

Rider Comparison Packet

Conference Committee on Senate Bill 1

2014-15 General Appropriations Bill

Article III - Higher Education

ARTICLE III - AGENCIES OF EDUCATION
30M Higher Education Employees Group Insurance Contributions
DIFFERENCES ONLY

Senate

House

- 9. Higher Education Group Insurance rates for Public Community/Junior Colleges.** The Higher Education Group Insurance rate of 50 percent of Employment Retirement System rates for Public Community/Junior Colleges appropriated in Article III are contingent on the adoption of legislation restricting appropriations to the rates listed above for Higher Education Group Insurance rates for Public Community/Junior Colleges.

Should legislation concerning these rates for Higher Education Group Insurance rates not be adopted, the rates for Higher Education Group Insurance for Public Community/Junior Colleges shall revert to Senate Bill 1 as introduced for the same purpose.

ARTICLE III - AGENCIES OF EDUCATION
781 Higher Education Coordinating Board
DIFFERENCES ONLY

Senate

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Performance Measure Targets. The following is a listing of the key performance target levels for the Higher Education Coordinating Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Higher Education Coordinating Board. In order to achieve the objectives and service standards established by this Act, the Higher Education Coordinating Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

Performance Measure Targets. The following is a listing of the key performance target levels for the Higher Education Coordinating Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Higher Education Coordinating Board. In order to achieve the objectives and service standards established by this Act, the Higher Education Coordinating Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2014	2015
D. Goal: CLOSE THE GAPS - HEALTH PROGRAMS		
D.1.1. Strategy: FAMILY PRACTICE RESIDENCY PROGRAM		
Output (Volume):		
Number of Family Practice Residency Program Residents Supported	720	720
Average Funding Per Family Practice Residency Program Resident	6,277	8,930

34. Professional Nursing Shortage Reduction Program. Appropriations for the Professional Nurse Shortage program total \$15,000,000 in each year of the 2014-15 biennium. Those funds shall be allocated as follows:

34. Professional Nursing Shortage Reduction Program. Appropriations for the Professional Nurse Shortage program total \$17,500,000 in each year of the 2014-15 biennium. Those funds shall be allocated as follows:

The Texas Higher Education Coordinating Board (THECB) shall allocate the funds appropriated in their bill pattern in Strategy D.1.5, as follows:

- (a) Up to 5 percent each year may be used for administrative expenses.
- (b) In each fiscal year \$4,933,500 shall be distributed in an equitable manner to institutions with nursing programs, including institutions graduating their first nursing class, based on increases in numbers of nursing student graduating. The THECB shall apply a weight of 1.5 for increased graduates in nursing educator programs identified with a Classification of Instructional Program code of 51.3808 and 51.3817. The

The Texas Higher Education Coordinating Board (THECB) shall allocate the funds appropriated in their bill pattern in Strategy D.1.4, as follows:

- (a) Up to 5 percent each year may be used for administrative expenses.
- (b) In each fiscal year \$5,755,750 shall be distributed in an equitable manner to institutions with nursing programs, including institutions graduating their first nursing class, based on increases in numbers of nursing student graduating. The THECB shall apply a weight of 1.5 for increased graduates in nursing educator programs identified with a Classification of Instructional Program code of 51.3808 and 51.3817. The

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THECB shall allocate up to 50 percent in each fiscal year of the biennium and any unexpended amounts to community colleges.

- (c) \$6,885,000 in fiscal year 2014 and \$6,885,000 in fiscal year 2015 shall be distributed at a rate of \$10,000 per year for each additional nursing student enrolled in a professional nursing program to institutions with professional nursing programs based on the following criteria: (1) a graduation rate of 70% or above as reflected in the final 2012 graduation rates reported by the THECB and (2) an increase in new enrollees for fiscal year 2014 equal to 12 percent and 18 percent in fiscal year 2015 of the first-year enrollments for the 2011-2012 academic year as reported by the institutions to the Texas Center for Nursing Workforce Studies.
- (d) THECB shall allocate any remaining appropriation, estimated to be \$3,181,500 in fiscal year 2014 and \$3,181,500 in fiscal year 2015 to (1) professional nursing programs with nursing graduation rates below 70 percent as reflected in the final 2012 graduation rates reported by the THECB, (2) hospital-based diploma programs, or (3) new professional nursing programs whose graduation rates which have not been determined by the THECB. From funds available for that purpose, institutions shall receive \$20,000 for each additional initial RN graduate in two year programs and \$10,000 for each additional graduate in one-year programs. If sufficient funds are not available to provide this allocation, the HECB shall submit a plan to the Legislative Budget Board and to the Governor outlining a method of proration. THECB shall develop an application process for institutions willing to increase the number of nursing graduates. The application shall indicate the number of nursing graduates for initial licensure the institution will produce; indicate the number of payments and payment schedule; identify benchmarks an institution must meet to receive payment; and specify the consequences of failing to meet the benchmarks.
- (e) For THECB expenditure purposes, any funds not expended in fiscal year 2014 may be expended in fiscal year 2015 for the same purposes. If an institution does not meet targets for purposes of subsections b, c and d, the institution shall return these unearned

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THECB shall allocate up to 50 percent in each fiscal year of the biennium and any unexpended amounts to community colleges.

- (c) \$8,032,500 in fiscal year 2014 and \$8,032,500 in fiscal year 2015 shall be distributed at a rate of \$10,000 per year for each additional nursing student enrolled in a professional nursing program to institutions with professional nursing programs based on the following criteria: (1) a graduation rate of 70% or above as reflected in the final 2012 graduation rates reported by the THECB and (2) an increase in new enrollees for fiscal year 2014 equal to 12 percent and 18 percent in fiscal year 2015 of the first-year enrollments for the 2011-2012 academic year as reported by the institutions to the Texas Center for Nursing Workforce Studies.
- (d) \$3,711,750 in fiscal year 2014 and \$3,711,750 in fiscal year 2015 to (1) professional nursing programs with nursing graduation rates below 70 percent as reflected in the final 2012 graduation rates reported by the THECB, (2) hospital-based diploma programs, or (3) new professional nursing programs whose graduation rates which have not been determined by the THECB. From funds available for that purpose, institutions shall receive \$20,000 for each additional initial RN graduate in two year programs and \$10,000 for each additional graduate in one-year programs. If sufficient funds are not available to provide this allocation, the HECB shall distribute the funds on a pro rata basis equally among the nursing programs participating. THECB shall develop an application process for institutions willing to increase the number of nursing graduates. The application shall indicate the number of nursing graduates for initial licensure the institution will produce; indicate the number of payments and payment schedule; identify benchmarks an institution must meet to receive payment; and specify the consequences of failing to meet the benchmarks.
- (e) For THECB expenditure purposes, any funds not expended in fiscal year 2014 may be expended in fiscal year 2015 for the same purposes. If an institution does not meet targets for purposes of subsections b, c and d, the institution shall return these unearned funds to the THECB by the date specified by THECB rule. The THECB shall reallocate

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funds to the THECB by the date specified by THECB rule. The THECB shall reallocate these funds to other qualified programs. All institutions receiving funds shall submit to the THECB a detailed accounting of funds received, obligated or expended.

- 43. African American Museum Internship.** Funds appropriated above in Strategy F.1.3, African American Museum Internship, are for the purpose of supporting an internship at the African American Museum in Dallas. The Higher Education Coordinating Board may contract with an institution of higher education to provide for the internship. The Higher Education Coordinating Board may require periodic submission of data and reports as the Board considers necessary to assess the overall performance of the museum internship program. By September 1 of each year, the museum shall report data to the board as required to assess the overall performance of the internship program. The Higher Education Coordinating Board is required to report to the Legislative Budget Board and the Governor's Office concerning the effectiveness of the program by October 1, 2014.

- 46. Toward Excellence, Access and Success (TEXAS) Grant Program.** For all funds appropriated in Strategy B.1.1, TEXAS Grant Program, and funds transferred into the TEXAS Grant Program, any unexpended balances on hand at the end of fiscal year 2014 are hereby appropriated for the same purposes in fiscal year 2015. All unexpended balances of the Texas Grant Program as of August 31, 2013, estimated to be \$5,000,000 (and included above in Method of Financing), are appropriated in accordance with Education Code §§ 56.301-56.311 for the same purpose for use during the biennium beginning September 1, 2013.

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these funds to other qualified programs. All institutions receiving funds shall submit to the THECB a detailed accounting of funds received, obligated or expended.

- (f) If the funds appropriated under Paragraphs (b), (c), or (d) exceed the funds that can be expended in accordance with the requirements of that paragraph, THECB may expend the excess funds for any purpose described in Paragraphs (b), (c) or (d).

- 45. Toward Excellence, Access and Success (TEXAS) Grant Program.** For all funds appropriated in Strategy B.1.1, TEXAS Grant Program, and funds transferred into the TEXAS Grant Program, any unexpended balances on hand at the end of fiscal year 2014 are hereby appropriated for the same purposes in fiscal year 2015.

Any amounts received by the Higher Education Coordinating Board as donations under Texas Education Code §56.310 during the biennium beginning September 1, 2013 are hereby appropriated for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2013.

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Any amounts received by the Higher Education Coordinating Board as donations under Texas Education Code §56.310 during the biennium beginning September 1, 2013 are hereby appropriated for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2013.

Any amounts transferred to the Higher Education Coordinating Board by the Comptroller of Public Accounts in accordance with Texas Property Code §72.1016(e) which provides that five percent of the money collected from stored value cards presumed to be abandoned are to be used as grants under Subchapter M. Education Code §56, are hereby appropriated for the biennium beginning September 1, 2013 for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2013.

- 52. Contingency for Trauma Fellowships.** Contingent on enactment of legislation relating to appropriation authority over General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS, the Higher Education Coordinating Board is appropriated \$2,250,000 in fiscal year 2014 and \$2,250,000 in fiscal year 2015 from General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS. This program provides

funds for the expansion of physician and nursing trauma fellowships per Education Code, Chapter 61, Article 9, Subchapter HH, Texas Emergency and Trauma Care Educational Partnership Program.

- 54. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for The University of Texas at Brownsville and Texas Southmost College.** Appropriations made to the Higher Education Coordinating Board in Strategy F.1.5, UTB TSC Transition Funding in the amount of \$9,034,649 in fiscal year 2014 and fiscal year 2015 are contingent on:

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Any amounts transferred to the Higher Education Coordinating Board by the Comptroller of Public Accounts in accordance with Texas Property Code §72.1016(e) which provides that five percent of the money collected from stored value cards presumed to be abandoned are to be used as grants under Subchapter M. Education Code §56, are hereby appropriated for the biennium beginning September 1, 2013 for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2013.

- 51. Contingency for Trauma Fellowships.** Contingent on enactment of legislation relating to appropriation authority over General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS, the Higher Education Coordinating Board is appropriated \$2,250,000 in fiscal year 2014 and \$2,250,000 in fiscal year 2015 from General Revenue-Dedicated Account No. 5111, Designated Trauma Facility and EMS.

- 53. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for The University of Texas at Brownsville and Texas Southmost College.** Appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding in the amount of \$8,306,011 in fiscal year 2014 and \$8,306,012 in fiscal year 2015 are contingent on:

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- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at The University of Texas at Brownsville and academic contact hours at Texas Southmost College;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for The University of Texas at Brownsville and the academic contact hour formula amounts for Texas Southmost College for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at The University of Texas at Brownsville and academic contact hours at Texas Southmost College and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at The University of Texas at Brownsville and the academic contact hours at Texas Southmost College will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to distribute the lower level undergraduate formula funding allocations to The University of Texas at Brownsville and academic contact hour formula funding allocations to Texas Southmost College for fiscal years 2014 and 2015.

Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for

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- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hour formula amounts for Texas Southmost College, excluding dual-credit hours, for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual credit-hours, and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours, will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to transfer the lower level undergraduate formula funding appropriations, excluding dual-credit hours, to the University of Texas at Brownsville and the non-developmental education academic contact hour formula funding appropriations, excluding dual credit hours, to Texas Southmost College for fiscal years 2014 and 2015.

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formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.5, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

- 55. Contingency for Senate Bill 143: Graduate Medical Education Residency Expansion.** Contingent on passage of Senate Bill 143, or similar legislation relating to the establishment of a graduate medical education residency expansion grant program at the Higher Education Coordinating Board by the Eighty-third Legislature, Regular Session, the Higher Education Coordinating Board is appropriated \$5,500,000 for fiscal year 2014 and \$6,000,000 for fiscal year 2015 from General Revenue to implement the provisions of the legislation.

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Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.4, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

For purposes of the requirements of Article IX, Sec. 6.08 of this Act, appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding and transferred to the The University of Texas at Brownsville and Texas Southmost College shall be counted as if they were directly appropriated to the two institutions.

- 54. Contingency: Graduate Medical Education Residency Expansion.** Contingent on passage of legislation relating to the establishment of a graduate medical education residency expansion grant program at the Higher Education Coordinating Board by the Eighty-third Legislature, Regular Session, the Higher Education Coordinating Board is appropriated \$5,000,000 for fiscal year 2014 and \$5,000,000 for fiscal year 2015 from General Revenue to implement the provisions of the legislation.

ARTICLE III - AGENCIES OF EDUCATION
781 Higher Education Coordinating Board
DIFFERENCES ONLY
(Continued)

Senate

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55. **Grant Aid and Participation and Success in Higher Education.** Out of funds appropriated above, the Texas Higher Education Coordinating Board (THECB) shall conduct an experimental study of the causal relationship between the receipt of grant aid and changes in participation, persistence, and graduation and use the results of this study to develop a tool enabling a wide variety of interested parties to construct student-level predictions for participation, persistence, and success.

At a minimum this experimental study shall report:

- a. The influence of the award of grant aid on enrollment decisions;
- b. The influence of grant aid on persistence and graduation generally;
- c. Any variation of the influence of grant aid by academic progress;
- d. Any variation of the influence of grant aid by award amount;
- e. Any variation of the influence of grant aid by higher education institution type;
- f. A proposal for the collection of data elements in future years sufficient to measure the likelihood of student participation, persistence and success of an individual student as a function of financial aid.

THECB shall ensure that a variety of Texas institutions of higher education participate in this study such that any results may be generally applicable to the population of future incoming students.

THECB shall report the findings of this study to the Governor, the Legislative Budget Board and Members of the Legislature by October 1, 2014. This one-time report shall contain a timeline of future reports monitoring the results of students participating in the study.

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781 Higher Education Coordinating Board
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(Continued)

Senate

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56. Contingency for the Graduate Nurse Loan Repayment Program. Contingent on the enactment of S.B./H.B. ____, or similar legislation that provides for the allocation of funds from the Physician Education Loan Repayment Program Fund (Account 5144) for a graduate nurse loan repayment program by the Eighty-third Legislature, Regular Session, the Higher Education Coordinating Board may use appropriations in the Physician Education Loan Repayment Fund (Account 5144) to implement a graduate nurse loan repayment program in accordance with S.B./H.B. ____.

56. Alignment of College and Career Ready Standards. The Texas Education Agency and the Higher Education Coordinating Board shall report to the Legislature no later than December 31, 2014 on the progress of aligning college and career readiness standards in accordance with provisions related to the state accountability system under Texas Education Code, Chapter 39, Sec. 39.024. The report shall detail the use of cost effective measures to assist in the independent verification of the vertical alignment of K-12 and post secondary assessments.

57. Mathways Project. Out of funds appropriated above in Strategy F.1.1, Developmental Education Program, \$1,200,000 in general revenue for fiscal year 2014 and \$1,200,000 in general revenue for fiscal year 2015 shall be transferred to The University of Texas at Austin for the purpose of implementing the New Mathways Project.

ARTICLE III - AGENCIES OF EDUCATION
720 The University of Texas System Administration
DIFFERENCES ONLY

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2. **Governing Board.** Out of funds appropriated above, an amount not to exceed \$100,000 in each year of the biennium shall be for all expenses associated with the travel, entertainment, and lodging of the governing board.

A separate record of the board's expenditures for these purposes shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. None of the funds appropriated above may be used for the travel, entertainment, and lodging expenses of the board except for the specific amount designated above.

2. **Governing Board Travel, Entertainment, or Lodging Expenses.** Money appropriated to the University of Texas System Administration above may not be used to pay an expense associated with travel, entertainment, or lodging of the governing board.

5. **Appropriation Limitation and Reporting Requirement for Investigations of System Components.** No funds appropriated above may be expended in the investigation of system component institutions or of their executive management, or in the request of open records from component institutions and their executive management. The University of Texas System Administration shall submit to the Legislative Budget Board and the Office of the Governor, not later than December 1 of each year, a report on investigative activities conducted regarding component institutions and their executive management. The report shall contain, at a minimum, the purpose of the investigation, evidence or rationale for conducting the investigation, total cost of conducting the investigation, and any findings or results of investigative activities conducted during the past year.

ARTICLE III - AGENCIES OF EDUCATION
799 Available University Fund
DIFFERENCES ONLY

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1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Available University Fund. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Available University Fund. In order to achieve the objectives and service standards established by this Act, the Available University Fund shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

2014 2015

A. Goal: MANAGE/ADMINISTER ENDOWMENT FUNDS

Outcome (Results/Impact):

Permanent University Fund (PUF) Investment Expense as
 Basis Points of Net Assets

30 30

2. **The University of Texas System Share.** There is hereby appropriated for the biennium ending August 31, 2015 that portion of the Available University Fund No. 011 apportioned to The University of Texas System by Article VII, §18(f) of the Texas Constitution, together with interest and any balance in the Available University Fund No. 011 for any previous years, except that portion appropriated by §18 for the payment of principal and interest on bonds or notes issued by the Board of Regents of The University of Texas System. This appropriation may be used for new construction, major repairs and rehabilitation, equipment, maintenance, operation, salaries, and support, including the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions for The University of Texas at Austin and for The University of Texas System Administration and is to be used as the Board of Regents of The University of Texas System may determine.

3. **The University of Texas System Share.** There is hereby appropriated for the biennium ending August 31, 2015 that portion of the Available University Fund No. 011 apportioned to The University of Texas System by Article VII, § 18(f) of the Texas Constitution, together with interest and any balance in the Available University Fund No. 011 for any previous years, except that portion appropriated by §18 for the payment of principal and interest on bonds or notes issued by the Board of Regents of The University of Texas System. This appropriation may be used for new construction, major repairs and rehabilitation, equipment, maintenance, operation, salaries, and support, including the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions for The University of Texas at Austin.

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721 The University of Texas at Austin
DIFFERENCES ONLY

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4. Public Policy Clinics. Out of the funds appropriated above, up to \$155,859 in each year of the biennium shall be used for the Irma Lerma Rangel Public Policy Clinics in the Department of Government. The clinics shall be focused on public policy issues salient to the State of Texas and to be offered as graduate-level seminars to help maximize the partnership with the Tomas Rivera Center, the Center for Migration and Border Studies and other academic institutions. These funds shall be used to pay for the Irma Lerma Rangel Research Fellowships in Law and Public Policy, surveys, and other expenses associated with the clinics.

5. Garner Museum. Out of funds appropriated above in Strategy, C.3.5, Garner Museum, \$106,875 each year will be used for repair and maintenance of the Garner Museum.

6. Legislative Law Clinic. Out of the funds appropriated above, \$210,000 in each year of the biennium shall be used for the continuation of the Legislative Lawyering Clinic in the School of Law. These funds shall be used to pay for clinic academic and administrative personnel, research, surveys, and other expenses associated with the clinic.

4. Legislative Law Clinic. Out of the funds appropriated above, up to \$75,000 in each year of the biennium shall be used for the continuation of the Legislative Lawyering Clinic in the School of Law. These funds shall be used to pay for clinic academic and administrative personnel, research, surveys, and other expenses associated with the clinic.

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738 The University of Texas at Dallas
DIFFERENCES ONLY

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2. **African American Museum Internship.** Funds appropriated above in Strategy E.1.1, African American Museum Internship, are for the purpose of supporting an internship at the African American Museum in Dallas. Amounts appropriated in this strategy are funds trusted to The University of Texas at Dallas, and The University of Texas at Dallas may not transfer the amount appropriated to other purposes. The University of Texas at Dallas may require periodic submission of data and reports as they consider necessary to assess the overall performance of the museum internship program. By September 1 of each year, the museum shall report data to The University of Texas at Dallas as required to assess the overall performance of the internship program. The University of Texas at Dallas is required to report to the Legislative Budget Board and the Governor's Office concerning the effectiveness of the program by October 1, 2014.

ARTICLE III - AGENCIES OF EDUCATION
747 The University of Texas at Brownsville
DIFFERENCES ONLY

Senate

House

3. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for UT Brownsville. Appropriations made to the Higher Education Coordinating Board in Strategy F.1.5, UTB TSC Transition Funding, in the amount of \$9,034,649 in fiscal year 2014 and fiscal year 2015 are contingent on:

- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at The University of Texas at Brownsville and contact hours at Texas Southmost College;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for The University of Texas at Brownsville and the contact hour formula amounts for Texas Southmost College for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at The University of Texas at Brownsville and contact hours at Texas Southmost College and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at The University of Texas at Brownsville and the contact hours at Texas Southmost College will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to distribute the lower level undergraduate formula funding allocations to The University of Texas at Brownsville and contact hour formula funding allocations to Texas Southmost College for fiscal years 2014 and 2015.

Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described

3. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for UT Brownsville. Appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding in the amount of \$8,306,011 in fiscal year 2014 and \$8,306,012 in fiscal year 2015 are contingent on:

- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hour formula amounts for Texas Southmost College, excluding dual-credit hours, for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost, excluding dual credit-hours, and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at the University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours, will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to transfer the lower level undergraduate formula funding appropriations, excluding

ARTICLE III - AGENCIES OF EDUCATION
747 The University of Texas at Brownsville
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in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.5, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

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dual-credit hours, to the University of Texas at Brownsville and the non-developmental education academic contact hour formula funding appropriations, excluding dual credit hours, to Texas Southmost College for fiscal years 2014 and 2015.

Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.4, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

For purposes of the requirements of Article IX, Sec. 6.08 of this Act, appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding and transferred to the The University of Texas at Brownsville and Texas Southmost College shall be counted as if they were directly appropriated to the two institutions.

ARTICLE III - AGENCIES OF EDUCATION
750 The University of Texas at Tyler
DIFFERENCES ONLY

Senate

House

2. Palestine Campus-University of Texas at Tyler. It is the intent of the legislature that non-formula General Revenue operations funding in Strategy C.1.1, Palestine Campus for The University of Texas at Tyler not be continued in the 2018-19 biennium.

2. Palestine Campus-University of Texas at Tyler. It is the intent of the legislature that non-formula General Revenue operations funding in Strategy C.1.1, Palestine Campus for The University of Texas at Tyler not be continued in the 2016-17 biennium and that following the 2014-15 biennium, strategy C.1.1, Palestine Campus shall be funded at \$505,396 per year from funds appropriated above, including with formula General Revenue.

ARTICLE III - AGENCIES OF EDUCATION
723 The University of Texas Medical Branch at Galveston
DIFFERENCES ONLY

Senate

House

12. **Support for Indigent Care.** In addition to the amounts appropriated under Strategy E.1.4 to The University of Texas Medical Branch at Galveston for the biennium beginning September 1, 2013, any revenue received in excess of the comptroller's biennial revenue estimate from unclaimed lottery prize money under Section 466.408, Government Code, is appropriated to The University of Texas Medical Branch at Galveston for support for indigent care.

ARTICLE III - AGENCIES OF EDUCATION
745 The University of Texas Health Science Center at San Antonio
DIFFERENCES ONLY

Senate

House

- 2. Unexpended Balances Between Fiscal Years: Regional Academic Health Center (RAHC).** Any unexpended balances as of August 31, 2014, from the appropriations identified in Strategy E.1.1, Regional Academic Health Center, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2014.

- 3. Unexpended Balances Between Fiscal Years: Regional Campus - Laredo.** Any unexpended balances as of August 31, 2014, from the appropriations identified in Strategy E.1.2, Regional Campus - Laredo, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2014.

- 5. Regional Campus - Laredo.** Included in the amounts appropriated above in Strategy E.1.2, Regional Campus - Laredo, \$1,068,750 in fiscal year 2014 and \$1,068,750 in fiscal year 2015 in General Revenue is to fund the Regional Campus - Laredo to provide for faculty, staff, dental and other educational programs, joint degrees, facilities, and student support services.

- 2. Unexpended Balances Between Fiscal Years: Regional Academic Health Center (RAHC).** Any unexpended balances as of August 31, 2014, from the appropriations identified in Strategy E.1.1, Regional Academic Health Center, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2014. Funds expended from appropriations identified in this strategy may be used to cover student travel expenses associated with rotations between the San Antonio, Harlingen and Edinburg campuses.

- 3. Unexpended Balances Between Fiscal Years: Regional Campus - Laredo.** Any unexpended balances as of August 31, 2014, from the appropriations identified in Strategy E.1.2, Regional Campus - Laredo, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2014. Funds expended from appropriations identified in this strategy may be used to cover student travel expenses associated with rotations between the San Antonio, Harlingen and Edinburg campuses.

ARTICLE III - AGENCIES OF EDUCATION
709 Texas A&M University System Health Science Center
DIFFERENCES ONLY

Senate

House

- 9. Multiple Locations.** The Texas A&M University System Health Science Center has physical locations and campuses throughout the State of Texas, including Austin, Bryan, College Station, Corpus Christi, Dallas, Houston, Kingsville, McAllen, Round Rock, and Temple. In order to assure to maximum efficiency in the use of those facilities and campuses and to provide the greatest availability of academic programs and health related services to the citizens of the State of Texas, the Texas A&M University System Health Science Center is authorized to locate and relocate the various degree programs of its colleges and schools which have been authorized by the board of regents and approved by the Texas Higher Education Coordinating Board, if applicable, at any one or more of its physical locations or campuses. The intent of this section is to recognize individual programs offered at the physical locations and campuses of the Texas A&M University System Health Science Center as qualifying for the small class supplement component of the instruction and operations formula and the multi-campus adjustment component of the space projection model.

ARTICLE III - AGENCIES OF EDUCATION
739 Texas Tech University Health Sciences Center
DIFFERENCES ONLY

Senate

House

5. **Campus Academic Programs.** All Texas Tech University Health Sciences Center academic programs at sites recognized as separate campuses by either the Legislature or the Texas Higher Education Coordinating Board shall be eligible for the small class supplement component of the instruction and operations formula and the multi-campus adjustment component of the space projection model.

5. **Abilene Pharmacy School.** The Texas Tech University Health Sciences Center School of Pharmacy at Abilene shall be recognized as a separate campus for the purposes of calculating the small class supplement component of the instruction and operations formula and the multi-campus adjustment component of the space projection model.

ARTICLE III - AGENCIES OF EDUCATION
704 Public Community/Junior Colleges
DIFFERENCES ONLY

Senate

House

20. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for Texas Southmost College. Appropriations made to the Higher Education Coordinating Board in Strategy F.1.5, UTB TSC Transition Funding in the amount of \$9,034,649 in fiscal year 2014 and fiscal year 2015 are contingent on:

- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at The University of Texas at Brownsville and academic contact hours at Texas Southmost College;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for The University of Texas at Brownsville and the academic contact hour formula amounts for Texas Southmost College for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at The University of Texas at Brownsville and academic contact hours at Texas Southmost College and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at The University of Texas at Brownsville and the academic contact hours at Texas Southmost College will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to distribute the lower level undergraduate formula funding allocations to The University of Texas at Brownsville and academic contact hour formula funding allocations to Texas Southmost College for fiscal years 2014 and 2015.

Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described

20. Higher Education Coordinating Board Contingent Appropriations, Formula Funding for Texas Southmost College. Appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding in the amount of \$8,306,011 in fiscal year 2014 and \$8,306,012 in fiscal year 2015 are contingent on:

- a) The University of Texas at Brownsville and Texas Southmost College providing the Higher Education Coordinating Board with updated 2014-15 base period semester data for lower level undergraduate semester credit hours at The University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours;
- b) The Legislative Budget Board calculating the lower level undergraduate formula funding amounts for The University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hour formula amounts for Texas Southmost College, excluding dual-credit hours, for fiscal years 2014 and 2015 using the data provided in subsection a; and
- c) The Legislative Budget Board not issuing a written disapproval before the 15th day after the date the staff of the Legislative Budget Board concludes its review of the new lower level undergraduate semester credit hours at The University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours, and forwards the staff's recommendations to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The new formula funding allocations for lower level undergraduate semester credit hours at The University of Texas at Brownsville, excluding dual-credit hours, and the non-developmental education academic contact hours at Texas Southmost College, excluding dual-credit hours, will be provided by the Legislative Budget Board staff to the Higher Education Coordinating Board to transfer the lower level undergraduate formula funding appropriations,

ARTICLE III - AGENCIES OF EDUCATION
704 Public Community/Junior Colleges
DIFFERENCES ONLY
(Continued)

Senate

in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.5, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.5, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

House

excluding dual-credit hours, to The University of Texas at Brownsville and the non-developmental education academic contact hour formula funding appropriations, excluding dual-credit hours, to Texas Southmost College for fiscal years 2014 and 2015.

Should the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 exceed the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 shall be prorated and shall not exceed the total amount appropriated in the 2014-15 biennium in F.1.4, UTB TSC Transition Funding.

If the total amount of formula funding allocations provided to the Higher Education Coordinating Board by the Legislative Budget Board for formula funding purposes described in this rider for fiscal year 2014 and fiscal year 2015 are less than the amounts appropriated above in F.1.4, UTB TSC Transition Funding for the 2014-15 biennium, the remaining appropriation amount shall lapse.

For purposes of the requirements of Article IX, Sec. 6.08 of this Act, appropriations made to the Higher Education Coordinating Board in Strategy F.1.4, UTB TSC Transition Funding and transferred to The University of Texas at Brownsville and Texas Southmost College shall be counted as if they were directly appropriated to the two institutions.

- 22. Methodology for Student Success Points Allocation for the 2016-17 biennium.** The Public Community/Junior Colleges and the Texas Higher Education Coordinating Board shall jointly develop recommendations for an allocation system for student success points for the 2016-17 biennium. The allocation system should allocate funds to college districts for improvement in student achievement. The allocation system shall be developed in a manner that compares the performance of the college district to itself using the allocation for student success points in the

ARTICLE III - AGENCIES OF EDUCATION
704 Public Community/Junior Colleges
DIFFERENCES ONLY
(Continued)

Senate

House

2014-15 biennium as the baseline for comparison. The Texas Higher Education Coordinating Board shall report these recommendations to the Legislative Budget Board and the Governor no later than August 1, 2014.

- 23. Instruction and Administration Funding (Outcomes-Based Model).** Formula funding is allocated among Public Community/Junior Colleges based upon certified contact hours generated in the previous academic year. Ten percent of formula funding is allocated based on each community college's points earned from a three-year average of student completion of the following metrics:

Metric
Points

Student successfully completes developmental education in mathematics	1.0
Student successfully completes developmental education in reading	0.5
Student successfully completes developmental education in writing	0.5
Student completes first college-level mathematics course with a grade of "C" or better	1.0
Student completes first college-level course designated as reading intensive with a grade of "C" or better	0.5
Student completes first college-level course designated as writing intensive with a grade of "C" or better	0.5
Student successfully completes first 15 semester credit hours at the institution	1.0
Student successfully completes first 30 semester credit hours at the institution	1.0
Student transfers to a General Academic Institution after	

ARTICLE III - AGENCIES OF EDUCATION
704 Public Community/Junior Colleges
DIFFERENCES ONLY
(Continued)

Senate

House

successfully completing at least 15 semester credit hours at the institution	2.0
Student receives from the institution an associate's degree, a Bachelor's degree, or a certificate recognized for this purpose by the Coordinating Board in a field other than Science, Technology, Engineering and Mathematics (STEM)	2.0
Student receives from the institution an associate's degree, a Bachelor's degree, or a certificate recognized for this purpose by the Coordinating Board in the fields of Science, Technology, Engineering or Mathematics (STEM)	2.25

ARTICLE III - AGENCIES OF EDUCATION
719 Texas State Technical College System Administration
DIFFERENCES ONLY

Senate

House

3. Expenditure Reporting for System Administration and Extension Centers. Prior to each legislative session the Texas State Technical College System Administration shall file with the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor a report detailing expenditures for system administration and the extension centers at Abilene, Brownwood, and Breckenridge. The report shall compare actual expenditures to funds appropriated for those purposes and shall cover the current and previous two biennia.

3. Expenditure Reporting for System Administration and Extension Centers. Prior to each legislative session the Texas State Technical College System Administration shall file with the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor a report detailing expenditures for system administration and any extension centers. The report shall compare actual expenditures to funds appropriated for those purposes and shall cover the current and previous two biennia.

ARTICLE III - AGENCIES OF EDUCATION
S21 Special Provisions- TSTCs
DIFFERENCES ONLY

Senate

House

6. Temporary Special Courses. Out of funds appropriated by contact hour generation herein above to the Texas State Technical College in pre-apprenticeship, related training for apprentices and specialized training for journeymen and compensatory training for pre-apprenticeship and apprenticeship enrollees, and plant expansion and new plant start-up training program no more than \$50,000 per year may be spent wherever the need exists within the state in conjunction with curriculum approval by the Texas Higher Education Coordinating Board. Such expenditure of funds for these special courses are temporary in nature and outside the provision of Education Code §135.04.

9. Audit of Base Contact Hours. The hours used in the contact hour base period to fund Texas State Technical College are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board, and community, technical, and state colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts. The total amount appropriated to the two-year institutions' contact hour formula shall be redistributed to all institutions funded by the formula based on certified contact hours. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium.

12. Returned Value Funding Model for Texas State Technical Colleges. Funding is recommended for and allocated among Texas State Technical Colleges (TSTCs) based on the additional direct and indirect state tax revenues generated as a result of the education provided to students by the TSTCs. The funding methodology is based on the following components:

- a. The model includes the cohort of TSTC graduates (earning an associate's degrees or certificate), transfers, and leavers (students who were not found in Texas higher

6. Temporary Special Courses. Out of funds appropriated herein above to the Texas State Technical College in pre-apprenticeship, related training for apprentices and specialized training for journeymen and compensatory training for pre-apprenticeship and apprenticeship enrollees, and plant expansion and new plant start-up training program no more than \$50,000 per year may be spent wherever the need exists within the state in conjunction with curriculum approval by the Texas Higher Education Coordinating Board. Such expenditure of funds for these special courses are temporary in nature and outside the provision of Education Code §135.04.

11. Returned Value Funding Model for Texas State Technical Colleges. Funding is recommended for and allocated among Texas State Technical Colleges (TSTCs) based on the additional direct and indirect state tax revenues generated as a result of the education provided to students by the TSTCs. The funding methodology is based on the following components:

- * The model includes the cohort of TSTC graduates (earning an associate's degrees or certificate), transfers, and leavers (students who were not found in Texas higher

ARTICLE III - AGENCIES OF EDUCATION
S21 Special Provisions- TSTCs
DIFFERENCES ONLY
(Continued)

Senate

education for two years following the last time they were enrolled in the TSTC) with a minimum successful completion of nine semester credit hours from 2005 and 2006.

- b. The cohorts were matched with Unemployment Insurance wage records for employment and wage information for five years after the students graduated from or left the TSTC to establish annual wages for each student. Direct value-added was defined as the incremental state tax revenue attributable to former TSTC students' jobs, based on the difference between former TSTC students' annual wages and a base wage representing a full-time employee earning minimum wage (7 percent of the wage delta). Indirect value-added was defined as the direct value-added multiplied by 1.5, an economic multiplier derived from a U.S. Bureau of Economic Analysis study. Total direct and indirect values-added were summed for each group of students by campus across five years.
- c. Values-added were reduced by a certain percentage, based on the assumption that the benefits would accrue both to the state and TSTCs but with only a portion of the added value included in the formula calculations.
- d. Values-added by campus were divided into the total TSTC value-added to define each institution's proportional share of overall formula funding.

The Texas State Technical College System shall continue to work with the Texas Higher Education Coordinating Board, the Legislative Budget Board and other relevant agencies to refine the new Returned Value Funding Formula for the TSTCs. It is the intent of the Legislature that recommended adjustments to the formula shall be ready for implementation in the 2016-17 biennium and shall further the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours.

House

education for two years following the last time they were enrolled in the TSTC) with a minimum successful completion of nine semester credit hours from 2005 and 2006.

- * The cohorts were matched with unemployment compensation insurance wage records for employment and wage information for five years after the students graduated from or left the TSTC to establish annual wages for each student. Direct value-added was defined as the incremental state tax revenue attributable to former TSTC students' jobs, based on the difference between former TSTC students' annual wages and a base wage representing a full-time employee earning minimum wage (7 percent of the wage delta). Indirect value-added was defined as the direct value-added multiplied by 1.5, an economic multiplier derived from a U.S. Bureau of Economic Analysis study. Total direct and indirect values-added were summed for each group of students by campus across five years.
- * Values-added were reduced by 70 percent, based on the assumption that the benefits would accrue both to the state and TSTCs but with only 30 percent of the added value included in the formula calculations.
- * Values-added by campus were divided into the total TSTC value-added to define each institution's proportional share of overall formula funding.

The Texas State Technical College System shall continue to work with the Texas Higher Education Coordinating Board, the Legislative Budget Board and other relevant agencies to refine the new Returned Value Funding Formula for the TSTCs. It is the intent of the Legislature that recommended adjustments to the formula shall be ready for implementation in the 2016-17 biennium and shall further the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours.

ARTICLE III - AGENCIES OF EDUCATION
556 Texas A&M AgriLife Research
DIFFERENCES ONLY

Senate

House

5. **Advancements in Water Resource Management.** Out of the funds appropriated above, \$1,250,000 in fiscal year 2014 and \$1,250,000 in fiscal year 2015 in General Revenue shall be used to support the role of the Texas A&M AgriLife Extension Service, Texas A&M AgriLife Research and the Texas A&M Engineering Experiment Station in advancements in water resources management.

5. **Cotton, Wool, and Mohair Research.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, \$500,000 in fiscal year 2014 and \$500,000 in fiscal year 2015 in General Revenue shall be used for cotton, wool, and mohair research.

6. **Controlling Exotic and Invasive Insects.** Out of the funds appropriated above, \$500,000 in fiscal year 2014 and \$500,000 in fiscal year 2015 in General Revenue shall be used to control current and future exotic and invasive insect-transmitted plant, human and/or animal pathogens.

ARTICLE III - AGENCIES OF EDUCATION
555 Texas A&M AgriLife Extension Service
DIFFERENCES ONLY

Senate

House

- 4. Increased Interagency Collaboration.** The Texas A&M AgriLife Extension Service and the Texas A&M Engineering Extension Service are directed to use the amounts appropriated above to meet annually to generate, implement and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

- 7. Advancement in Water Resources Management.** Out of the funds appropriated above, \$1,250,000 in fiscal year 2014 and \$1,250,000 in fiscal year 2015 in General Revenue shall be used to support the role of the Texas A&M AgriLife Extension Service, Texas A&M AgriLife Research and the Texas A&M Engineering Experiment Station in advancements in water resources management.

- 8. Preventing Chronic Diseases.** Out of the funds appropriated above, \$1,000,000 in fiscal year 2014 and \$1,000,000 in fiscal year 2015 in General Revenue shall be used to expand the delivery of health and nutrition education and improve the availability of farmers' markets at schools and community centers.

- 9. Workforce Horizons for Texas Youth.** Out of the funds appropriated above, \$250,000 in fiscal year 2014 and \$250,000 in fiscal year 2015 in General Revenue shall be used for the Workforce Horizons for Texas Youth program.

- 10. Reversing the Decline of Quail in Texas.** Out of the funds appropriated above, \$1,000,000 in fiscal year 2014 and \$1,000,000 in fiscal year 2015 in General Revenue shall be used for a program relating to the statewide pattern of decline in quail populations.

ARTICLE III - AGENCIES OF EDUCATION
712 Texas A&M Engineering Experiment Station
DIFFERENCES ONLY

Senate

House

3. **Nuclear Power Institute.** Out of the funds appropriated above, the Texas A&M Engineering Experiment Station shall allocate \$2,000,000 in fiscal year 2014 and \$2,000,000 in fiscal year 2015 in General Revenue to the Nuclear Power Institute to develop the necessary workforce for the new nuclear power plants developed in Texas and to sustain a new clean industry in Texas.

4. **Prevention of Wildfires Caused By Power Lines.** Out of the funds appropriated above, \$1,000,000 in fiscal year 2014 and \$1,000,000 in fiscal year 2015 in General Revenue shall be used for a two-year large scale pilot demonstration project that alerts utilities and firefighters of failing power devices and conditions that could lead to a wildfire before a failure or fire occurs.

5. **Advancements in Water Resource Management.** Out of the funds appropriated above, \$1,250,000 in fiscal year 2014 and \$1,250,000 in fiscal year 2015 in General Revenue shall be used to support the role of the Texas A&M AgriLife Extension Service, Texas A&M AgriLife Research and the Texas A&M Engineering Experiment Station in advancements in water resources management.

3. **Nuclear Power Institute.** Out of the funds appropriated above, the Texas A&M Engineering Experiment Station shall allocate \$1,000,000 in General Revenue each year of the 2014-15 biennium to the Nuclear Power Institute to develop the necessary workforce for the new nuclear power plants developed in Texas and to sustain a new clean industry in Texas.

4. **Prevention of Wildfires Caused By Power Lines.** Out of the funds appropriated above, \$2,000,000 in fiscal year 2014 and \$2,000,000 in fiscal year 2015 in General Revenue shall be used for a two-year large scale pilot demonstration project that alerts utilities and firefighters of failing power devices and conditions that could lead to a wildfire before a failure or fire occurs.

ARTICLE III - AGENCIES OF EDUCATION
727 Texas A&M Transportation Institute
DIFFERENCES ONLY

Senate

House

4. **Legislative Resource.** Out of the funds appropriated above, \$1,500,000 in fiscal year 2014 and \$1,500,000 in fiscal year 2015 from State Highway Fund No. 006 and \$3,000,000 in fiscal year 2014 and \$3,000,000 in fiscal year 2015 in General Revenue shall be used to support the role of the Texas A&M Transportation Institute as an independent resource to the Texas Legislature providing analysis of state transportation policies and the economic impact of those policies.

ARTICLE III - AGENCIES OF EDUCATION
716 Texas A&M Engineering Extension Service
DIFFERENCES ONLY

Senate

House

2. Increased Interagency Collaboration. The Texas A&M AgriLife Extension Service and the Texas A&M Engineering Extension Service are directed to use the appropriations above to meet annually to generate, implement, and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

4. Ensuring Task Force 1 Operational Readiness. Out of the funds appropriated above, \$500,000 in fiscal year 2014 and \$500,000 in fiscal year 2015 in General Revenue shall be used to support the operational readiness of Texas Task Force 1.

5. Underserved/Rural Firefighter Training Support. Out of the funds appropriated above, \$500,000 in fiscal year 2014 and \$500,000 in fiscal year 2015 in General Revenue shall be used to provide training to underserved firefighters through extension area schools.

6. Drinking Water Protection Training Program. Out of the funds appropriated above, \$500,000 in fiscal year 2014 and \$500,000 in fiscal year 2015 in General Revenue shall be used for the Drinking Water Protection Training Program.

7. Texas Law Enforcement Extension (LEX) Rural Training Initiative. Out of the funds appropriated above, \$250,000 in fiscal year 2014 and \$250,000 in fiscal year 2015 in General Revenue shall be used to support training for rural peace officers, jailers, and telecommunications personnel.

3. Ensuring Task Force 1 Operational Readiness. Out of the funds appropriated above, \$506,375 in fiscal year 2014 and \$506,375 in fiscal year 2015 in General Revenue shall be used to support the operational readiness of Texas Task Force 1.

4. Underserved/Rural Firefighter Training Support. Out of the funds appropriated above, \$750,000 in fiscal year 2014 and \$750,000 in fiscal year 2015 in General Revenue shall be used to provide training to underserved firefighters through extension area schools.

ARTICLE III - AGENCIES OF EDUCATION
576 Texas A&M Forest Service
DIFFERENCES ONLY

Senate

House

2. **Overtime Payments, Contingency.** Included in the appropriation above, \$335,223 for each year of the biennium is for the sole purpose of paying mandatory overtime expenses of non-exempt employees of the Texas A&M Forest Service when such overtime is incurred in emergency response activities. It is further provided that payments from this appropriation shall be made only upon overtime payroll vouchers submitted to the State Comptroller. Any balances remaining as of August 31, 2013 are hereby appropriated for the same purpose for the biennium beginning September 1, 2013, and balances remaining as of August 31, 2014 are hereby appropriated for fiscal year 2015.

3. **Texas Wildfire Protection Plan.** Out of the funds appropriated above, \$6,825,000 from the Insurance Companies Maintenance Tax and \$13,600,000 in General Revenue in each year of the biennium shall be used for the Texas Wildfire Protection Plan.

6. **Texas Intrastate Fire Mutual Aid System (TIFMAS) Grants.** Out of the funds appropriated above, \$500,000 in General Revenue and \$1,000,000 from the Insurance Companies Maintenance Tax in each year of the biennium shall be used for Texas Intrastate Fire Mutual Aid System Grants. In accordance with Government Code Section 614.105, the \$1,000,000 in funds each year from the Insurance Companies Maintenance Tax shall be transferred to a separate account within the Volunteer Fire Department Assistance Account No. 5064 and expended in accordance with the provisions contained in the same statute.

7. **Rural Volunteer Fire Department Assistance Program (Wildfire Protection Plan).** Out of the funds appropriated above, \$18,000,000 in fiscal year 2014 and \$18,000,000 in fiscal year 2015 in General Revenue Dedicated Volunteer Fire Department Assistance Account No. 5064 shall be used to assist volunteer fire departments with equipment and training needs by building their capacity to respond to fires locally.

2. **Overtime Payments, Contingency.** Included in the appropriation above, \$335,223 for each year of the biennium is for the sole purpose of paying overtime expenses of employees of the Texas A&M Forest Service when such overtime is incurred in emergency response activities. It is further provided that payments from this appropriation shall be made only upon overtime payroll vouchers submitted to the State Comptroller. Any balances remaining as of August 31, 2013 are hereby appropriated for the same purpose for the biennium beginning September 1, 2013, and balances remaining as of August 31, 2014 are hereby appropriated for fiscal year 2015.

3. **Texas Wildfire Protection Plan.** Out of the funds appropriated above, \$6,825,000 from the Insurance Companies Maintenance Tax and \$5,000,000 in General Revenue in each year of the biennium shall be used for the Texas Wildfire Protection Plan.

6. **Texas Intrastate Fire Mutual Aid System (TIFMAS) Grants.** Out of the funds appropriated above, \$1,000,000 from the Insurance Companies Maintenance Tax in each year of the biennium shall be used for Texas Intrastate Fire Mutual Aid System Grants. In accordance with Government Code Section 614.105, these funds shall be transferred to a separate account within the Volunteer Fire Department Assistance Account No. 5064 and expended in accordance with the provisions contained in the same statute.

ARTICLE III - AGENCIES OF EDUCATION
557 Texas A&M Veterinary Medical Diagnostic Laboratory
DIFFERENCES ONLY

Senate

House

2. **College Station Laboratory.** Out of the funds appropriated above, \$3,000,000 in fiscal year 2014 and \$3,000,000 in fiscal year 2015 in General Revenue shall be used for the College Station Laboratory.

ARTICLE III - AGENCIES OF EDUCATION
S03 Special Provisions Relating Only to State Agencies of Higher Education
DIFFERENCES ONLY

Senate

House

Sec. 56. Appropriations for the Texas Competitive Knowledge Fund. The amounts listed below for informational purposes are appropriated out of the General Revenue fund elsewhere in this Act in each affected institution's "Texas Competitive Knowledge" strategy and shall be expended to support faculty for the purpose of instructional excellence and research. Any unexpended balances as of August 31, 2014 elsewhere in this Act, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2014.

The University of Texas at Austin	\$21,171,545	\$21,171,545
Texas A&M University	\$23,260,946	\$23,260,946
University of Houston	\$3,474,652	\$3,474,652
Texas Tech University	\$4,934,279	\$4,934,279
The University of Texas at Dallas	\$3,271,793	\$3,271,793
The University of Texas at Arlington	\$2,471,685	\$2,471,685
The University of Texas at El Paso	\$2,552,183	\$2,552,183
The University of Texas at San Antonio	\$1,966,724	\$1,966,724
Total	\$63,103,807	\$63,103,807

Sec. 56. Appropriations for the Texas Competitive Knowledge Fund. The amounts listed below in Subsection A and Subsection B for informational purposes are appropriated out of the General Revenue fund elsewhere in this Act in each affected institution's "Texas Competitive Knowledge" strategy and shall be expended to support faculty for the purpose of instructional excellence and research. Any unexpended balances as of August 31, 2014 elsewhere in this Act, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2014.

A. Institutions with total research expenditures over \$500,000,000 are listed below for informational purposes with the funds appropriated in each affected institution's "Texas Competitive Knowledge" strategy:

	<u>2014</u>	<u>2015</u>
The University of Texas at Austin	\$26,700,083	\$26,700,083
Texas A&M University	\$29,335,091	\$29,335,091
Total	\$56,035,174	\$56,035,174

B. Institutions with total research expenditures over \$50,000,000 are listed below for informational purposes with the funds appropriated in each affected institution's "Texas Competitive Knowledge" strategy:

	<u>2014</u>	<u>2015</u>
University of Houston	\$4,381,990	\$4,381,990
Texas Tech University	\$6,222,770	\$6,222,770
The University of Texas at Dallas	\$4,126,158	\$4,126,158
The University of Texas at Arlington	\$3,117,118	\$3,117,118

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The University of Texas at El Paso	\$3,218,636	\$3,218,636
The University of Texas at San Antonio	\$2,500,000	\$2,500,000
Total	\$23,566,672	\$23,566,672

- C. It is the intent of the Legislature that institutions receive funding provided in the "Texas Competitive Knowledge" strategy after an institution reaches a three year average of total research expenditure level of \$50,000,000 and that special items at institutions who reach this level must be reduced by \$5,000,000 for an institution to receive funding provided in the "Texas Competitive Knowledge" strategy. It is the intent of the Legislature that institutions receive at least \$5,000,000 in the "Texas Competitive Knowledge" strategy upon first receiving appropriations for this purpose.
- D. It is the intent of the Legislature that funding in future biennia above the current level of appropriations provided in the "Texas Competitive Knowledge" strategies will be split between institutions under Subsection A and institutions under Subsection B with at least half of the new funding provided to institutions under Subsection A.

Sec. 60. Federal Medicaid Funding. It is the intent of the Legislature that the Health Related Institutions utilize their 2014-15 General Revenue appropriations to maximize Federal Medicaid funding through the Texas Health and Human Services Commission.

Sec. 61. Diversity of Student Body at National Research Universities. It is the intent of the legislature that, in expending funds appropriated by this Act and to the extent permitted by law, the University of Texas at Austin and Texas A&M University make a good faith effort to improve the racial diversity of the university's student body, with a goal of having a student body that more closely reflects the racial demographics of this state.

ARTICLE III - AGENCIES OF EDUCATION
S03 Special Provisions Relating Only to State Agencies of Higher Education
DIFFERENCES ONLY
(Continued)

Senate

House

Sec. 62. Contingency Appropriation for SB/HB_____. Contingent upon enactment of legislation relating to tuition revenue bonds that authorize new tuition revenue bond projects for institutions of higher education, \$200,000,000 in fiscal year 2015 in General Revenue is appropriated to institutions of higher education for debt service on tuition revenue bonds.