passing standard, the commissioner of education must consider any comments submitted by the Texas Higher Education Coordinating Board or the State Board of Education.

A passing standard adopted by the commissioner of education is available only for a student who enrolls in a public school in this state for the first time after completing the ninth grade or who reenrolls in a public school in this state at or above the 10th grade level after an absence of at least two years from the public schools of this state. Each passing standard in effect when a student first enrolls in a public high school in this state remains applicable to the student for the duration of the student's high school enrollment, regardless of any subsequent revision of the standard.

The commissioner of education may adopt rules as necessary to implement the commissioner's duties and authority under this article of the compact.

The Texas Higher Education Coordinating Board shall monitor the postsecondary educational performance in this state of students permitted to graduate in accordance with passing standards adopted by the commissioner of education for purposes of this compact. Based on the educational performance of those students in private and public institutions, the coordinating board shall make recommendations to

the commissioner of education regarding appropriate revisions of the passing standards.

ARTICLE VIII. STATE COORDINATION

A. Each member state shall, through the creation of a State Council or use of an existing body or board, provide for the coordination among its agencies of government, local education agencies, and military installations concerning the state's participation in, and compliance with, this compact and Interstate Commission activities. While each member state may determine the membership of its own State Council, its membership must include at least: the state superintendent of education, superintendent of a school district with a high concentration of military children, representative from a military installation, one representative each from the legislative and executive branches of government, and other offices and stakeholder groups the State Council deems appropriate. A member state that does not have a school district deemed to contain a high concentration of military children may appoint a superintendent from another school district to represent local education agencies on the State Council.

B. The State Council of each member state shall appoint or designate a military family education liaison to assist military families and the state in facilitating the implementation of this compact.

C. The compact commissioner responsible for the administration and management of the state's participation in the compact shall be appointed by the governor or as otherwise determined by each member state.

D. The compact commissioner and the military family education liaison designated herein shall be ex-officio members of the State Council, unless either is already a full voting member of the State Council.

ARTICLE IX. INTERSTATE COMMISSION ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN

The member states hereby create the "Interstate Commission on Educational Opportunity for Military Children." The activities of the Interstate Commission are the formation of public policy and are a discretionary state function. The Interstate Commission shall:

A. Be a body corporate and joint agency of the member states and shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon

it by a subsequent concurrent action of the respective legislatures of the member states in accordance with the terms of this compact.

B. Consist of one Interstate Commission voting representative from each member state who shall be that state's compact commissioner.

1. Each member state represented at a meeting of the Interstate Commission is entitled to one vote.

2. A majority of the total member states shall constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the Interstate Commission.

3. A representative shall not delegate a vote to another member state. In the event the compact commissioner is unable to attend a meeting of the Interstate Commission, the governor or State Council may delegate voting authority to another person from their state for a specified meeting.

4. The bylaws may provide for meetings of the Interstate Commission to be conducted by telecommunication or electronic communication.

C. Consist of ex-officio, non-voting representatives who are members of interested organizations. Such ex-officio members, as defined in the bylaws, may include but not be limited to, members of the representative organizations of military family advocates, local education agency officials, parent and teacher groups, the U.S. Department of Defense, the Education Commission of the States, the Interstate Agreement on the Qualification of Educational Personnel, and other interstate compacts affecting the education of children of military members.

D. Meet at least once each calendar year. The chairperson may call additional meetings and, upon the request of a simple majority of the member states, shall call additional meetings.

E. Establish an executive committee, whose members shall include the officers of the Interstate Commission and such other members of the Interstate Commission as determined by the bylaws. Members of the executive committee shall serve a one year term. Members of the executive committee shall be entitled to one vote each. The executive committee shall have the power to act on behalf of the Interstate Commission, with the exception of rulemaking, during periods when the Interstate Commission is not in session. The executive committee shall oversee the day-to-day activities of the administration of the compact including enforcement and compliance

with the provisions of the compact, its bylaws and rules, and other such duties as deemed necessary. The U.S. Department of Defense shall serve as an ex-officio, non-voting member of the executive committee.

F. Establish bylaws and rules that provide for conditions and procedures under which the Interstate Commission shall make its information and official records available to the public for inspection or copying. The Interstate Commission may exempt from disclosure information or official records to the extent they would adversely affect personal privacy rights or proprietary interests.

G. Give public notice of all meetings and all meetings shall be open to the public, except as set forth in the rules or as otherwise provided in the compact. The Interstate Commission and its committees may close a meeting, or portion thereof, where it determines by two-thirds vote that an open meeting would be likely to:

1. Relate solely to the Interstate Commission's internal personnel practices and procedures;

2. Disclose matters specifically exempted from disclosure by federal and state statute;

3. Disclose trade secrets or commercial or financial information which is privileged or confidential;

4. Involve accusing a person of a crime, or formally censuring a person;

5. Disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

6. Disclose investigative records compiled for law enforcement purposes; or

7. Specifically relate to the Interstate Commission's participation in a civil action or other legal proceeding.

H. Shall cause its legal counsel or designee to certify that a meeting may be closed and shall reference each relevant exemptible provision for any meeting, or portion of a meeting, which is closed pursuant to this provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed and the record of a roll call vote. All documents considered in connection with an action shall be identified

in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the Interstate Commission.

I. Shall collect standardized data concerning the educational transition of the children of military families under this compact as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall, in so far as is reasonably possible, conform to current technology and coordinate its information functions with the appropriate custodian of records as identified in the bylaws and rules.

J. Shall create a process that permits military officials, education officials, and parents to inform the Interstate Commission if and when there are alleged violations of the compact or its rules or when issues subject to the jurisdiction of the compact or its rules are not addressed by the state or local education agency. This section shall not be construed to create a private right of action against the Interstate Commission or any member state.

ARTICLE X. POWERS AND DUTIES OF THE INTERSTATE COMMISSION

The Interstate Commission shall have the following powers:

A. To provide for dispute resolution among member states.

B. To promulgate rules and take all necessary actions to effect the goals, purposes, and obligations as enumerated in this compact. The rules shall have the force and effect of statutory law and shall be binding in the compact states to the extent and in the manner provided in this compact.

C. To issue, upon request of a member state, advisory opinions concerning the meaning or interpretation of the interstate compact, its bylaws, rules, and actions.

D. To enforce compliance with the compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means, including but not limited to the use of judicial process.

E. To establish and maintain offices which shall be located within one or more of the member states.

F. To purchase and maintain insurance and bonds.

G. To borrow, accept, hire, or contract for services of personnel.

H. To establish and appoint committees including, but not

limited to, an executive committee as required by Article IX, Section E, which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties hereunder.

I. To elect or appoint such officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications; and to establish the Interstate Commission's personnel policies and programs relating to conflicts of interest, rates of compensation, and qualifications of personnel.

J. To accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of it.

K. To lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve or use any property, real, personal, or mixed.

L. To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal or mixed.

M. To establish a budget and make expenditures.

N. To adopt a seal and bylaws governing the management and operation of the Interstate Commission.

O. To report annually to the legislatures, governors, judiciary, and state councils of the member states concerning the activities of the Interstate Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission.

P. To coordinate education, training, and public awareness regarding the compact, its implementation and operation for officials and parents involved in such activity.

Q. To establish uniform standards for the reporting, collecting, and exchanging of data.

R. To maintain corporate books and records in accordance with the bylaws.

S. To perform such functions as may be necessary or appropriate to achieve the purposes of this compact.

T. To provide for the uniform collection and sharing of information between and among member states, schools, and military families under this compact.

ARTICLE XI. ORGANIZATION AND OPERATION OF THE INTERSTATE COMMISSION

A. The Interstate Commission shall, by a majority of the

members present and voting, within 12 months after the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the compact, including, but not limited to:

1. Establishing the fiscal year of the Interstate Commission;

2. Establishing an executive committee, and such other committees as may be necessary;

3. Providing for the establishment of committees and for governing any general or specific delegation of authority or function of the Interstate Commission;

4. Providing reasonable procedures for calling and conducting meetings of the Interstate Commission, and ensuring reasonable notice of each such meeting;

5. Establishing the titles and responsibilities of the officers and staff of the Interstate Commission;

6. Providing a mechanism for concluding the operations of the Interstate Commission and the return of surplus funds that may exist upon the termination of the compact after the payment and reserving of all of its debts and obligations;

7. Providing "start-up" rules for initial administration of the compact.

B. The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson, a vice-chairperson, and a treasurer, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice-chairperson, shall preside at all meetings of the Interstate Commission. The officers so elected shall serve without compensation or remuneration from the Interstate Commission; provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for ordinary and necessary costs and expenses incurred by them in the performance of their responsibilities as officers of the Interstate Commission.

C. Executive Committee, Officers, and Personnel

1. The executive committee shall have such authority and duties as may be set forth in the bylaws, including but not limited to:

a. Managing the affairs of the Interstate Commission in a manner consistent with the bylaws and purposes of the Interstate Commission;

b. Overseeing an organizational structure within, and appropriate procedures for the Interstate Commission to provide for the creation of rules, operating procedures, and administrative and technical support functions; and

c. Planning, implementing, and coordinating communications and activities with other state, federal, and local government organizations in order to advance the goals of the Interstate Commission.

2. The executive committee may, subject to the approval of the Interstate Commission, appoint or retain an executive director for such period, upon such terms and conditions and for such compensation, as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member of the Interstate Commission. The executive director shall hire and supervise such other persons as may be authorized by the Interstate Commission.

D. The Interstate Commission's executive director and its employees shall be immune from suit and liability, either personally or in their official capacity, for a claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to an actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred, within the scope of Interstate Commission employment, duties, or responsibilities; provided, that such person shall not be protected from suit or liability for damage, loss, injury, or liability caused by the intentional or wilful and wanton misconduct of such person.

1. The liability of the Interstate Commission's executive director and employees or Interstate Commission representatives, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the limits of liability set forth under the constitution and laws of that state for state officials, employees, and agents. The Interstate Commission is considered to be an instrumentality of the states for the purposes of any such action. Nothing in this subsection shall be construed to protect such person from suit or liability for damage, loss, injury, or liability caused by the intentional or wilful and wanton misconduct of such person.

2. The Interstate Commission shall defend the executive director and its employees and, subject to the approval of the

attorney general or other appropriate legal counsel of the member state represented by an Interstate Commission representative, shall defend such Interstate Commission representative in any civil action seeking to impose liability arising out of an actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or wilful and wanton misconduct on the part of such person.

3. To the extent not covered by the state involved, the member state, or the Interstate Commission, the representatives or employees of the Interstate Commission shall be held harmless in the amount of a settlement or judgment, including attorney's fees and costs, obtained against such persons arising out of an actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or wilful and wanton misconduct on the part of such persons.

ARTICLE XII. RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION

A. Rulemaking Authority--The Interstate Commission shall promulgate reasonable rules in order to effectively and efficiently achieve the purposes of this compact. Notwithstanding the foregoing, in the event the Interstate Commission exercises its rulemaking authority in a manner that is beyond the scope of the purposes of this Act, or the powers granted hereunder, then such an action by the Interstate Commission shall be invalid and have no force or effect.

B. Rulemaking Procedure--Rules shall be made pursuant to a rulemaking process that substantially conforms to the "Model State Administrative Procedure Act," of 1981 Act, Uniform Laws Annotated, Volume 15, page 1 (2000), as amended, as may be appropriate to the operations of the Interstate Commission.

C. Not later than thirty (30) days after a rule is promulgated, any person may file a petition for judicial review of the rule; provided, that the filing of such a petition shall not stay or otherwise prevent the rule from becoming effective unless the court

finds that the petitioner has a substantial likelihood of success. The court shall give deference to the actions of the Interstate Commission consistent with applicable law and shall not find the rule to be unlawful if the rule represents a reasonable exercise of the Interstate Commission's authority.

D. If a majority of the legislatures of the compacting states rejects a rule by enactment of a statute or resolution in the same manner used to adopt the compact, then such rule shall have no further force and effect in any compacting state.

ARTICLE XIII. OVERSIGHT, ENFORCEMENT, AND DISPUTE RESOLUTION

A. Oversight

1. The executive, legislative, and judicial branches of state government in each member state shall enforce this compact and shall take all actions necessary and appropriate to effectuate the compact's purposes and intent. The provisions of this compact and the rules promulgated hereunder shall have standing as statutory law.

2. All courts shall take judicial notice of the compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of this compact which may affect the powers, responsibilities, or actions of the Interstate Commission.

3. The Interstate Commission shall be entitled to receive all service of process in any such proceeding, and shall have standing to intervene in the proceeding for all purposes. Failure to provide service of process to the Interstate Commission shall render a judgment or order void as to the Interstate Commission, this compact, or promulgated rules.

B. Default, Technical Assistance, Suspension, and Termination--If the Interstate Commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this compact, or the bylaws or promulgated rules, the Interstate Commission shall:

1. Provide written notice to the defaulting state and other member states, of the nature of the default, the means of curing the default and any action taken by the Interstate Commission. The Interstate Commission shall specify the conditions by which the defaulting state must cure its default.

2. Provide remedial training and specific technical assistance regarding the default.

3. If the defaulting state fails to cure the default, the

defaulting state shall be terminated from the compact upon an affirmative vote of a majority of the member states and all rights, privileges, and benefits conferred by this compact shall be terminated from the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of the default.

4. Suspension or termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the Interstate Commission to the governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

5. The state which has been suspended or terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of suspension or termination including obligations, the performance of which extends beyond the effective date of suspension or termination.

6. The Interstate Commission shall not bear any costs relating to any state that has been found to be in default or which has been suspended or terminated from the compact, unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

7. The defaulting state may appeal the action of the Interstate Commission by petitioning the U.S. District Court for the District of Columbia or the federal district where the Interstate Commission has its principal offices. The prevailing party shall be awarded all costs of such litigation including reasonable attorney's fees.

C. Dispute Resolution

1. The Interstate Commission shall attempt, upon the request of a member state, to resolve disputes which are subject to the compact and which may arise among member states and between member and non-member states.

2. The Interstate Commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.

D. Enforcement

1. The Interstate Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this compact.

2. The Interstate Commission may, by majority vote of the members, initiate legal action in the U.S. District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its principal offices, to enforce compliance with the provisions of the compact, its promulgated rules and bylaws, against a member state in default. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation including reasonable attorney's fees.

3. The remedies herein shall not be the exclusive remedies of the Interstate Commission. The Interstate Commission may avail itself of any other remedies available under state law or the regulation of a profession.

ARTICLE XIV. FINANCING OF THE INTERSTATE COMMISSION

A. The Interstate Commission shall pay, or provide for the payment of the reasonable expenses of its establishment, organization, and ongoing activities.

B. The Interstate Commission may levy on and collect an annual assessment from each member state to cover the cost of the operations and activities of the Interstate Commission and its staff, which must be in a total amount sufficient to cover the Interstate Commission's annual budget as approved each year. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Interstate Commission, which shall promulgate a rule binding upon all member states.

C. The Interstate Commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Interstate Commission pledge the credit of any of the member states, except by and with the authority of the member state.

D. The Interstate Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Interstate Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Interstate Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Interstate Commission.

ARTICLE XV. MEMBER STATES, EFFECTIVE DATE, AND AMENDMENT

A. Any state is eligible to become a member state.

B. The compact shall become effective and binding upon legislative enactment of the compact into law by no less than ten (10) of the states. The effective date shall be no earlier than December 1, 2007. Thereafter it shall become effective and binding as to any other member state upon enactment of the compact into law by that state. The governors of non-member states or their designees shall be invited to participate in the activities of the Interstate Commission on a non-voting basis prior to adoption of the compact by all states.

C. The Interstate Commission may propose amendments to the compact for enactment by the member states. No amendment shall become effective and binding upon the Interstate Commission and the member states unless and until it is enacted into law by unanimous consent of the member states.

ARTICLE XVI. WITHDRAWAL AND DISSOLUTION

A. Withdrawal

1. Once effective, the compact shall continue in force and remain binding upon each and every member state; provided that a member state may withdraw from the compact by specifically repealing the statute which enacted the compact into law.

2. Withdrawal from this compact shall be by the enactment of a statute repealing the same, but shall not take effect until one (1) year after the effective date of such statute and until written notice of the withdrawal has been given by the withdrawing state to the governor of each other member jurisdiction.

3. The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this compact in the withdrawing state. The Interstate Commission shall notify the other member states of the withdrawing state's intent to withdraw within sixty (60) days of its receipt thereof.

4. The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including obligations, the performance of which extend beyond the effective date of withdrawal.

5. Reinstatement following withdrawal of a member state shall occur upon the withdrawing state reenacting the compact or upon such later date as determined by the Interstate Commission.

B. Dissolution of Compact

1. This compact shall dissolve effective upon the date of

the withdrawal or default of the member state which reduces the membership in the compact to one (1) member state.

2. Upon the dissolution of this compact, the compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate Commission shall be concluded and surplus funds shall be distributed in accordance with the bylaws.

ARTICLE XVII. SEVERABILITY AND CONSTRUCTION

A. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the compact shall be enforceable.

B. The provisions of this compact shall be liberally construed to effectuate its purposes.

C. Nothing in this compact shall be construed to prohibit the applicability of other interstate compacts to which the states are members.

ARTICLE XVIII. BINDING EFFECT OF COMPACT AND OTHER LAWS

A. Other Laws

1. Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with this compact.

2. All member states' laws conflicting with this compact are superseded to the extent of the conflict.

B. Binding Effect of the Compact

1. All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the member states.

2. All agreements between the Interstate Commission and the member states are binding in accordance with their terms.

3. In the event any provision of this compact exceeds the constitutional limits imposed on the legislature of any member state, such provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state.

Added by Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 1, eff. May 5, 2009.

Sec. 162.003. EFFECT ON TEXAS LAWS. If the laws of this state conflict with the compact or a rule adopted under that compact, the compact or rule controls, except that if a conflict exists between

the compact or rule and the Texas Constitution, as determined by the courts of this state, the Texas Constitution controls.

Added by Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 1, eff. May 5, 2009.

Sec. 162.004. COMPACT COMMISSIONER. (a) The governor shall appoint a compact commissioner to be responsible for administration and management of this state's participation in the compact.

(b) If the compact commissioner is unable to attend a specific meeting of the Interstate Commission created under the compact, the governor shall delegate voting authority for that meeting to another individual from this state.

(c) The compact commissioner serves at the will of the governor.

Added by Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 1, eff. May 5, 2009.

Sec. 162.005. STATE COORDINATION. (a) The Texas Education Agency shall provide for coordination among state agencies, school districts, and military installations concerning this state's participation in and compliance with the compact and compact activities, as required by Article VIII of the compact.

(b) To the extent that the compact requires or authorizes a State Council created in accordance with Article VIII of the compact to perform a duty or function, the Texas Education Agency or the commissioner of education, as appropriate, shall perform that duty or function.

Added by Acts 2009, 81st Leg., R.S., Ch. 8 (S.B. 90), Sec. 1, eff. May 5, 2009.

TITLE 5. OTHER EDUCATION
CHAPTER 1001. DRIVER AND TRAFFIC SAFETY EDUCATION
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1001.001. DEFINITIONS. In this chapter:

(1) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec.

70(a)(1), eff. September 1, 2015.

(2) "Approved driving safety course" means a driving safety course approved by the department.

(3) "Commission" means the Texas Commission of Licensing and Regulation.

(4) "Course provider" means an enterprise that:

(A) maintains a place of business or solicits business in this state;

(B) is operated by an individual, association, partnership, or corporation; and

(C) has received an approval for a driving safety course from the department or has been designated by a person who has received that approval to conduct business and represent the person in this state.

(5) "Department" means the Texas Department of Licensing and Regulation.

(6) "Driver education" means a nonvocational course of instruction that provides the knowledge and hands-on experience to prepare persons for written and practical driving tests that lead to authorization to operate a vehicle.

(7) "Driver education school" means an enterprise that:

(A) maintains a place of business or solicits business in this state; and

(B) is operated by an individual, association, partnership, or corporation for educating and training persons at a primary or branch location in driver education or driver education instructor development.

(8) "Driver training" means:

(A) driver education provided by a driver education school; or

(B) driving safety training provided by a driving safety school.

(9) "Driver training school" means a driver education school or driving safety school.

(10) "Driver training school employee" means a person, other than an owner, who directly or indirectly receives compensation from a driver training school for instructional or other services rendered.

(11) "Driver training school owner" means:

(A) in the case of a driver training school owned by an

individual, the individual;

(B) in the case of a driver training school owned by a partnership, all full, silent, or limited partners; or

(C) in the case of a driver training school owned by a corporation, the corporation, its directors and officers, and each shareholder owning at least 10 percent of the total of the outstanding shares.

(12) "Driving safety course" means a course of instruction intended to improve a driver's knowledge, perception, and attitude about driving.

(13) "Driving safety school" means an enterprise that:

(A) maintains a place of business or solicits business in this state; and

(B) is operated by an individual, association, partnership, or corporation for educating and training persons in driving safety.

(13-a) "Executive director" means the executive director of the department.

(14) "Instructor" means an individual who holds a license for the type of instruction being given.

(14-a) "National criminal history record information" has the meaning assigned by Section 22.081.

(15) "Person" means an individual, firm, partnership, association, corporation, or other private entity or combination of persons.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 1, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 3, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 70(a)(1), eff. September 1, 2015.

Sec. 1001.002. EXEMPTIONS. (a) An organization is exempt from this chapter if the organization:

(1) has 50,000 or more members;

(2) qualifies for a tax exemption under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(4) of that code; and

(3) conducts for its members and other individuals who are at least 50 years of age a driving safety course that is not used for purposes of Article 45.0511, Code of Criminal Procedure.

(b) A driving safety course is exempt from this chapter if the course is taught without providing a uniform certificate of course completion to a person who successfully completes the course.

(c) A driver education course is exempt from this chapter, other than Section 1001.055, if the course is:

(1) conducted by a vocational driver training school operated to train or prepare a person for a field of endeavor in a business, trade, technical, or industrial occupation;

(2) conducted by a school or training program that offers only instruction of purely avocational or recreational subjects as determined by the department;

(3) sponsored by an employer to train its own employees without charging tuition;

(4) sponsored by a recognized trade, business, or professional organization with a closed membership to instruct the members of the organization; or

(5) conducted by a school regulated and approved under another law of this state.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 4, eff. September 1, 2015.

Sec. 1001.003. LEGISLATIVE INTENT REGARDING SMALL BUSINESSES. It is the intent of the legislature that commission rules that affect driver training schools that qualify as small businesses be adopted and administered so as to have the least possible adverse economic effect on the schools.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 5, eff. September 1, 2015.

Sec. 1001.004. COST OF ADMINISTERING CHAPTER. (a) Except as provided by Subsection (b), the cost of administering this chapter shall be included in the state budget allowance for the department.

(b) The department may charge a fee to each driver education school in an amount not to exceed the actual expense incurred in the regulation of driver education courses established under Section 1001.1015.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 3, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1413 (S.B. 1317), Sec. 4, eff. March 1, 2010.

Reenacted and amended by Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 6, eff. September 1, 2015.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 1001.051. JURISDICTION OVER SCHOOLS. The department has jurisdiction over and control of driver training schools regulated under this chapter.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 7, eff. September 1, 2015.

Sec. 1001.052. RULES. The commission shall adopt comprehensive rules governing driving safety courses.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 7, eff. September 1, 2015.

Sec. 1001.053. POWERS AND DUTIES OF DEPARTMENT, COMMISSION, AND EXECUTIVE DIRECTOR. (a) The department and executive director, as appropriate, shall:

(1) administer this chapter;

(2) enforce minimum standards for driver training schools under this chapter;

(3) enforce rules adopted by the commission that are necessary to administer this chapter; and

(4) inspect a driver training school or course provider and reinspect the school or course provider for compliance with this chapter.

(b) The executive director may designate a person knowledgeable in the administration of regulating driver training schools to administer this chapter.

(c) The commission shall adopt rules necessary to administer this chapter. The commission may adopt rules to ensure the integrity of approved driving safety courses and to enhance program quality.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 7, eff. September 1, 2015.

Sec. 1001.054. RULES RESTRICTING ADVERTISING. (a) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec. 70(a)(2), eff. September 1, 2015.

(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec. 70(a)(2), eff. September 1, 2015.

(c) The commission by rule may restrict advertising by a branch location of a driver training school so that the location adequately identifies the primary location of the school in a solicitation.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 8, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 9, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 70(a)(2), eff. September 1, 2015.

Sec. 1001.055. DRIVER EDUCATION CERTIFICATES AND CERTIFICATE NUMBERS. (a) The department shall provide to each licensed or exempt driver education school and to each parent-taught course provider approved under this chapter driver education certificates or certificate numbers to enable the school or approved parent-taught course provider to print and issue department-approved driver education certificates to certify completion of an approved driver education course and satisfy the requirements of Sections 521.204(a)(2), Transportation Code, 521.1601, Transportation Code, as added by Chapter 1253 (H.B. 339), Acts of the 81st Legislature, Regular Session, 2009, and 521.1601, Transportation Code, as added by Chapter 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009.

(a-1) A certificate printed and issued by a driver education school or parent-taught course provider approved under this chapter must:

(1) be in a form required by the department; and

(2) include an identifying certificate number provided by the department that may be used to verify the authenticity of the certificate with the driver education school or approved parent-taught course provider.

(a-2) A driver education school or parent-taught course provider approved under this chapter that purchases driver education certificate numbers shall provide for the printing and issuance of original and duplicate certificates in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates. The driver education school or approved parent-taught course provider shall electronically submit to the department in the manner established by the department data identified by the department relating to issuance of department-approved driver education certificates with the certificate numbers.

(a-3) Certificate numbers must be in serial order so that the

number on each issued certificate is unique.

(b) The commission by rule shall provide for the design and distribution of the certificates and certificate numbers in a manner that, to the greatest extent possible, prevents the unauthorized reproduction or misuse of the certificates or certificate numbers.

(c) The commission by rule shall establish a fee for each certificate or certificate number.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 4, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1413 (S.B. 1317), Sec. 5, eff. March 1, 2010.

Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 3, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 10, eff. September 1, 2015.

Sec. 1001.056. UNIFORM CERTIFICATES OF COURSE COMPLETION. (a) In this section, "operator" means a person approved by a course provider to conduct an approved driving safety course.

(b) The department shall provide each licensed course provider with course completion certificate numbers to enable the provider to print and issue department-approved uniform certificates of course completion.

(b-1) Certificate numbering under Subsection (b) must be serial.

(c) The commission by rule shall provide for the design of the certificates and the distribution of certificate numbers in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates or certificate numbers.

(c-1) A course provider shall provide for the printing and issuance of original and duplicate certificates in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates.

(d) A certificate under this section must:

(1) be in a form required by the department; and

(2) include an identifying number by which the department, a court, or the Department of Public Safety may verify its authenticity with the course provider.

(e) The commission by rule shall establish a fee for each course completion certificate number. A course provider that supplies a certificate to an operator shall collect from the operator a fee equal to the amount of the fee paid to the department for the certificate number.

(f) A course provider license entitles a course provider to purchase certificate numbers for only one approved driving safety course.

(g) A course provider shall issue a duplicate certificate by United States mail or commercial delivery. The commission by rule shall determine the amount of the fee for issuance of a duplicate certificate under this subsection.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2005, 79th Leg., Ch. 928 (H.B. 468), Sec. 1, eff. September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 11, eff. September 1, 2015.

Sec. 1001.057. ELECTRONIC TRANSMISSION OF DRIVING SAFETY COURSE INFORMATION. The department shall investigate options to develop and implement procedures to electronically transmit information relating to driving safety courses to municipal and justice courts.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 12, eff. September 1, 2015.

Sec. 1001.058. ADVISORY COMMITTEE. (a) The commission shall establish an advisory committee to advise the commission and department on rules and educational and technical matters relevant to the administration of this chapter.

(b) The advisory committee consists of eleven members appointed for staggered six-year terms by the presiding officer of the commission, with the approval of the commission, as follows:

(1) one member representing a driver education school that offers a traditional classroom course and in-car training;

(2) one member representing a driver education school that offers a traditional classroom course, alternative methods of instruction, or in-car training;

(3) one member representing a driving safety school offering a traditional classroom course or providing an alternative method of instruction;

(4) one member representing a driving safety course provider approved for a traditional classroom course and for an alternative method of instruction;

(5) one member representing a driving safety course provider approved for a traditional classroom course or for an alternative method of instruction;

(6) one licensed instructor;

(7) one representative of the Department of Public Safety;

(8) one member representing a drug and alcohol driving awareness program course provider;

(9) one member representing a parent-taught course provider; and

(10) two members representing the public.

(c) The presiding officer of the commission shall appoint the presiding officer of the advisory committee. The presiding officer of the advisory committee may vote on any matter before the advisory committee.

(d) A member may not serve two consecutive full terms.

(e) If a vacancy occurs during a term, the presiding officer of the commission, with the approval of the commission, shall appoint a replacement who meets the qualifications of the vacated position to serve for the remainder of the term.

(f) A member of the advisory committee may be removed from the advisory committee as provided by Section 51.209, Occupations Code.

(g) Members of the advisory committee may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the advisory committee, subject to the General Appropriations Act.

(h) The committee shall meet at the call of the presiding

officer of the commission.

(i) Chapter 2110, Government Code, does not apply to the advisory committee.

Added by Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 13, eff. September 1, 2015.

SUBCHAPTER C. OPERATION OF DRIVER EDUCATION SCHOOL

Sec. 1001.101. ADULT AND MINOR DRIVER EDUCATION COURSE CURRICULUM AND TEXTBOOKS. (a) The commission by rule shall establish or approve the curriculum and designate the educational materials to be used in a driver education course for minors and adults, including a driver education course conducted by a school district, driver education school, or parent or other individual under this chapter.

(b) A driver education course must require the student to complete:

(1) 7 hours of behind-the-wheel instruction in the presence of a person who holds a driver education instructor license or who meets the requirements for a driver education course conducted by a parent or other individual under Section 1001.112;

(2) 7 hours of observation instruction in the presence of a person who holds a driver education instructor license or who meets the requirements for a driver education course conducted by a parent or other individual under Section 1001.112; and

(3) 30 hours of behind-the-wheel instruction, including at least 10 hours of instruction that takes place at night, in the presence of an adult who meets the requirements of Section 521.222(d)(2), Transportation Code.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 5, eff. September 1, 2009.

Acts 2009, 81st Leg., R.S., Ch. 1413 (S.B. 1317), Sec. 6, eff. March 1, 2010.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 716 (H.B. 3483), Sec. 1, eff. September 1, 2013.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 15, eff. September 1, 2015.

Sec. 1001.1015. ADULT DRIVER EDUCATION COURSE CURRICULUM AND EDUCATIONAL MATERIALS. (a) The commission by rule shall establish the curriculum and designate the educational materials to be used in a driver education course exclusively for adults.

(b) A driver education course under Subsection (a) must:

(1) be a six-hour course; and

(2) include instruction in:

(A) alcohol and drug awareness;

(B) the traffic laws of this state;

(C) highway signs, signals, and markings that regulate, warn, or direct traffic; and

(D) the issues commonly associated with motor vehicle accidents, including poor decision-making, risk taking, impaired driving, distraction, speed, failure to use a safety belt, driving at night, failure to yield the right-of-way, and using a wireless communication device while operating a vehicle.

(c) A course approved under Subsection (a) may be offered as an online course.

(d) A driving safety course or a drug and alcohol driving awareness program may not be approved as a driver education course under Subsection (a).

Added by Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 6, eff. September 1, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 16, eff. September 1, 2015.

Sec. 1001.102. ALCOHOL AWARENESS INFORMATION. (a) The commission by rule shall require that information relating to alcohol awareness and the effect of alcohol on the effective operation of a motor vehicle be included in the curriculum of any driver education course or driving safety course.

(b) In developing rules under this section, the commission shall consult with the Department of Public Safety.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 17, eff. September 1, 2015.

Sec. 1001.1025. MOTORCYCLE AWARENESS INFORMATION. (a) The commission by rule shall require that information relating to motorcycle awareness, the dangers of failing to yield the right-of-way to a motorcyclist, and the need to share the road with motorcyclists be included in the curriculum of any driver education course or driving safety course.

(b) In developing rules under this section, the commission shall consult with the Department of Public Safety.

Added by Acts 2009, 81st Leg., R.S., Ch. 1391 (S.B. 1967), Sec. 11, eff. September 1, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 18, eff. September 1, 2015.

Sec. 1001.103. DRUG AND ALCOHOL DRIVING AWARENESS PROGRAMS. (a) In this section, "drug and alcohol driving awareness program" means a course with emphasis on curricula designed to prevent or deter misuse and abuse of controlled substances.

(b) The department shall develop standards for a separate school certification and approve curricula for drug and alcohol driving awareness programs that include one or more courses. Except as provided by commission rule, a program must be offered in the same manner as a driving safety course.

(c) The standards under Subsection (b) may require a course provider to evaluate procedures, projects, techniques, and controls conducted as part of the program.

(d) The department and the Department of State Health Services shall enter into a memorandum of understanding for the interagency approval of the required curricula.

(e) The commission may establish fees in connection with the programs under this section. The fees must be in amounts reasonable

and necessary to administer the department's duties under this section.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 19, eff. September 1, 2015.

Sec. 1001.104. HOSPITAL AND REHABILITATION FACILITIES. (a) The department shall enter into a memorandum of understanding with the state agency responsible for administering the vocational rehabilitation program under Subtitle C, Title 4, Labor Code, and the Department of Public Safety for the interagency development of curricula and licensing criteria for hospital and rehabilitation facilities that teach driver education.

(b) The department shall administer comprehensive rules governing driver education courses developed through interagency cooperation between the commission, the state agency responsible for administering the vocational rehabilitation program under Subtitle C, Title 4, Labor Code, and the Department of Public Safety.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 20, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1138 (S.B. 208), Sec. 2, eff. September 1, 2015.

Sec. 1001.105. TEXAS DEPARTMENT OF INSURANCE. The department shall enter into a memorandum of understanding with the Texas Department of Insurance for the development of a curriculum for driving safety courses.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 20, eff.

September 1, 2015.

Sec. 1001.106. INFORMATION RELATING TO RAILROAD AND HIGHWAY GRADE CROSSING SAFETY. (a) A driving safety course must include information on railroad and highway grade crossing safety.

(b) The commission by rule shall provide minimum standards of curriculum relating to operation of vehicles at railroad and highway grade crossings.

(c) Subchapter F, Chapter 51, Occupations Code, and Section 51.353, Occupations Code, do not apply to a violation of this section or a rule adopted under this section.

(d) Section 51.352, Occupations Code, and Sections 1001.455(a)(6) and 1001.554 of this code do not apply to a violation of this section.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 21, eff. September 1, 2015.

Sec. 1001.107. INFORMATION RELATING TO LITTER PREVENTION. (a) The commission by rule shall require that information relating to litter prevention be included in the curriculum of each driver education and driving safety course.

(b) In developing rules under this section, the commission shall consult the Department of Public Safety.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 22, eff. September 1, 2015.

Sec. 1001.108. INFORMATION RELATING TO ANATOMICAL GIFTS. (a) The commission by rule shall require that information relating to anatomical gifts be included in the curriculum of each driver education course and driving safety course.

(b) The curriculum must include information about each matter listed in Section 49.001(a), Health and Safety Code.

(c) In developing rules under this section, the commission shall consult with the Department of State Health Services.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 23, eff. September 1, 2015.

Sec. 1001.110. INFORMATION RELATING TO DRIVING DISTRACTIONS. (a) The commission by rule shall require that information relating to the effect of using a wireless communication device or engaging in other actions that may distract a driver on the safe or effective operation of a motor vehicle be included in the curriculum of each driver education course or driving safety course.

(b) In developing rules under this section, the commission shall consult with the Department of Public Safety.

Added by Acts 2009, 81st Leg., R.S., Ch. 516 (S.B. 1107), Sec. 1, eff. September 1, 2009.
Added by Acts 2009, 81st Leg., R.S., Ch. 1253 (H.B. 339), Sec. 7, eff. September 1, 2009.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 24, eff. September 1, 2015.

Sec. 1001.111. DRIVING SAFETY COURSE FOR DRIVER YOUNGER THAN 25 YEARS OF AGE. (a) The commission by rule shall provide minimum standards of curriculum for and designate the educational materials to be used in a driving safety course designed for drivers younger than 25 years of age.

(b) A driving safety course designed for drivers younger than 25 years of age must:

(1) be a four-hour live, interactive course focusing on issues specific to drivers younger than 25 years of age;

(2) include instruction in:

(A) alcohol and drug awareness;

(B) the traffic laws of this state;

(C) the high rate of motor vehicle accidents and fatalities for drivers younger than 25 years of age;

(D) the issues commonly associated with motor vehicle accidents involving drivers younger than 25 years of age, including poor decision-making, risk taking, impaired driving, distraction, speed, failure to use a safety belt, driving at night, failure to yield the right-of-way, and using a wireless communication device while operating a vehicle, and the role of peer pressure in those issues;

(E) the effect of poor driver decision-making on the family, friends, school, and community of a driver younger than 25 years of age; and

(F) the importance of taking control of potentially dangerous driving situations both as a driver and as a passenger; and

(3) require a written commitment by the student to family and friends that the student will not engage in dangerous driving habits.

Added by Acts 2011, 82nd Leg., R.S., Ch. 914 (S.B. 1330), Sec. 2, eff. September 1, 2011.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 25, eff. September 1, 2015.

Sec. 1001.112. PARENT-TAUGHT DRIVER EDUCATION. (a) The commission by rule shall provide for approval of a driver education course conducted by the parent, stepparent, foster parent, legal guardian, grandparent, or step-grandparent of a person who is required to complete a driver education course to obtain a Class C license. The rules must provide that the student driver spend a minimum number of hours in classroom and behind-the-wheel instruction and that the person conducting the course:

(1) possess a valid license for the preceding three years that has not been suspended, revoked, or forfeited in the past three years for an offense that involves the operation of a motor vehicle;

(2) has not been convicted of:

(A) criminally negligent homicide; or

(B) driving while intoxicated;

(3) is not disabled because of mental illness; and

(4) does not have six or more points assigned to the person's driver's license under Subchapter B, Chapter 708, Transportation Code, at the time the person begins conducting the course.

(b) The department may approve a course described by Subsection (a) if the department determines that the course materials are at least equal to those required in a course approved by the department, and the department may not require that:

(1) the classroom instruction be provided in a room with particular characteristics or equipment; or

(2) the vehicle used for the behind-the-wheel instruction have equipment other than the equipment otherwise required by law for operation of the vehicle on a highway while the vehicle is not being used for driver training.

(c) The rules must provide a method by which:

(1) approval of a course is obtained;

(2) an applicant submits proof of completion of the course;

(3) approval for delivering course materials by an alternative method, including electronic means, is obtained;

(4) a provider of a course approved under this section may administer to an applicant the highway sign and traffic law parts of the examination as provided by Section 521.1655(a-1), Transportation Code, through electronic means; and

(5) an applicant submits proof of passage of an examination administered under Subdivision (4).

(d) Completion of a driver education course approved under this section has the same effect under this chapter as completion of a driver education course approved by the department.

Added by Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 26, eff. September 1, 2015.

SUBCHAPTER D. FEES

Sec. 1001.151. APPLICATION, LICENSE, AND REGISTRATION FEES. (a) The commission by rule shall establish application, license, and registration fees. The fees must be in amounts sufficient to cover administrative costs and are nonrefundable. The department shall collect the application, license, and registration fees.

(b) The commission by rule shall establish a fee for:

(1) an initial driver education school license and for each branch location;

(2) an initial driving safety school license;

(3) an initial course provider license, except that the executive director may waive the fee;

(4) the annual renewal for a course provider, driving safety school, driver education school, or branch location, except that the executive director may waive the fee if revenue generated by the issuance of course completion certificate numbers and driver education certificates is sufficient to cover the cost of administering this chapter and Article 45.0511, Code of Criminal Procedure;

(5) a change of address of a driver education school, driving safety school, or course provider;

(6) a change of name of:

(A) a driver education school or course provider or an owner of a driver education school or course provider; or

(B) a driving safety school or owner of a driving safety school;

(7) each additional driver education or driving safety course at a driver training school; and

(8) an initial application for approval of a driving safety course that has not been evaluated by the department.

(c) An application for an initial driver education or driving safety instructor license must be accompanied by a processing fee and an annual license fee, except that the department may not collect the processing fee from an applicant for a driver education instructor license who is currently teaching a driver education course in a public school in this state.

(d) The commission shall establish the amount of the fee for a duplicate license.

(e) The commission may establish a fee for an application for approval to offer a driver education course by an alternative method of instruction under Section 1001.3541.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 928 (H.B. 468), Sec. 2, eff. September

1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 131 (S.B. 858), Sec. 2, eff. May 23, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 27, eff. September 1, 2015.

SUBCHAPTER E. LICENSING OF SCHOOLS AND COURSE PROVIDERS

Sec. 1001.201. LICENSE REQUIRED. A person may not:

(1) operate a school that provides a driver education course unless the person holds a driver education school license;

(2) operate a school that provides driving safety courses unless the person holds a driving safety school license; or

(3) operate as a course provider unless the person holds a course provider license.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.202. LOCATIONS. (a) A driver education school that teaches a driver education course at one or more branch locations must obtain a separate driver education school license for its main business location and for each branch location. A driver education school may not operate a branch location of a branch location.

(b) A driving safety school may use multiple classroom locations to teach a driving safety course if each location:

(1) is approved by the parent school and the department;

(2) has the same name as the parent school; and

(3) has the same ownership as the parent school.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 28, eff. September 1, 2015.

Sec. 1001.204. REQUIREMENTS FOR DRIVER EDUCATION SCHOOL LICENSE. (a) The commission by rule shall establish the criteria for a driver education school license.

(b) The department shall approve an application for a driver education school license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school, it is determined that the school:

(1) has courses, curricula, and instruction of a quality, content, and length that reasonably and adequately achieve the stated objective for which the courses, curricula, and instruction are offered;

(2) has adequate space, equipment, instructional material, and instructors to provide training of good quality in the classroom and behind the wheel;

(3) has instructors who have adequate educational qualifications and experience;

(4) provides to each student before enrollment:

(A) a copy of:

(i) the refund policy;

(ii) the schedule of tuition, fees, and other charges; and

(iii) the regulations relating to absence, grading policy, and rules of operation and conduct; and

(B) the department's name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to the department;

(5) maintains adequate records as prescribed by the department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(6) on completion of training, issues each student a certificate indicating the course name and satisfactory completion;

(7) complies with all county, municipal, state, and federal regulations, including fire, building, and sanitation codes and assumed name registration;

(8) is financially sound and capable of fulfilling its commitments for training;

(9) has owners and instructors who are of good reputation and character;

(10) maintains and publishes as part of its student enrollment contract the proper policy for the refund of the unused portion of tuition, fees, and other charges if a student fails to take the course or withdraws or is discontinued from the school at

any time before completion;

(11) does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(12) does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by the executive director;

(13) submits to the department for approval the applicable course hour lengths and curriculum content for each course offered by the school;

(14) does not owe an administrative penalty for a violation of this chapter; and

(15) meets any additional criteria required by the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 29, eff. September 1, 2015.

Sec. 1001.205. REQUIREMENTS FOR DRIVING SAFETY SCHOOL LICENSE. (a) The commission by rule shall establish the criteria for a driving safety school license.

(b) The department shall approve an application for a driving safety school license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school, the department determines that the school:

(1) has driving safety courses, curricula, and instruction of a quality, content, and length that reasonably and adequately achieve the stated objective for which the course, curricula, and instruction are developed by the course provider;

(2) has adequate space, equipment, instructional material, and instructors to provide training of good quality;

(3) has instructors who have adequate educational qualifications and experience;

(4) maintains adequate records as prescribed by the

department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(5) complies with all county, municipal, state, and federal laws, including fire, building, and sanitation codes and assumed name registration;

(6) has owners and instructors who are of good reputation and character;

(7) does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(8) does not use a name similar to the name of another existing school or tax-supported educational establishment in this state, unless specifically approved in writing by the executive director;

(9) maintains and uses the approved contract and policies developed by the course provider;

(10) does not owe an administrative penalty for a violation of this chapter;

(11) will not provide a driving safety course to a person for less than $25; and

(12) meets additional criteria required by the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 29, eff. September 1, 2015.

Sec. 1001.206. REQUIREMENTS FOR COURSE PROVIDER LICENSE. (a) The commission by rule shall establish criteria for a course provider license.

(b) The department shall approve an application for a course provider license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school the department determines that:

(1) the course provider has an approved course that at least one licensed driving safety school is willing to offer;

(2) the course provider has adequate educational qualifications and experience;

(3) the course provider will:

(A) develop and provide to each driving safety school that offers the approved course a copy of:

(i) the refund policy; and

(ii) the regulations relating to absence, grading policy, and rules of operation and conduct; and

(B) provide to the driving safety school the department's name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to the department;

(4) a copy of the information provided to each driving safety school under Subdivision (3) will be provided to each student by the school before enrollment;

(5) not later than the 15th working day after the date a person successfully completes the course, the course provider will issue and deliver to the person by United States mail or commercial delivery a uniform certificate of course completion indicating the course name and successful completion;

(6) the course provider maintains adequate records as prescribed by the department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(7) the course provider complies with all county, municipal, state, and federal laws, including assumed name registration and other applicable requirements;

(8) the course provider is financially sound and capable of fulfilling its commitments for training;

(9) the course provider is of good reputation and character;

(10) the course provider maintains and publishes as a part of its student enrollment contract the proper policy for the refund of the unused portion of tuition, fees, and other charges if a student fails to take the course or withdraws or is discontinued from the school at any time before completion;

(11) the course provider does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(12) the course provider does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by

the executive director;

(13) the course provider does not owe an administrative penalty for a violation of this chapter; and

(14) the course provider meets additional criteria required by the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 29, eff. September 1, 2015.

Sec. 1001.207. BOND REQUIREMENTS: DRIVER EDUCATION SCHOOL. (a) Before a driver education school may be issued a license, the school must file a corporate surety bond with the department in the amount of:

(1) $10,000 for the primary location of the school; and

(2) $5,000 for each branch location.

(b) A bond issued under Subsection (a) must be:

(1) issued in a form approved by the department;

(2) issued by a company authorized to do business in this state;

(3) payable to the department to be used only for payment of a refund due to a student or potential student;

(4) conditioned on the compliance of the school and its officers, agents, and employees with this chapter and rules adopted under this chapter; and

(5) issued for a period corresponding to the term of the license.

(c) Posting of a bond in the amount required under Subsection (a) satisfies the requirements for financial stability for driver education schools under this chapter.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 30, eff. September 1, 2015.

Sec. 1001.208. BOND NOT REQUIRED FOR DRIVING SAFETY SCHOOL. A driving safety school is not required to post a surety bond.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.209. BOND REQUIREMENTS: COURSE PROVIDER. (a) Before a course provider may be issued a license, the course provider must provide a corporate surety bond in the amount of $25,000.

(b) A bond issued under Subsection (a) must be:

(1) issued by a company authorized to do business in this state;

(2) payable to the department to be used:

(A) for payment of a refund due a student of the course provider's approved course;

(B) to cover the payment of unpaid fees or penalties assessed by the executive director or the commission; or

(C) to recover any cost associated with providing course completion certificate numbers, including the cancellation of certificate numbers;

(3) conditioned on the compliance of the course provider and its officers, agents, and employees with this chapter and rules adopted under this chapter; and

(4) issued for a period corresponding to the term of the license.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 928 (H.B. 468), Sec. 3, eff. September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 31, eff. September 1, 2015.

Sec. 1001.210. ALTERNATE FORM OF SECURITY. Instead of the bond required by Section 1001.207 or 1001.209, a driver education school or course provider may provide another form of security that is:

(1) approved by the department; and

(2) in the amount required for a comparable bond under

Section 1001.207 or 1001.209.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 32, eff. September 1, 2015.

Sec. 1001.211. ISSUANCE AND FORM OF LICENSE. (a) The executive director shall issue a license to an applicant for a license under this subchapter if:

(1) the application is submitted in accordance with this subchapter; and

(2) the applicant meets the requirements of this chapter.

(b) A license must be in a form determined by the department and must show in a clear and conspicuous manner:

(1) the date of issuance, effective date, and term of the license;

(2) the name and address of the driver training school or course provider;

(3) the authority for and conditions of approval; and

(4) any other fair and reasonable representation that is consistent with this chapter and that the department considers necessary.

(c) An applicant may obtain both a driver education school license and a driving safety school license.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 33, eff. September 1, 2015.

Sec. 1001.213. LICENSE NOT TRANSFERABLE; CHANGE OF OWNERSHIP. (a) A license under this subchapter may not be transferred and is the property of the state.

(b) If a change in ownership of a driver training school or course provider is proposed, a new owner shall apply for a new school or course provider license at least 30 days before the date of the

change.

(c) The commission by rule may establish fees for a new driver education school or course provider license under Subsection (b) and for each branch location if:

(1) the new owner is substantially similar to the previous owner; and

(2) there is no significant change in the management or control of the driver education school or course provider.

(d) The department may inspect a school or a branch location after a change of ownership.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 34, eff. September 1, 2015.

Sec. 1001.214. DUPLICATE LICENSE. A duplicate license may be issued to a driver training school or course provider if:

(1) the original license is lost or destroyed; and

(2) an affidavit of that fact is filed with the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 35, eff. September 1, 2015.

SUBCHAPTER F. LICENSING OF INSTRUCTORS

Sec. 1001.251. LICENSE REQUIRED FOR INSTRUCTOR. (a) A person may not teach or provide driver education, either as an individual or in a driver education school, or conduct any phase of driver education, unless the person holds a driver education instructor license issued by the executive director.

(b) A person may not teach or provide driving safety training, either as an individual or in a driving safety school, or conduct any phase of driving safety education, unless the person holds a driving safety instructor license issued by the executive director. This subsection does not apply to an instructor of a driving safety course

that does not provide a uniform certificate of course completion to its graduates.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 36, eff. September 1, 2015.

Sec. 1001.2511. NATIONAL CRIMINAL HISTORY RECORD INFORMATION REVIEW FOR DRIVER EDUCATION INSTRUCTORS. (a) This section applies to a person who is an applicant for or holder of:

(1) a driver education instructor license; or

(2) a license issued under Section 1001.255.

(b) The department shall review the national criminal history record information of a person who holds a license described by Subsection (a).

(c) The executive director shall place a license described by Subsection (a) on inactive status for the license holder's failure to comply with a deadline for submitting information required under this section.

(d) The department may allow a person who is applying for a license described by Subsection (a) and who currently resides in another state to submit the person's fingerprints and other required information in a manner that does not impose an undue hardship on the person.

(e) The commission may adopt rules to administer this section, including rules establishing:

(1) deadlines for a person to submit fingerprints and photographs in compliance with this section;

(2) sanctions for a person's failure to comply with the requirements of this section, including suspension or revocation of or refusal to issue a license described by Subsection (a); and

(3) notification to a driver education school of relevant information obtained by the department under this section.

(f) The department is not civilly or criminally liable for an action taken in compliance with this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 4, eff. September 1, 2011.

Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 37, eff. September 1, 2015.

Sec. 1001.2512. FEES FOR CRIMINAL HISTORY RECORD INFORMATION REVIEW. The commission by rule shall require a person submitting to a national criminal history record information review under Section 1001.2511 or the driver education school employing the person, as determined by the department, to pay a fee for the review in an amount not to exceed the amount of any fee imposed on an application for certification under Subchapter B, Chapter 21, for a national criminal history record information review under Section 22.0837.

Added by Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 4, eff. September 1, 2011.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 38, eff. September 1, 2015.

Sec. 1001.2513. CONFIDENTIALITY OF INFORMATION. Information collected about a person to comply with Section 1001.2511, including the person's name, address, phone number, social security number, driver's license number, other identification number, and fingerprint records:

(1) may not be released except:

(A) to provide relevant information to driver education schools or otherwise to comply with Section 1001.2511;

(B) by court order; or

(C) with the consent of the person who is the subject of the information;

(2) is not subject to disclosure as provided by Chapter 552, Government Code; and

(3) shall be destroyed by the requestor or any subsequent holder of the information not later than the first anniversary of the date the information is received.

Added by Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 4, eff. September 1, 2011.

Sec. 1001.2514. LICENSE HOLDERS AND APPLICANTS CONVICTED OF CERTAIN OFFENSES. (a) A driver education school shall discharge or refuse to hire as an instructor an employee or applicant for employment if the department obtains information through a criminal history record information review that:

(1) the employee or applicant has been convicted of:

(A) a felony offense under Title 5, Penal Code;

(B) an offense on conviction of which a defendant is required to register as a sex offender under Chapter 62, Code of Criminal Procedure; or

(C) an offense under the laws of another state or federal law that is equivalent to an offense under Paragraph (A) or (B); and

(2) at the time the offense occurred, the victim of the offense described by Subdivision (1) was under 18 years of age or was enrolled in a public school.

(b) The executive director shall suspend or revoke a license described by Section 1001.2511(a) held by a person under this subchapter and shall refuse to issue or renew a license described by Section 1001.2511(a) to a person under this subchapter if the person has been convicted of an offense described by Subsection (a) of this section.

(c) Subsections (a) and (b) do not apply to an offense under Title 5, Penal Code, if:

(1) more than 30 years have elapsed since the offense was committed; and

(2) the person convicted has satisfied all terms of the court order entered on conviction.

(d) A driver education school may discharge an employee who serves as an instructor if the school obtains information of the employee's conviction of a felony or of a misdemeanor involving moral turpitude that the employee did not disclose to the school or the department. An employee discharged under this subsection is considered to have been discharged for misconduct for purposes of Section 207.044, Labor Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 4, eff. September 1, 2011.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 39, eff.

September 1, 2015.

Sec. 1001.253. DRIVER EDUCATION INSTRUCTOR TRAINING. (a) The department shall establish standards for certification of personnel who conduct driver education programs in driver education schools.

(b) A driver education instructor license authorizing a person to teach or provide behind-the-wheel training may not be issued unless the person has successfully completed six semester hours of driver and traffic safety education or a program of study in driver education approved by the department from an approved driver education school.

(c) A person who holds a driver education instructor license authorizing behind-the-wheel training may not be approved to assist a classroom instructor in the classroom phase of driver education unless the person has successfully completed the three additional semester hours of training required for a classroom instructor or a program of study in driver education approved by the department.

(d) Except as provided by Subsection (g) or Section 1001.254, a driver education instructor license authorizing a person to teach or provide classroom training may not be issued unless the person:

(1) has completed nine semester hours of driver and traffic safety education or a program of study in driver education approved by the department from an approved driver education school; and

(2) holds a teaching certificate and any additional certification required to teach driver education.

(e) A driver education instructor who has completed the educational requirements prescribed by Subsection (d)(1) may not teach instructor training classes unless the instructor has successfully completed a supervising instructor development program consisting of at least six additional semester hours or a program of study in driver education approved by the department that includes administering driver education programs and supervising and administering traffic safety education.

(f) A driver education school may submit for department approval a curriculum for an instructor development program for driver education instructors. The program must:

(1) be taught by a person who has completed a supervising instructor development program under Subsection (e); and

(2) satisfy the requirements of this section for the

particular program or type of training to be provided.

(g) A driver education instructor license authorizing a person to teach or provide classroom training may be issued to a person who satisfies the requirements of Subsection (d)(1) but does not satisfy the requirements of Subsection (d)(2), except that such a license may authorize the license holder to teach or provide classroom training only for a driver education school that is located in a county that has a population of at least 275,000 but not more than 285,000 and is operated by a private primary or secondary school or open-enrollment charter school. This section does not affect any law or school policy that requires a review of criminal history record information.

(h) The classroom portion of the instructor development program for driver education instructors may be conducted online.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 820 (H.B. 2678), Sec. 5, eff. September 1, 2011.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 40, eff. September 1, 2015.

Sec. 1001.254. TEMPORARY LICENSE. (a) A temporary driver education instructor license may be issued authorizing a person to teach or provide classroom driver education training if the person:

(1) has completed the educational requirements prescribed by Section 1001.253(d)(1);

(2) holds a Texas teaching certificate with an effective date before February 1, 1986;

(3) meets all license requirements, other than successful completion of the examination required under rules adopted by the State Board for Educator Certification to revalidate the teaching certificate; and

(4) demonstrates, in a manner prescribed by the department, the intention to comply with the examination requirement at the first available opportunity.

(b) A license issued under this section is valid for six months and may not be renewed.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1,

2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 41, eff. September 1, 2015.

Sec. 1001.255. REGULATION OF CERTAIN DRIVER EDUCATION INSTRUCTORS. (a) The department shall regulate as a driver education school a driver education instructor who:

(1) teaches driver education courses in a county having a population of 50,000 or less; and

(2) does not teach more than 200 students annually.

(b) An instructor described by Subsection (a) must submit to the department an application for an initial or renewal driver education school license, together with all required documentation and information.

(c) The executive director may waive initial or renewal driver education school license fees.

(d) An instructor described by Subsection (a) is not exempt from a licensing requirement or fee.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 42, eff. September 1, 2015.

Sec. 1001.256. DUPLICATE LICENSE. A duplicate license may be issued to a driver education instructor or driving safety instructor if:

(1) the original license is lost or destroyed; and

(2) an affidavit of that fact is filed with the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 43, eff. September 1, 2015.

SUBCHAPTER G. LICENSE EXPIRATION AND RENEWAL

Sec. 1001.301. EXPIRATION OF SCHOOL OR COURSE PROVIDER LICENSE. The term of a driver education school, driving safety school, or course provider license may not exceed one year.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.302. EXPIRATION OF INSTRUCTOR LICENSE. The term of a driver education instructor or driving safety instructor license may not exceed one year.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.303. RENEWAL OF SCHOOL OR COURSE PROVIDER LICENSE.
(a) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec. 70(a)(8), eff. September 1, 2015.
(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec. 70(a)(8), eff. September 1, 2015.
(c) The department may inspect a driver education school's premises.
(d) The department shall renew or cancel the driver education school, driving safety school, or course provider license.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 44, eff. September 1, 2015.
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 70(a)(8), eff. September 1, 2015.

Sec. 1001.304. RENEWAL OF INSTRUCTOR LICENSE. (a) An application to renew a driver education instructor or driving safety instructor license must include evidence of completion of continuing education and be postmarked at least 30 days before the expiration date of the license.

(b) The continuing education must be:

(1) in courses approved by the department; and

(2) for the number of hours established by the commission.

(c) An applicant who does not comply with Subsection (a) must pay a late renewal fee in the amount established by commission rule.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 45, eff. September 1, 2015.

SUBCHAPTER H. PRACTICE BY LICENSE HOLDERS

Sec. 1001.351. COURSE PROVIDER RESPONSIBILITIES. (a) Not later than the 15th working day after the course completion date, a course provider or a person at the course provider's facilities shall issue and deliver by United States mail or commercial delivery a uniform certificate of course completion to a person who successfully completes an approved driving safety course.

(b) A course provider shall electronically submit to the department in the manner established by the department data identified by the department relating to uniform certificates of course completion issued by the course provider.

(c) A course provider shall conduct driving safety instructor development courses for its approved driving safety courses.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 928 (H.B. 468), Sec. 4, eff. September 1, 2005.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 46, eff. September 1, 2015.

Sec. 1001.352. FEES FOR DRIVING SAFETY COURSE. A course provider shall charge each student:

(1) at least $25 for a driving safety course; and

(2) a fee of at least $3 for course materials and for supervising and administering the course.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.353. DRIVER TRAINING COURSE AT PUBLIC OR PRIVATE SCHOOL. A driver training school may conduct a driver training course at a public or private school for students of the public or private school as provided by an agreement with the public or private school. The course is subject to any law applicable to a course conducted at the main business location of the driver training school.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.354. LOCATIONS AUTHORIZED FOR DRIVING SAFETY COURSE. (a) A driving safety course may be taught at a driving safety school if the school is approved by the department.

(b) A driving safety school may teach an approved driving safety course by an alternative method that does not require students to be present in a classroom if the department approves the alternative method. The department may approve the alternative method if:

(1) the department determines that the approved driving safety course can be taught by the alternative method; and

(2) the alternative method includes testing and security measures that are at least as secure as the measures available in the usual classroom setting.

(c) On approval, the alternative method is considered to satisfy the requirements of this chapter for a driving safety course.

(d) A location at which a student receives supplies or equipment for a course under Subsection (b) is considered a classroom of the school providing the course.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 47, eff. September 1, 2015.

Sec. 1001.3541. ALTERNATIVE METHOD OF INSTRUCTION FOR DRIVER EDUCATION COURSE. (a) A driver education school may teach all or part of the classroom portion of an approved driver education course by an alternative method of instruction that does not require students to be present in a classroom if the department approves the alternative method.

(b) The department may approve the alternative method only if:

(1) the alternative method includes testing and security measures that the department determines are at least as secure as the measures available in the usual classroom setting; and

(2) the course, with the use of the alternative method, satisfies any other requirement applicable to a course in which the classroom portion is taught to students in the usual classroom setting.

Added by Acts 2009, 81st Leg., R.S., Ch. 131 (S.B. 858), Sec. 1, eff. May 23, 2009.
Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 48, eff. September 1, 2015.

Sec. 1001.355. WITHHOLDING CERTAIN RECORDS. A driver training school may withhold a student's diploma or certificate of completion until the student fulfills the student's financial obligation to the school.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.356. REQUIREMENT TO CARRY LICENSE. A driver education instructor or driving safety instructor shall carry the person's instructor license at all times while instructing a driver education course or driving safety course.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.357. CONTRACT WITH UNLICENSED DRIVER TRAINING SCHOOL.

A contract entered into with a person for a course of instruction by or on behalf of a person operating an unlicensed driver training school is unenforceable.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

SUBCHAPTER I. REFUND POLICIES

Sec. 1001.401. CANCELLATION AND SETTLEMENT POLICY. As a condition for obtaining a driver education school license or course provider license, the school or course provider must maintain a cancellation and settlement policy that provides a full refund of all money paid by a student if:

(1) the student cancels the enrollment contract before midnight of the third day, other than a Saturday, Sunday, or legal holiday, after the date the enrollment contract is signed by the student, unless the student successfully completes the course or receives a failing grade on the course examination; or

(2) the enrollment of the student was procured as a result of a misrepresentation in:

(A) advertising or promotional materials of the school or course provider; or

(B) a representation made by an owner or employee of the school or course provider.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.402. TERMINATION POLICY. (a) As a condition for obtaining a driver education school license, the school must maintain a policy for the refund of the unused portion of tuition, fees, and other charges if a student, after expiration of the cancellation period described by Section 1001.401, does not enter the course or withdraws or is discontinued from the course at any time before completion.

(b) The policy must provide that:

(1) refunds are based on the period of enrollment computed on the basis of course time expressed in clock hours;

(2) the effective date of the termination for refund

purposes is the earliest of:

(A) the last day of attendance, if the student's enrollment is terminated by the school;

(B) the date the school receives written notice from the student; or

(C) the 10th school day after the last day of attendance;

(3) if tuition is collected in advance of entrance and if a student does not enter the school, terminates enrollment, or withdraws, the school:

(A) may retain not more than $50 as an administrative expense; and

(B) shall refund that portion of the student's remaining classroom tuition and fees and behind-the-wheel tuition and fees that corresponds to services the student does not receive;

(4) the school shall refund items of extra expense to the student, including instructional supplies, books, laboratory fees, service charges, rentals, deposits, and all other charges not later than the 30th day after the effective date of enrollment termination if:

(A) the extra expenses are separately stated and shown in the information provided to the student before enrollment; and

(B) the student returns to the school any school property in the student's possession; and

(5) refunds shall be completed not later than the 30th day after the effective date of enrollment termination.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.403. REFUND FOR DISCONTINUED COURSE. On the discontinuation of a course by a driver education school or a course provider that prevents a student from completing the course, all tuition and fees paid become refundable.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.404. INTEREST ON REFUND. (a) If a refund is not

timely made, the driver education school or course provider shall pay interest on the amount of the refund. Interest begins to accrue on the first day after the expiration of the refund period and ends on the day preceding the date the refund is made.

(b) The department shall establish annually the rate of interest for a refund at a rate sufficient to provide a deterrent to the retention of student money.

(c) The department may except a driver education school or course provider from the payment of interest if the school or course provider makes a good-faith effort to refund tuition, fees, and other charges but is unable to locate the student to whom the refund is owed. On request of the department, the school or course provider shall document the effort to locate a student.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 49, eff. September 1, 2015.

SUBCHAPTER J. PROHIBITED PRACTICES AND DISCIPLINARY ACTIONS

Sec. 1001.451. PROHIBITED PRACTICES. A person may not:

(1) use advertising that is false, misleading, or deceptive;

(2) fail to notify the department of the discontinuance of the operation of a driver training school before the 15th working day after the date of cessation of classes and make available accurate records as required by this chapter;

(3) issue, sell, trade, or transfer:

(A) a uniform certificate of course completion or driver education certificate to a person or driver training school not authorized to possess the certificate;

(B) a uniform certificate of course completion to a person who has not successfully completed an approved, six-hour driving safety course; or

(C) a driver education certificate to a person who has not successfully completed a department-approved driver education course;

(4) negotiate a promissory instrument received as payment

of tuition or another charge before the student completes 75 percent of the course, except that before that time the instrument may be assigned to a purchaser who becomes subject to any defense available against the school named as payee; or

(5) conduct any part of an approved driver education course or driving safety course without having an instructor physically present in appropriate proximity to the student for the type of instruction being given.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 50, eff. September 1, 2015.

Sec. 1001.452. COURSE OF INSTRUCTION. A driver training school may not conduct a course of instruction in this state before the date the school receives a driver training school license from the department.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.
Amended by:
Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 50, eff. September 1, 2015.

Sec. 1001.453. DISTRIBUTION OF WRITTEN INFORMATION ON COURSE PROVIDER. (a) A person may not distribute within 500 feet of a court with jurisdiction over an offense to which Article 45.0511, Code of Criminal Procedure, applies written information that advertises a course provider.

(b) The department may revoke the license of a course provider if the course provider or the course provider's agent, employee, or representative violates this section.

(c) This section does not apply to distribution of information:

(1) by a court; or

(2) to a court to advise the court of the availability of the course or to obtain approval of the course.

(d) Subchapter F, Chapter 51, Occupations Code, and Section

51.353, Occupations Code, do not apply to a violation of this section or a rule adopted under this section.

(e) Section 51.352, Occupations Code, and Sections 1001.455(a)(6) and 1001.554 of this code do not apply to a violation of this section.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 51, eff. September 1, 2015.

Sec. 1001.455. DENIAL, SUSPENSION, OR REVOCATION OF INSTRUCTOR LICENSE. (a) The executive director or the commission may deny an application for an instructor license or suspend or revoke the license of an instructor if the instructor:

(1) fails to meet a requirement for issuance of or holding a license under this chapter;

(2) permits or engages in misrepresentation, fraud, or deceit in applying for or obtaining a certificate, license, or permit;

(3) induces fraud or fraudulent practices on the part of an applicant for a driver's license or permit;

(4) permits or engages in any other fraudulent practice in an action between the applicant or license holder and the public;

(5) fails to comply with commission rules relating to driver instruction; or

(6) fails to comply with this chapter.

(b) Repealed by Acts 2015, 84th Leg., R.S., Ch. 1044 , Sec. 70(a)(10), eff. September 1, 2015.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 52, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 70(a)(10), eff. September 1, 2015.

SUBCHAPTER K. CLASS ACTION SUITS

SUBCHAPTER L. PENALTIES AND ENFORCEMENT PROVISIONS

Sec. 1001.554. GENERAL CRIMINAL PENALTY. (a) A person commits an offense if the person violates this chapter.

(b) An offense under this section is punishable by:

(1) a fine of not less than $100 or more than $20,000;

(2) confinement in the county jail for a term not to exceed six months; or

(3) both the fine and confinement.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Sec. 1001.555. UNAUTHORIZED TRANSFER OR POSSESSION OF CERTIFICATE; OFFENSE. (a) A person commits an offense if the person knowingly sells, trades, issues, or otherwise transfers, or possesses with intent to sell, trade, issue, or otherwise transfer, a uniform certificate of course completion, a course completion certificate number, or a driver education certificate to an individual, firm, or corporation not authorized to possess the certificate or number.

(b) The department may contract with the Department of Public Safety to provide undercover and investigative assistance in the enforcement of Subsection (a).

(c) A person commits an offense if the person knowingly possesses a uniform certificate of course completion, a course completion certificate number, or a driver education certificate and is not authorized to possess the certificate or number.

(d) An offense under this section is a felony punishable by imprisonment in the Texas Department of Criminal Justice for a term not to exceed five years.

Added by Acts 2003, 78th Leg., ch. 1276, Sec. 6.012(a), eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. 928 (H.B. 468), Sec. 6, eff. September 1, 2005.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.055, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 1044 (H.B. 1786), Sec. 53, eff.

September 1, 2015.

TITLE 6. BENEFITS CONSORTIUMS
CHAPTER 2000. BENEFITS CONSORTIUMS FOR CERTAIN PRIVATE EDUCATIONAL INSTITUTIONS

Sec. 2000.001. DEFINITIONS. In this chapter:

(1) "Employee welfare benefit plan" has the meaning assigned by Section 3(1), Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1002(1)).

(2) "Private educational institution" means any nonpublic, nonprofit, and accredited school that:

(A) is owned and operated by an individual, religious institution, partnership, association, or corporation, or a department, division, or section of one of those entities; and

(B) designates itself as a private educational center that includes a program of elementary, secondary, religious, college, or university education whose primary purpose is to provide private or religious-based education.

Added by Acts 2005, 79th Leg., Ch. 625 (H.B. 2390), Sec. 1, eff. June 17, 2005.

Sec. 2000.002. FORMATION OF BENEFITS CONSORTIUM. Two or more private educational institutions may form a benefits consortium for the purpose of establishing a self-funded employee welfare benefit plan by adopting articles of incorporation or a declaration of trust. The articles of incorporation or declaration of trust must:

(1) limit membership in the benefits consortium to private educational institutions;

(2) list the charter members of the benefits consortium;

(3) include the method by which other institutions may be admitted as members of the benefits consortium;

(4) require that each member agree to an initial membership term of not less than three years;

(5) provide that the directors or trustees of the benefits consortium be elected from or on behalf of the membership of the benefits consortium and prescribe the method for selection of directors or trustees of the benefits consortium;

(6) provide that the directors or trustees have complete fiscal control over the plan and are responsible for all operations of the plan;

(7) list the purposes of the benefits consortium, including the types of risks shared by members of the consortium;

(8) establish bylaws of the benefits consortium; and

(9) provide for amendment of the articles of incorporation or declaration of trust and the bylaws.

Added by Acts 2005, 79th Leg., Ch. 625 (H.B. 2390), Sec. 1, eff. June 17, 2005.

Sec. 2000.003. FILINGS BY BENEFITS CONSORTIUM. A benefits consortium formed under this chapter shall:

(1) file with the commissioner of insurance a copy of the consortium's articles of incorporation or declaration of trust and any amendments to the articles of incorporation or declaration of trust; and

(2) comply with all reporting requirements under the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.).

Added by Acts 2005, 79th Leg., Ch. 625 (H.B. 2390), Sec. 1, eff. June 17, 2005.

Sec. 2000.004. REGULATION OF BENEFITS CONSORTIUM; EXEMPTION FROM STATE REGULATION. An employee welfare benefit plan established by a benefits consortium under this chapter that is sponsored by a trade association in existence for 10 years or more, is in good standing with the secretary of state, and meets the requirements of this chapter is governed solely by and shall comply with the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.), as implemented by the United States Department of Labor.

Added by Acts 2005, 79th Leg., Ch. 625 (H.B. 2390), Sec. 1, eff. June 17, 2005.