

# Higher Education Coordinating Board Summary of Budget Recommendations - House

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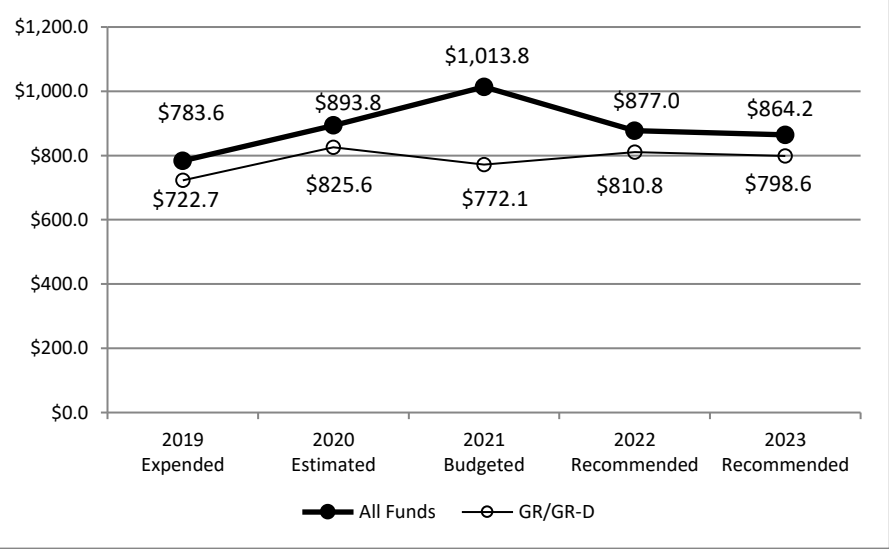
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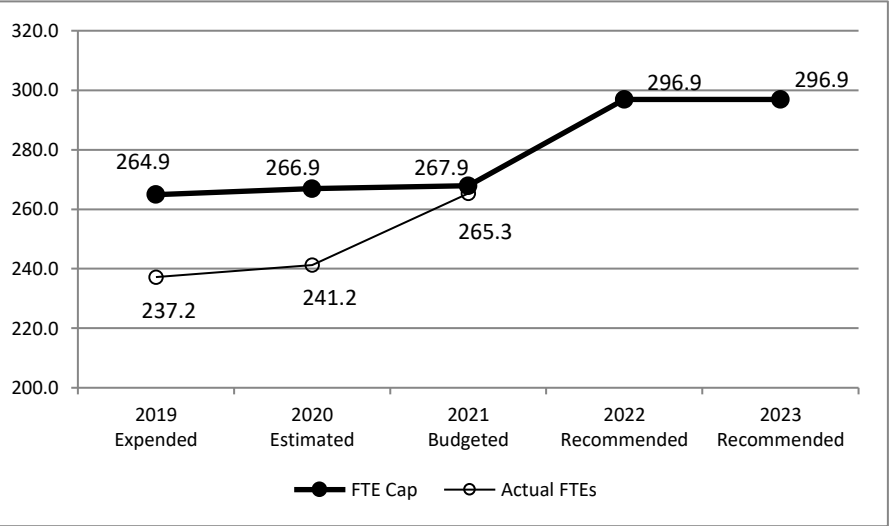
Method of Financing	2020-21 Base	2022-23 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$1,567,743,045	\$1,578,031,349	\$10,288,304	0.7%
GR Dedicated Funds	\$30,009,793	\$31,334,984	\$1,325,191	4.4%
<i>Total GR-Related Funds</i>	<i>\$1,597,752,838</i>	<i>\$1,609,366,333</i>	<i>\$11,613,495</i>	<i>0.7%</i>
Federal Funds	\$236,678,433	\$68,714,224	(\$167,964,209)	(71.0%)
Other	\$73,099,616	\$63,128,139	(\$9,971,477)	(13.6%)
<b>All Funds</b>	<b>\$1,907,530,887</b>	<b>\$1,741,208,696</b>	<b>(\$166,322,191)</b>	<b>(8.7%)</b>

	FY 2021 Budgeted	FY 2023 Recommended	Biennial Change	Percent Change
FTEs	265.3	296.9	31.6	11.9%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2022-23 Recommended) represents an estimated 68.1% of the agency's estimated total available funds for the 2022-23 biennium.

**Higher Education Coordinating Board**  
**Summary of Funding Changes and Recommendations - House**

**Section 2**

<b>Funding Changes and Recommendations for the 2022-23 Biennium compared to the 2020-21 Base Spending Level (in millions)</b>	<b>General Revenue</b>	<b>GR-Dedicated</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>All Funds</b>	<b>Strategy in Appendix A</b>
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***SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):***

A)	Transfer of OnCourse Program from The University of Texas at Austin to THECB.	\$9.5	\$0.0	\$0.0	\$0.0	\$9.5	A.1.5
B)	Funding for new Upskilling and Reskilling Program.	\$3.0	\$0.0	\$0.0	\$0.0	\$3.0	A.1.4
C)	Agency deployment to CAPPs Financials in FY 2023.	\$0.5	\$0.0	\$0.0	\$0.0	\$0.5	A.1.1
D)	Reduction in formula distribution to Baylor College of Medicine Graduate Medical Education.	(\$0.6)	\$0.0	\$0.0	\$0.0	(\$0.6)	D.1.2
E)	Five Percent Reduction Amounts-Variations between the agency's FY2022-23 requested amounts compared to 2020-21 Estimated/Budgeted amounts for GR and GR-D Funds.	(\$1.7)	\$2.2	\$0.0	\$0.0	\$0.5	C.1.2
F)	Governor 's Emergency Education Relief (GEER) Fund-Allocated to THECB in FY 2021.	\$0.0	\$0.0	(\$175.0)	\$0.0	(\$175.0)	C.1.1

***OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):***

G)	Adjustments in 2020-21 reflect a decrease in Earned Federal Funds offset by increase in loan repayments for the BOT Program.	(\$0.2)	\$0.0	\$0.0	\$0.0	(\$0.2)	A.1.1 and A.1.2
H)	Decrease in BOT collections.	\$0.0	(\$0.9)	\$0.0	\$0.0	(\$0.9)	A.1.2
I)	Increase in anticipated Perkins funds (Federal Funds) used to develop and enhance career and technical programs.	\$0.0	\$0.0	\$7.0	\$0.0	\$7.0	C.1.1
J)	Decrease in anticipated tobacco funds.	\$0.0	\$0.0	\$0.0	(\$8.3)	(\$8.3)	E.1.1 and E.1.2
K)	Decrease in appropriated receipts.	\$0.0	\$0.0	\$0.0	(\$2.4)	(\$2.4)	A.1.3
L)	Increase in anticipated Student Loan Funds (Other Funds) used for administration.	\$0.0	\$0.0	\$0.0	\$0.8	\$0.8	A.1.2

<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>	<b>\$10.5</b>	<b>\$1.3</b>	<b>(\$168.0)</b>	<b>(\$9.9)</b>	<b>(\$166.1)</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>	\$13.0	\$2.2	\$7.0	\$0.8	\$23.0	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>	(\$2.5)	(\$0.9)	(\$175.0)	(\$10.7)	(\$189.1)	As Listed

NOTE: Totals may not sum due to rounding.

**Higher Education Coordinating Board  
Selected Fiscal and Policy Issues - House**

1. **Funding Overview of Higher Education Coordinating Board (HECB).** Appropriations to the HECB are composed of General Revenue, General Revenue-Dedicated (GR-D), which is funding from a tax on smokeless tobacco (Physician Education Loan Repayment Account), Federal Funds and Other Funds, which includes donations. The agency's 2022-23 requested amounts reflect \$74.5 million in reductions to GR-Related funds. Recommendations align with the agency's requested 2022-23 amounts, which incorporate the five percent reductions. In some cases, these reductions were maintained in the agency's requested amounts but in other cases the 2022-23 recommended amounts are higher or lower than the 2020-21 estimated budgeted amounts due the agency allocating reductions differently between the two bienniums. Supplemental Schedule 3a includes a comparison of the 2020-21 appropriated amounts, the 2020-21 estimated/budgeted levels, the HECB baseline requested 2022-23 amounts, and the 2022-23 recommended amounts for the agency. The supplemental schedule also includes a comparison of the agency's budget structure from the 86<sup>th</sup> Session to the 87<sup>th</sup> Session.

**1. Budget Structure Changes**

- **Agency Operations.** Ten of the agency's administrative strategies were consolidated into a new strategy, A.1.1 Agency Operations.
- **College Readiness and Success.** Five programs, including the Advise Texas Program and Developmental Education Program, were consolidated into Strategy A.1.3, College Readiness and Success.
- **Educational Loan Repayment Program.** Six educational loan repayment programs were consolidated into a new strategy, C.1.2, Education Loan Repayment.
- **Medical Education and Health Related Workforce Development Programs.** Six medical education and health related workforce development programs were consolidated into a new strategy, C.1.3, Medical education and Health Related Workforce Development Programs.

**2. General Revenue increases**

- **Upskilling and Reskilling Program.** Recommendations reflect \$3.0 million in Strategy A.1.4, Upskilling and Reskilling Program.
- **OnCourse Program.** Recommendations reflect the transfer of \$9.5 million in General Revenue and 29 FTEs from The University of Texas at Austin to the agency in Strategy A.1.5, OnCourse Program. The OnCourse Program provides educators, students, and parents access to extensive resources for college and career planning.

**3. General Revenue Decreases**

- **B-On-Time Program.** The B-On-Time Program has been phased out. The last expenditures were \$40,000 in the B-On-Time Program-Public, which supported students attending public institutions, and \$20,000 in the B-On-Time-Program-Private, which supported students attending private institutions in FY2020. The Texas B-On-Time Student Loan Account will be abolished on September 1, 2024. Information from the Comptroller's 2022-23 Biennial Revenue Estimate (BRE) indicates the current balance in the account is \$138 million.
- **Northeast Texas Initiative (NETnet).** The NETnet program has been phased out. The program was appropriated \$2.5 million in the 2020-21 biennium. The University of Texas Health Science Center at Tyler (UTHSCT) has served as the managing entity for the consortium since its inception, working under the guidance of the NETnet board. UTHSCT reports that in late 2019 the NETnet

Board, which is comprised of the community colleges districts which participated in the consortium, voted to dissolve the consortium based on a number of factors, primarily the colleges' ability to obtain broadband and distance learning resources on the private market at a more cost effective rate. At the NETnet Board's instruction, UTHSCT began decommissioning NETnet infrastructure, financed by the current biennial appropriation. UTHSCT apprised the THECB of this process, and informed the agency that NETnet funding would no longer be necessary due to the program's wind down.

- **Baylor College of Medicine Graduate Medical Education (D.1.2).** Recommendations reflect a decrease of \$0.6 million.

#### 4. General Revenue Maintained at 2020-21 Estimated/Budgeted Levels

- **TEXAS Grants (B.1.1).** Recommended funding level is \$823.4 million, which maintains 2020-21 estimated/budgeted general revenue levels and would support approximately 82,500 students per year. In fiscal year 2021, the agency was allocated \$43.3 million in GEER funding to reimburse the agency for reductions to the program in the FY 2020-21 biennium. As a result of this allocation, the agency will support approximately 87,500 students in fiscal year 2021.
- **Tuition Equalization Grant Program (B.1.2).** Recommended funding level is \$169.7 million and would support approximately 24,900 students per year. In fiscal year 2021, the agency was allocated \$8.9 million in GEER funding to reimburse the agency for reductions to the program in the FY 2020-21 biennium. As a result of this allocation, the agency will support approximately 26,300 students in fiscal year 2021.
- **Texas Education Opportunity Grant Program-Community Colleges (B.1.3).** Recommended funding level is \$84.0 million and would support approximately 21,100 students per year. In fiscal year 2021, the agency was allocated \$4.4 million in GEER funding to reimburse the agency for reductions to the program in the FY 2020-21 biennium. As a result of this allocation, the agency will support approximately 23,600 students in fiscal year 2021.
- **Texas Educational Opportunity Grant Program-Public State and Technical Colleges (B.1.4).** Recommended funding level is \$7.1 million and support approximately 800 students per year. In fiscal year 2021, the agency was allocated \$0.4 million in GEER funding to reimburse the agency for reductions to the program in the FY 2020-21 biennium. As a result of this allocation, the agency will support approximately 860 students in fiscal year 2021.
- **Open Educational Resources (B.1.9).** Recommended funding level is \$0.5 million.
- **Texas Child Mental Health Care Consortium (C.1.4).** Recommended funding level is \$99.0 million. This program was exempt from the 5 percent reductions as part of the Behavioral Health Exemption.
- **Baylor College of Medicine Undergraduate Medical Education (D.1.1).** Recommended funding level is \$73.0 million.

#### 5. General Revenue Increases Compared to 2020-21 Estimated/Budgeted Funding Levels

- **Professional Nursing Shortage Reduction Program (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funding level is \$18.9 million, an increase of \$0.3 million compared to 2020-21 funding levels. As part of the five percent reductions, the program was reduced \$1.0 million in FY 2020-21. This reduction was maintained in FY 2022-23. The increase was due to the agency transferring \$0.3 million in administrative funds in the 2020-21 biennium. The agency is allowed to transfer up to 5 percent of the appropriation for administration. This transfer is not reflected in the recommended funding level.

#### 6. General Revenue Increases Compared to 2020-21 Estimated/Budgeted Funding Levels-5% Reductions

- **Advise TX Program (A.1.3, College Readiness and Success).** Recommended funding level is \$3.9 million, an increase of \$0.1 million over 2020-21 funding levels.

- **Developmental Education (A.1.3, College Readiness and Success).** Recommended funding level is \$2.6 million, an increase of \$0.3 million over 2020-21 funding levels.
- **Texas College Work Study (B.1.5).** Recommended funding level is \$18.3 million, an increase of \$1.8 million over 2020-21 estimated/budgeted funding levels.
- **Educational Aide Program (B.1.7).** Recommended funding level is \$1.0 million, an increase of \$0.3 million over 2020-21 funding levels.
- **Texas Armed Services Scholarship Program (B.1.8).** Recommended funding level is \$6.7 million, an increase of \$0.5 million over 2020-21 funding levels.
- **Bilingual Education Program (B.1.10).** Recommended funding level is \$1.5 million, an increase of \$0.2 million over the 2020-21 funding levels.
- **Math and Science Scholar's Loan Repayment Program (C.1.2, Educational Loan Repayment).** Recommended funding level is \$2.5 million, an increase of \$1.9 million over 2020-21 funding levels.
- **Peace Officer Loan Repayment Program (C.1.2 Educational Loan Repayment).** Recommended funding level is \$4.1 million, an increase of \$0.1 million over the 2020-21 funding levels.
- **Physician Education Loan Repayment Program (C.1.2, Educational Loan Repayment).** Recommended funding level is \$29.5 million, an increase in General Revenue-Dedicated Funds (tax on smokeless tobacco) of \$2.2 million compared to 2020-21 levels.
- **Mental Health Loan Repayment Program (C.1.2, Educational Loan Repayment).** Recommended funding level is \$2.1 million, an increase of \$0.4 million compared to 2020-21 funding levels.
- **Nursing Faculty Loan Repayment Program (C.1.2, Educational Loan Repayment).** Recommended funding level is \$2.9 million, an increase of \$53,000, compared to FY 2020-21 funding levels.
- **Preceptorship Program (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funding level is \$2.8 million, an increase of \$0.1 million over the 2020-21 funding levels.

#### 7. General Revenue Decreases Compared to 2020-21 Estimated/Budgeted Funding Levels-5% Reductions

- **Teach for Texas Loan Repayment Program (C.1.2, Educational Loan Repayment).** Recommended funding level is \$2.6 million, which is slightly lower (\$10,962), than FY estimated/budgeted 2020-21 levels.
- **Family Practice Residency Program (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funding level is \$9.5 million, a decrease of \$0.5 million, compared to FY 2020-21 levels. This program was not reduced in the 2020-21 biennium.
- **Graduate Medical Education Expansion (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funded level is \$150.5 million in All Funds, which is a decrease of \$2.6 million in General Revenue compared to 2020-21 levels. Recommendations include \$128.5 million in General Revenue and \$22.0 million in distributions of funds from the Permanent Fund Supporting Graduate Medical Education.
- **Trauma Care Program (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funding level is \$3.9 million, which is slightly lower (\$8,094) than 2020-21 levels.
- **Joint Admission Program (C.1.3, Medical Education and Health Related Workforce Development).** Recommended funding level is \$9.7 million, which is a decrease of \$0.5 million compared to 2020-21 levels. This program is appropriated funding in the first year of the biennia and UB in the second year.

- **Texas Research Incentive Program (F.1.1).** Recommended funding level is \$33.3 million, which is a decrease of \$1.7 million compared to 2020-21 levels. The program was not reduced in the 2020-21 biennium. The current backlog of unmatched donations is \$247.1 million, as of January, 2021.

2016-17 Appropriations	2018-19 Appropriations	2020-21 Appropriations	2022-23 Recommendations
\$138.1 million	\$35.0 million	\$35.0 million	\$33.3 million

- **Autism Program (F.1.2).** Recommended funding level is \$7.4 million. Because of timing of the 2020-21 reductions, the program was only reduced in FY 2021. This reduction, \$195,000, was carried forward in the 2022-23 recommended amounts, which mirror the agency’s baseline request.

**8. Information Resources: CAPPs and Data Center Services (DCS).**

- **Information Resources (A.1.1, Agency Operations).** The agency was placed on CAPPs Financials deployment schedule for FY 2023. Recommendations include an additional \$0.5 million in General Revenue for the deployment. Recommendations include an additional \$0.5 million to maintain current DCS obligations.

## 2. Governor's Emergency Education Relief Funding Overview

### Need Based Financial Aid

On July 8, 2020, Governor Abbott announced that \$57 million from the Governor's Emergency Education Relief (GEER) fund would be used to offset reductions to agency's need-based financial aid programs. TEXAS Grant program (\$43.3 million), Tuition Equalization Grant Program (\$8.9 million), Texas Educational Opportunity Grant-Community Colleges (\$4.4 million) and Texas Educational Opportunity Grant-State and Technical Colleges programs (\$0.4 million). Based on information provided by the agency, the GEER funding will result in an additional 17,690 students across the four programs receiving awards.

On July 22, 2020, Governor Abbott announced \$118 million in additional federal funding for the following initiatives:

### Emergency Educational Grants

\$46.5 million in funding for emergency educational grants for new and continuing students. The Coordinating Board disbursed these funds through the existing state grant financial aid infrastructure. The intent is to enable institutions of higher education to provide financial assistance quickly to pandemic-impacted undergraduate students and support them in remaining enrolled and on track to attaining their postsecondary credentials. This funding supported 40,646 students.

### Reskilling/Upskilling Grant Program

\$46.5 million in funding to support displaced Texas workers who need to reskill or upskill to get back into the workforce and Texans who have previously stopped out of higher education institutions without completing a postsecondary credential. Priority will be placed on students pursuing credentials in high-demand fields. As of January, 2021, \$18.1 million has been distributed in the first round of the program. This funding supported 12,000 students across 49 institutions. The agency is finalizing the second round of grant funding.

### Open Education Resource, Learning Analytics & Quality Improvement

\$10 million in funding to institutions through matching grants to enhance quality in online course offerings and reduce the costs of instructional materials for students. Institutions may receive grants to support faculty teams developing new or redesigning existing open educational resources (OER) and for implementation of data analytics tools to access in timely graduation and completion. The agency has awarded Texas State University a \$5,000 implementation Grant for an ENGL 1302 section. Texas State University will start with 20 students in the pilot program and then all (around 35 TA-led section) will adopt the OER (reaching about 70 students per term). Round 2 is currently underway and the agency has received 21 applications totaling \$387,223. The Round 3 application deadline is January 31<sup>st</sup>. The agency has also awarded Technical Assistance grants in the amount of \$812,200 to three institutions to provide assistance to OER awardees and support OER awareness and capacity building at institutions. These institutions includes Rice University (\$312,000), The University of Texas at Austin (\$250,000) and Dallas College (\$250,000).

### Student Advising, Student Progress Dashboards and Data Modernization

\$15 million to institutions to modernize and improve state educational and workforce data infrastructure. The funding will include support for interactive advising tools for students. The agency reports that it has begun work on the Digital Learning Clearinghouse (DLTX) which will serve as a digital learning hub and will consist of three elements: 1) Clearinghouse-Online clearinghouse of effective online practices and curated resources for faculty, instructional support staff, and students, 2) Grant Program-Grants awarded to digital learning and teaching/student success centers, and stakeholders (faculty, students, and support staff) to populate online resources and 3) Community of practice-Facilitated network of digital learning innovators and student success leaders. The agency also reports that they will use GEER funding for a Data Modernization Initiative that will conclude at the end of January. The THECB Board will then consider staff's recommendations to approve contracts for up to \$6.5 million for staff augmentation and cloud technology experts.

### 3. Graduate Medical Education (GME) Expansion.

In the 2020-21 biennium, the 86th<sup>th</sup> Legislature appropriated \$157.2 million in GME Expansion funding, which includes \$22.0 million in distributions from the Permanent Fund Supporting Graduate Medical Education. The program was reduced \$4.1 million in the 2020-21 as part of the five percent reductions process. Recommendations include \$150.5 million, which aligns with the agency's requested amounts. In order to meet the 1.1. to 1 ratio of first year residency positions for each Texas medical school graduate, 2,108 positions would need to be established in fiscal year 2022 and 2,159 positions in fiscal year 2023 based on information provided by the Higher Education Coordinating Board. The Higher Education Coordinating Board estimates that a total funding level of \$199.1 million would be necessary to meet the 1.1. to 1 ratio. The increased funding level would support the estimated 50 medical school graduates per year from The University of Texas at Austin Dell Medical School, the estimated 55 medical school graduates from The University of Texas Rio Grande Valley School of Medicine, and the estimated 160 medical school graduates from Incarnate Word. The University of North Texas Health Science Center/TCU partnership, which enrolled 60 students in July 2019, will have medical school graduates in FY 2023. Two other institutions that will not impact the 1.1.to 1 ratio projections for FY 2022-23 but could in the following biennium, are the University of Houston, which enrolled 30 students in July, 2020 and Sam Houston State University, who enrolled 75 students in the fall of 2020.

Higher Education Coordinating Board's Budget Structure and Funding

Section 3C Supplemental

	HIGHER EDUCATION COORDINATING BOARD	2020-21 Appropriated	2020-21 Est/Bud	Difference of 2020-21 Est/Bud to Appropriated	2022-23 Base Request by HECB	2022-23 Recommended	Difference of Recommended to 2020-21 Est/Bud	Explanation
	<b>Goal A, Higher Education Support</b>							
<b>A.1.1</b>	<b>Agency Operations</b>	<b>\$39.9</b>	<b>\$42.1</b>	<b>\$2.2</b>	<b>\$41.4</b>	<b>\$41.8</b>	<b>(\$0.3)</b>	
	Financial Aid Services (A.1.3)	\$1.5	\$1.4	(\$0.1)	\$1.4	\$1.4	\$0.0	
	Academic Quality and Workforce (A.1.4)	\$3.9	\$3.9	\$0.0	\$3.6	\$3.6	(\$0.3)	
	Strategic Planning and Funding (A.1.5)	\$5.5	\$6.2	\$0.7	\$5.8	\$5.8	(\$0.4)	
	Innovation and Policy Development (A.1.6)	\$0.6	\$0.5	(\$0.1)	\$0.5	\$0.5	\$0.0	
	Oversight For-Profit Institutions (A.1.7)	\$0.5	\$0.3	(\$0.2)	\$0.4	\$0.4	\$0.1	
	Fields of Study (A.1.8)	\$0.2	\$0.2	\$0.0	\$0.2	\$0.2	\$0.0	
	Central Administration (B.1.1)	\$10.8	\$12.5	\$1.7	\$12.8	\$12.8	\$0.3	
	Information Resources (B.1.2)	\$12.4	\$12.5	\$0.1	\$13.3	\$13.7	\$1.2	Recommendations reflect an increase of \$0.5 million in General Revenue and \$0.2 million in Student Loan Funds (Other Funds) for increased costs associated with Data Center Services and an increase of \$0.5 million in General Revenue associated with the deployment of CAPPs Financials in FY 2023.
	Facilities Support (B.1.3)	\$3.8	\$3.8	\$0.0	\$2.6	\$2.6	(\$1.2)	Recommendations reflect a decrease of \$0.3 million in General Revenue and \$1.0 million in Other Funds associated with the capital complex move.
	Compliance Monitoring (B.1.4)	\$0.7	\$0.8	\$0.1	\$0.8	\$0.8	\$0.0	
	Texas Regional Alignment Networks (D.1.6)	\$0.1	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	Funding for this program is reflected in the 2020-21 Est/Budgeted amounts in Strategic Planning and Funding (A.1.5).
A.1.2	Student Loan Programs	\$15.0	\$13.3	(\$1.7)	\$13.3	\$13.3	\$0.0	
<b>A.1.3</b>	<b>College Readiness and Success</b>	<b>\$10.4</b>	<b>\$13.3</b>	<b>\$2.9</b>	<b>\$11.9</b>	<b>\$11.9</b>	<b>(\$1.4)</b>	Recommendations reflect an anticipated decrease of \$2.3 million in donations (Other Funds) offset by a \$0.9 million increase in General Revenue due to the agency identifying additional savings in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
	College Readiness and Success (A.1.1)	\$3.8	\$5.6	\$1.8	\$5.4	\$5.4	(\$0.2)	
	Advise TX (D.1.1)	\$4.0	\$5.5	\$1.5	\$3.9	\$3.9	(\$1.6)	

Higher Education Coordinating Board's Budget Structure and Funding

Section 3C Supplemental

	HIGHER EDUCATION COORDINATING BOARD	2020-21 Appropriated	2020-21 Est/Bud	Difference of 2020-21 Est/Bud to Appropriated	2022-23 Base Request by HECB	2022-23 Recommended	Difference of Recommended to 2020-21 Est/Bud	Explanation
	Developmental Education Programs (D.1.2)	\$2.7	\$2.3	(\$0.4)	\$2.6	\$2.6	\$0.3	
	Student Completion Models (D.1.3)	\$0.3	\$0.0	(\$0.3)	\$0.0	\$0.0	\$0.0	Funding for this program is reflected in 2020-21 Est/Budgeted amounts in College Readiness (A.1.1).
	GENTX and P-16 Professional Development (D.1.4)	\$0.1	\$0.0	(\$0.1)	\$0.0	\$0.0	\$0.0	Funding for this program is reflected in 2020-21 Est/Budgeted amounts in College Readiness (A.1.1).
	GRADTX (D.1.5)	\$0.3	\$0.0	(\$0.3)	\$0.0	\$0.0	\$0.0	Funding for this program is reflected in 2020-21 Est/Budgeted amounts in College Readiness (A.1.1).
A.1.4	Upskilling Reskilling Programs	\$0.0	\$0.0	\$0.0	\$0.0	\$3.0	\$3.0	Recommendations reflect \$3.0 million for the Upskilling/Reskilling Program.
A.1.5	OnCourse Program	\$0.0	\$0.0	\$0.0	\$9.5	\$9.5	\$9.5	Recommendations reflect the transfer of the OnCourse Program from The University of Texas at Austin to the agency.
	<b>Goal B, Affordability and Debt</b>							
B.1.1	TEXAS Grants	\$866.4	\$823.4	(\$43.0)	\$823.4	\$823.4	\$0.0	Recommendations maintain 2020-21 Estimated/Budgeted General Revenue funding levels and would support approximately 82,500 students per year. The Texas Grant Program was allocated \$43.3 million in GEER funds in FY 2021. These funds are reflected in Strategy C.1.1 Career and Technical Colleges.
B.1.2	Tuition Equalization Grants	\$178.6	\$169.7	(\$8.9)	\$169.7	\$169.7	\$0.0	Recommendations maintain 2020-21 estimated/budgeted General Revenue funding levels and would support approximately 24,900 students per year. The Tuition Equalization Grant Program was allocated \$8.9 million in GEER funds in FY 2021. These funds are reflected in Strategy C.1.1 Career and Technical Colleges.
B.1.3	Texas Educational Opportunity Grants (TEOG)-Public Community Colleges	\$88.5	\$84.0	(\$4.5)	\$84.0	\$84.0	\$0.0	Recommendations maintain 2020-21 Estimated/Budgeted General Revenue funding levels and would support approximately 21,100 students per year. The program was allocated \$4.4 million in GEER funds in FY 2021. These funds are reflected in Strategy C.1.1 Career and Technical Colleges.
B.1.4	Texas Educational Opportunity Grants (TEOG)-Public State and Technical Colleges	\$7.5	\$7.1	(\$0.4)	\$7.1	\$7.1	\$0.0	Recommendations maintain 2020-21 Estimated/Budgeted General Revenue funding levels and would support approximately 800 students per year. The program was allocated \$0.4 million in GEER funds in FY 2021. These funds are reflected in Strategy C.1.1 Career and Technical Colleges.

Higher Education Coordinating Board's Budget Structure and Funding

Section 3C Supplemental

	HIGHER EDUCATION COORDINATING BOARD	2020-21 Appropriated	2020-21 Est/Bud	Difference of 2020-21 Est/Bud to Appropriated	2022-23 Base Request by HECB	2022-23 Recommended	Difference of Recommended to 2020-21 Est/Bud	Explanation
B.1.5*	Texas College Work Study	\$18.8	\$16.5	(\$2.3)	\$18.3	\$18.3	\$1.8	
B.1.6	License Plate Scholarship Program	\$0.5	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
B.1.7*	Educational Aide Program	\$1.0	\$0.7	(\$0.3)	\$1.0	\$1.0	\$0.3	
B.1.8*	Texas Armed Services Scholarships Program	\$6.8	\$6.2	(\$0.6)	\$6.7	\$6.7	\$0.5	
B.1.9*	Open Educational Resources	\$0.5	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
B.1.10*	Bilingual Education Program	\$1.5	\$1.3	(\$0.2)	\$1.5	\$1.5	\$0.2	
B.1.11	B-On-Time (BOT) Program- Public-General Revenue-Dedicated	\$1.0	\$0.0	(\$1.0)	\$0.0	\$0.0	\$0.0	The B-On-Time Program has been phased out. The agency reported \$40,000 being expended in FY 2020.
B.1.12	B-On-Time (BOT) Program-Private-General Revenue	\$0.2	\$0.0	(\$0.2)	\$0.0	\$0.0	\$0.0	The B-On-Time Program has been phased out. The agency reported \$25,000 being expended in FY 2020.
	<b>Goal C: Industry and Workforce Support</b>							
C.1.1	Career/Technical Education Programs	\$54.9	\$236.7	\$181.8	\$68.7	\$68.7	(\$168.0)	This strategy is supported by federal funds. In FY 2021, the agency was allocated \$175 million in GEER funds from the Governor's Office.
<b>C.1.2</b>	<b>Educational Loan Repayment</b>	<b>\$44.9</b>	<b>\$39.0</b>	<b>(\$5.9)</b>	<b>\$43.7</b>	<b>\$43.7</b>	<b>\$4.7</b>	Recommendations reflect a \$4.7 million increase due to the agency identifying additional savings in the 2020-21 biennium for the majority of programs in this strategy. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
	Teach for Texas Loan Repayment Program (E.1.2)	\$2.7	\$2.6	(\$0.1)	\$2.6	\$2.6	\$0.0	
	Math and Science Scholar's Loan Repayment Program (E.1.3*)	\$2.6	\$0.6	(\$2.0)	\$2.5	\$2.5	\$1.9	
	Peace Officer Loan Repayment Program (E.1.7*)	\$4.2	\$4.0	(\$0.2)	\$4.1	\$4.1	\$0.1	
	Physician Education Loan Repayment Program (F.1.7*) (General Revenue-Dedicated Funds).	\$30.3	\$27.2	(\$3.1)	\$29.5	\$29.5	\$2.3	
	Mental Health Loan Repayment Program (F.1.8*)	\$2.1	\$1.7	(\$0.4)	\$2.1	\$2.1	\$0.4	
	Nursing Faculty Loan Repayment Program (F.1.10*)	\$3.0	\$2.9	(\$0.1)	\$2.9	\$2.9	\$0.1	

Higher Education Coordinating Board's Budget Structure and Funding

Section 3C Supplemental

	HIGHER EDUCATION COORDINATING BOARD	2020-21 Appropriated	2020-21 Est/Bud	Difference of 2020-21 Est/Bud to Appropriated	2022-23 Base Request by HECB	2022-23 Recommended	Difference of Recommended to 2020-21 Est/Bud	Explanation
C.1.3	<b>Medical Education and Health Related Workforce Development.</b>	<b>\$204.4</b>	<b>\$198.6</b>	<b>(\$5.8)</b>	<b>\$195.3</b>	<b>\$195.3</b>	<b>(\$3.3)</b>	
	Family Practice Residency Program (F.1.1)	\$10.0	\$10.0	\$0.0	\$9.5	\$9.5	(\$0.5)	This program was not reduced in the 2020-21 biennium.
	Preceptorship Program (F.1.2*)	\$3.0	\$2.8	(\$0.2)	\$2.8	\$2.8	\$0.0	
	GME Expansion (F.1.3)-General Revenue	\$135.2	\$131.1	(\$4.1)	\$128.5	\$128.5	(\$2.6)	This program is supported by General Revenue and allocations from the Permanent Fund Supporting Graduate Medical Education (Other Funds).
	GME Expansion (F.1.3)-Other Funds	\$22.0	\$22.0	\$0.0	\$22.0	\$22.0	\$0.0	
	Trauma Care Program (F.1.4)	\$4.1	\$3.9	(\$0.2)	\$3.9	\$3.9	\$0.0	
	Joint Admission Medical Program (F.1.5)	\$10.2	\$10.2	\$0.0	\$9.7	\$9.7	(\$0.5)	The program was not reduced in the 2020-21 biennium because funding for the program had already been allocated.
	Professional Nursing Shortage Reduction Program (F.1.6)	\$19.9	\$18.6	(\$1.3)	\$18.9	\$18.9	\$0.3	The difference of \$0.3 million is due to administrative funds being transferred to Strategic Planning and Funding (A.1.5) in FY 2020-21.
C.1.4	Texas Child Mental Health Care Consortium	\$99.0	\$99.0	\$0.0	\$99.0	\$99.0	\$0.0	The Texas Child Mental Health Care program was exempt from the 5 percent reduction as part of the behavioral health exemption.
C.1.5	Northeast Texas Initiative (E.1.4).	\$2.5	\$2.4	(\$0.1)	\$0.0	\$0.0	(\$2.4)	The Northeast Texas Initiative Program has been phased out.
	TSIA Enhancement and Success (D.1.7)	\$0.3	\$0.0	(\$0.3)	\$0.0	\$0.0	\$0.0	The agency was appropriated \$300,000 in FY 2020-21 to add a new online system to enable students to post and receive test scores. The vendor waived the fee so the agency was not able to apply the full amount to the 5 percent reduction in 2020-21.
	<b>Goal D Baylor College of Medicine</b>							
D.1.1	Baylor College of Medicine-Undergraduate Medical Education	\$73.0	\$73.0	\$0.0	\$73.0	\$73.0	\$0.0	Recommendations maintain 2020-21 funding levels. The strategy was exempt from the five percent reductions in FY 2020-21.
D.1.2	Baylor College of Medicine-Graduate Medical Education	\$17.2	\$16.7	(\$0.5)	\$16.7	\$16.0	(\$0.7)	Funding amounts for Baylor College of Medicine Undergraduate Graduate Medical Education are tied to Health Related Institutions formula. The strategy was reduced \$0.5 million in FY 2020-21 as part of the 5 percent reductions.

Higher Education Coordinating Board's Budget Structure and Funding

Section 3C Supplemental

	HIGHER EDUCATION COORDINATING BOARD	2020-21 Appropriated	2020-21 Est/Bud	Difference of 2020-21 Est/Bud to Appropriated	2022-23 Base Request by HECB	2022-23 Recommended	Difference of Recommended to 2020-21 Est/Bud	Explanation
D.1.2	Baylor College of Medicine-Graduate Medical Education	\$17.2	\$16.7	(\$0.5)	\$16.7	\$16.0	(\$0.7)	Funding amounts for Baylor College of Medicine Undergraduate Graduate Medical Education are tied to Health Related Institutions formula. The strategy was reduced \$0.5 million in FY 2020-21 as part of the 5 percent reductions.
D.1.3	Baylor College of Medicine Permanent Endowment Fund	\$2.9	\$2.9	\$0.0	\$2.9	\$2.9	\$0.0	
D.1.4	Baylor College of Medicine Permanent Health Fund	\$3.8	\$3.8	\$0.0	\$3.8	\$3.8	\$0.0	
	<b>Goal E Tobacco Settlement Funds to Institutions</b>							
E.1.1	Tobacco Earnings-Permanent Fund for Minority Health Research and Education	\$2.1	\$5.4	\$3.3	\$2.1	\$2.1	(\$3.3)	The agency reports that requested amounts align with anticipated revenue. The estimated/budgeted amounts include unexpended balances from the previous biennium.
E.1.2	Tobacco Earnings-Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs	\$3.8	\$8.8	\$5.0	\$3.8	\$3.8	(\$5.0)	The agency reports that requested amounts align with anticipated revenue. The estimated/budgeted amounts include unexpended balances from the previous biennium.
	<b>Goal F Research</b>							
F.1.1	Texas Research Incentive Program	\$35.0	\$35.0	\$0.0	\$33.3	\$33.3	(\$1.7)	The program was not reduced in the 2020-21 biennium. The current backlog of unmatched donations is \$247.1 million, as of January, 2021.
F.1.2	Autism Program	\$7.8	\$7.6	(\$0.2)	\$7.4	\$7.4	(\$0.2)	
	<b>Total Compared to 2020-21 Est/Budgeted Amounts**</b>						<b>(\$166.3)</b>	

NOTES:

\*The agency identified additional reductions in these programs in the 2020-21 biennium. Recommendations align with agency's requested 2022-23 amounts which do not maintain these reductions for the 2022-23 biennium.

\*\*Strategy numbering aligns with LBE.

**Higher Education Coordinating Board  
Rider Highlights - House**

**Modification of Existing Riders**

2. **Capital Budget.** Rider modified to reflect requested funding for Data Center Services and Cybersecurity.
5. **Student Loan Program.** Rider modified to clarify that all funds, including loan repayments, are appropriated to support the program.
7. **Texas Success Initiative** Rider modified to conform to statute.
17. **Appropriations Transfers.** Rider modified to give flexibility to institutions in transferring funds between financial aid and work study allocations received from the agency.
27. **Professional Nursing Shortage Reduction Program.** Rider modified to align with current administration of program. Rider modified to reference new strategy where program is housed, C.1.3, Medical Education and Health Related Workforce Development
29. **Teach for Texas Loan Repayment Program.** Rider modified to reference new strategy where program is housed, C.1.2, Educational Loan Repayment.
30. **Physician Education Loan Repayment Program.** Rider modified to reference new strategy where program is housed, C.1.2, Educational Loan Repayment.
31. **Developmental Education.** Rider modified to clarify use of funds and to extend reporting requirement from January to February so report can be considered at January THECB Board meeting. Rider modified to reference new strategy where program is housed, A.1.3, College Readiness and Success.
36. **Full-Time Equivalents Funded by Private Grants.** Rider modified to include new federal grant programs.
37. **Graduate Medical Education Expansion.** Rider modified to reference new strategy where program is housed, C.1.3, Medical Education and Health Related Workforce Development.
38. **Nursing Faculty Loan Repayment Assistance Program.** Rider modified to reference new strategy where program is housed, C.1.2, Educational Loan Repayment.
40. **Educational Aide Program.** Rider modified to remove reference to discontinued federal grant program.
43. **Permanent Fund Supporting Graduate Medical Education.** Rider modified to reference new strategy, C.1.3, Medical Education and Health Related Workforce Development
44. **Trauma Fellowships.** Rider modified to reference new strategy, C.1.3, Medical Education and Health Related Workforce Development
45. **Math and Science Scholar's Loan Repayment Program.** Rider modified to reference new strategy where program is housed, C.1.2, Educational Loan Repayment.
47. **Program to Encourage Certification to Teach Bilingual Education, English as a Second Language or Spanish.** Rider modified to allow the agency to reallocate unused funds if an institution is unable to expend its initial allotment.
49. **Texas Child Mental Health Care Consortium.** Rider modified to remove reference to being a contingency for Senate Bill 11.

**New Riders**

- 50. **Texas OnCourse Program.** New rider related to the OnCourse Program. The rider includes intra-biennium unexpended balance authority.
- 51. **Upskilling and Reskilling Program Capacity Grants.** New rider related to the Upskilling and Reskilling Program. The rider includes intra-biennium unexpended balance authority.
- 52. **Informational Listing of Appropriated Funds: College Readiness and Success.** New rider that provides an information listing of programs that are contained in strategy.
- 53. **Informational Listing of Appropriated Funds: Educational Loan Repayment Program.** New rider that provides an information listing of the six programs that are contained in the strategy C.1.2, Educational Loan Repayment Program. The rider includes intra-biennium unexpended balance authority
- 54. **Informational Listing of Appropriated Funds: Medical Education and Health Related Workforce Development.** New rider that provides an information listing of the six programs that are contained in the strategy C.1.3, Medical Education and Health Related Workforce Development. The rider includes intra-biennium unexpended balance authority

**Deleted Riders**

- 12. **Strategic Plan for Teacher Certification.** The rider references a strategic plan published in 2002 that ended in 2015.
- 34. **B-On-Time Program-Public.** The B-On-Time Program has been phased out.
- 41. **Mathways Project.** The transfer agreement between the The University of Texas at Austin and the agency has expired.
- 42. **Family Practice Residency Program.** Unexpended balance authority for program is now contained in Rider 54, Information Listing of Appropriated Funds: Medical Education and Health Related Workforce Development.
- 44. **B-On-Time Program-Private.** The B-On-Time Program has been phased out.
- 53. **Fields of Study.** Funding for program is included in Strategy A.1.1, Agency Operations.
- 54. **Northeast Texas Initiative.** Program has been phased out.
- 56. **Mental Health Loan Repayment Program.** Unexpended balance authority is included in Rider 53, Information Listing of Appropriated Funds: Educational Loan Repayment Programs.
- 57. **Preceptorship Program.** Unexpended balance authority for program is now contained in Rider 54, Information Listing of Appropriated Funds: Medical Education and Health Related Workforce Development.
- 59. **TSIA Enhancement.** The project has been completed.
- 60. **Contingency for SB 16.** Senate Bill 16 was enacted. Unexpended balance authority for program is now contained in Rider 53, Information Listing of Appropriated Funds: Educational Loan Repayment Programs.

**Higher Education Coordinating Board  
Items Not Included in Recommendations - House**

**Section 5**

	2022-23 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2024-25
	GR & GR-D	All Funds	FTEs			

**Agency Exceptional Items Not Included (in agency priority order)**

1)	<b>Restoration of Base Funding.</b> The exceptional item would restore reductions to 34 of the agency's programs. These programs include TEXAS Grants (\$43 million), Tuition Equalization Grants (TEG) (\$8.9 million), GME Expansion (\$6.7 million) and TEOG-Community Colleges (\$4.4 million).	\$74,460,791	\$74,460,791	0.0	No	No	\$74,460,701
2)	<b>Student Financial Aid.</b> The exceptional item would provide additional funding for the agency's four need based financial aid programs, TEXAS Grants, TEG, TEOG-Community College Program and the TEOG-State and Technical Colleges Program. The agency requests that this funding be housed in a new strategy to allow them flexibility in allocating this funding.	\$110,000,000	\$110,000,000	0.0	No	No	\$110,000,000
3)	<b>GradTX.</b> The exceptional item would allow the agency to scale GradTX engagements across the state. GradTX is a THECB sponsored program designed to identify and recruit individuals who have left higher education after earning a substantial number of college credits (90+ hours at four-year institutions and 45+ hours at two-year institutions) without completing a degree. The program provides targeted academic and financial aid support, transcript review software, and outreach and communication to help these adults complete a degree.	\$4,000,000	\$4,000,000	0.0	No	No	\$4,000,000
4)	<b>Agency Application Portfolio Modernization Project.</b> The exceptional item would support the completion of the agency's Legacy Application Modernization Project. The agency's application portfolio is currently composed of disparate and outdated applications that are costly to maintain, ineffective for users and pose greater risks to IT security.	\$4,000,000	\$4,000,000	0.0	Yes	No	\$4,000,000

Higher Education Coordinating Board  
Items Not Included in Recommendations - House

		2022-23 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2024-25
		GR & GR-D	All Funds	FTEs			
5)	<b>Capitol Complex Move.</b> The agency is scheduled to relocate from the current leased office space to a new Capitol Complex building in the summer of 2022. The exceptional item would cover costs associated with the relocation and the purchase of equipment, such as interior computer cabling, hallway lights, emergency signage and badge readers for secure areas. The costs associated with this exceptional item are in FY 2023 only. The agency identified \$1.3 million in savings in lease costs in FY 2023 associated with the Capitol Complex move.	\$1,202,252	\$1,202,252	0.0	No	No	\$0

<b>Rider Revisions Requested by Agency but not Included in Recommendations</b>							
<b>Professional Nursing Shortage Reduction Program.</b> The agency requests to eliminate the reporting requirement included in Rider #27.							
<b>Advise TX.</b> The agency requests to change the reporting deadline in Rider #46 from October 1st to January 1st.							
<b>Texas Child Mental Health Care Consortium.</b> The agency requests to clarify language in Rider #49, that the Consortium, and not the Higher Education Coordinating Board, directs the transfers.							
<b>TOTAL Items Not Included in Recommendations</b>		<b>\$193,663,043</b>	<b>\$193,663,043</b>	<b>\$0</b>			<b>\$192,460,701</b>

**Higher Education Coordinating Board  
Appendices - House**

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**Higher Education Coordinating Board**  
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$42,064,381	\$41,783,817	(\$280,564)	(0.7%)	
STUDENT LOAN PROGRAMS A.1.2	\$13,263,291	\$13,277,442	\$14,151	0.1%	
COLLEGE READINESS AND SUCCESS A.1.3	\$13,329,893	\$11,894,036	(\$1,435,857)	(10.8%)	Recommendations reflect an anticipated decrease of \$2.3 million in donations (Other Funds) offset by a \$0.9 million increase in General Revenue due to the agency identifying additional savings in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
UPSKILLING/RESKILLING PROGRAM A.1.4	\$0	\$3,000,000	\$3,000,000	100.0%	Recommendations include \$3,000,000 in General Revenue for Upskilling/Reskilling Program.
TEXAS ONCOURSE PROGRAM A.1.5	\$0	\$9,470,125	\$9,470,125	100.0%	Recommendations reflect the transfer of the Texas OnCourse Program from The University of Texas at Austin to the Higher Education Coordinating Board.
<b>Total, Goal A, HIGHER EDUCATION SUPPORT</b>	<b>\$68,657,565</b>	<b>\$79,425,420</b>	<b>\$10,767,855</b>	<b>15.7%</b>	
TEXAS GRANT PROGRAM B.1.1	\$823,419,733	\$823,419,734	\$1	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$169,679,779	\$169,679,780	\$1	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$84,049,262	\$84,049,262	\$0	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$7,143,415	\$7,143,416	\$1	0.0%	
COLLEGE WORK STUDY PROGRAM B.1.5	\$16,539,237	\$18,339,046	\$1,799,809	10.9%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
LICENSE PLATE SCHOLARSHIPS B.1.6	\$505,165	\$494,800	(\$10,365)	(2.1%)	
EDUCATIONAL AIDE PROGRAM B.1.7	\$710,000	\$963,232	\$253,232	35.7%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
TX ARMED SERVICES SCHOLARSHIP PGM B.1.8	\$6,161,000	\$6,670,000	\$509,000	8.3%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
OPEN EDUCATIONAL RESOURCES B.1.9	\$462,049	\$462,049	\$0	0.0%	

**Higher Education Coordinating Board**  
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2020-21 Base</b>	<b>2022-23 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
BILINGUAL EDUCATION PROGRAM B.1.10	\$1,300,000	\$1,462,500	\$162,500	12.5%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
TEXAS B-ON-TIME PROGRAM - PUBLIC B.1.11	\$40,000	\$0	(\$40,000)	(100.0%)	The B-On-Time Program has been phased out.
TEXAS B - ON - TIME PROGRAM-PRIVATE B.1.12	\$25,000	\$0	(\$25,000)	(100.0%)	The B-On-Time Program has been phased out.
<b>Total, Goal 2, AFFORDABILITY AND ACCESS</b>	<b>\$1,110,034,640</b>	<b>\$1,112,683,819</b>	<b>\$2,649,179</b>	<b>0.2%</b>	
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$236,678,433	\$68,714,224	(\$167,964,209)	(71.0%)	Recommendations reflect \$175.0 million in GEER funding the agency received in FY 2020-21 offset by an anticipated increase of \$7.0 million in federal Perkins funds in FY 2022-23.
EDUCATIONAL LOAN REPAYMENT C.1.2	\$39,036,728	\$43,778,126	\$4,741,398	12.1%	The agency identified additional savings in the programs contained in this strategy in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions. The additional savings were primary in the Physician Education Loan Repayment Program, \$2.3 million in General Revenue Dedicated Funds, Math and Science Scholar's Loan Repayment Program, \$1.9 million in General Revenue Funds and the Mental Health Loan Repayment Program, \$0.4 million, in General Revenue.
MED ED. AND HLTH REL. WORKFORCE DEV C.1.3	\$198,646,682	\$195,341,248	(\$3,305,434)	(1.7%)	Recommendations align with the agency's 2022-23 requested amounts, which incorporate greater reductions to the GME Expansion Program (\$2.6 million), Joint Admission Medical Program (\$0.5 million), and the Family Practice Residency Program (\$0.5 million). The JAMP Program and Family Practice Residency Program were not reduced in the 2020-21 biennium.
CHILD MENTAL HEALTH CARE CONSORTIUM C.1.4	\$99,000,000	\$99,000,000	\$0	0.0%	The Texas Child Mental Health Care Consortium was exempt from the 5 percent reductions.
NORTHEAST TEXAS INITIATIVE C.1.5	\$2,375,000	\$0	(\$2,375,000)	(100.0%)	Recommendations reflect a phase out of the program.
<b>Total, Goal 3, INDUSTRY AND WORKFORCE SUPPORT</b>	<b>\$575,736,843</b>	<b>\$406,833,598</b>	<b>(\$168,903,245)</b>	<b>(29.3%)</b>	
BAYLOR COLLEGE OF MEDICINE - UGME D.1.1	\$72,999,289	\$72,999,289	\$0	0.0%	Recommendations maintain 2020-21 funding levels.
BAYLOR COLLEGE OF MEDICINE - GME D.1.2	\$16,673,246	\$16,027,462	(\$645,784)	(3.9%)	Recommendations reflect an decrease of \$0.6 million in General Revenue. The recommended funding amount is tied to the Health Related Institutions Formula.

**Higher Education Coordinating Board**  
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2020-21 Base</b>	<b>2022-23 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
BAYLOR COLL MED PERM ENDOWMENT FUND D.1.3	\$2,850,728	\$2,850,000	(\$728)	(0.0%)	
BAYLOR COLL MED PERM HEALTH FUND D.1.4	\$3,828,684	\$3,828,386	(\$298)	(0.0%)	
<b>Total, Goal D, BAYLOR COLLEGE OF MEDICINE</b>	<b>\$96,351,947</b>	<b>\$95,705,137</b>	<b>(\$646,810)</b>	<b>(0.7%)</b>	
EARNINGS - MINORITY HEALTH E.1.1	\$5,389,997	\$2,133,102	(\$3,256,895)	(60.4%)	Recommendations align with the historical tobacco settlement receipts received from the Treasury.
EARNINGS - NURSING/ALLIED HEALTH E.1.2	\$8,754,895	\$3,767,620	(\$4,987,275)	(57.0%)	Recommendations align with the historical tobacco settlement receipts received from the Treasury.
<b>Total, Goal E, TOBACCO FUNDS</b>	<b>\$14,144,892</b>	<b>\$5,900,722</b>	<b>(\$8,244,170)</b>	<b>(58.3%)</b>	
TEXAS RESEARCH INCENTIVE PROGRAM F.1.1	\$35,000,000	\$33,250,000	(\$1,750,000)	(5.0%)	The program was not reduced in the 2020-21 biennium.
AUTISM PROGRAM F.1.2	\$7,605,000	\$7,410,000	(\$195,000)	(2.6%)	The program was not reduced in FY 2020. The reduction in FY 2021 was carried forward in FY 2022 and FY 2023.
<b>Total, Goal F, RESEARCH AND INNOVATION</b>	<b>\$42,605,000</b>	<b>\$40,660,000</b>	<b>(\$1,945,000)</b>	<b>(4.6%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$1,907,530,887</b>	<b>\$1,741,208,696</b>	<b>(\$166,322,191)</b>	<b>(8.7%)</b>	

**Higher Education Coordinating Board**  
**Funding Changes and Recommendations by Strategy - House -- GENERAL REVENUE FUNDS**

Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$26,419,087	\$26,485,528	\$66,441	0.3%	
STUDENT LOAN PROGRAMS A.1.2	\$1,000,000	\$1,000,000	\$0	0.0%	
COLLEGE READINESS AND SUCCESS A.1.3	\$8,759,831	\$9,625,536	\$865,705	9.9%	The agency identified additional savings in the programs contained in this strategy in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
UPSKILLING/RESKILLING PROGRAM A.1.4	\$0	\$3,000,000	\$3,000,000	100.0%	Recommendations include \$3,000,000 in General Revenue for Upskilling/Reskilling Program.
TEXAS ONCOURSE PROGRAM A.1.5	\$0	\$9,470,125	\$9,470,125	100.0%	Recommendations reflect the transfer of the Texas OnCourse Program from The University of Texas at Austin to the Higher Education Coordinating Board.
<b>Total, Goal A, HIGHER EDUCATION SUPPORT</b>	<b>\$36,178,918</b>	<b>\$49,581,189</b>	<b>\$13,402,271</b>	<b>37.0%</b>	
TEXAS GRANT PROGRAM B.1.1	\$823,409,733	\$823,409,734	\$1	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$169,679,779	\$169,679,780	\$1	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$84,049,262	\$84,049,262	\$0	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$7,143,415	\$7,143,416	\$1	0.0%	
COLLEGE WORK STUDY PROGRAM B.1.5	\$16,539,237	\$18,339,046	\$1,799,809	10.9%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
LICENSE PLATE SCHOLARSHIPS B.1.6	\$0	\$0	\$0	0.0%	
EDUCATIONAL AIDE PROGRAM B.1.7	\$710,000	\$963,232	\$253,232	35.7%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
TX ARMED SERVICES SCHOLARSHIP PGM B.1.8	\$6,161,000	\$6,670,000	\$509,000	8.3%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
OPEN EDUCATIONAL RESOURCES B.1.9	\$462,049	\$462,049	\$0	0.0%	
BILINGUAL EDUCATION PROGRAM B.1.10	\$1,300,000	\$1,462,500	\$162,500	12.5%	The agency identified additional savings in this program in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions.
TEXAS B-ON-TIME PROGRAM - PUBLIC B.1.11	\$0	\$0	\$0	0.0%	The B-On-Time Program has been phased out.

**Higher Education Coordinating Board**  
**Funding Changes and Recommendations by Strategy - House -- GENERAL REVENUE FUNDS**

Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
TEXAS B - ON - TIME PROGRAM-PRIVATE B.1.1.2	\$25,000	\$0	(\$25,000)	(100.0%)	The B-On-Time Program has been phased out.
<b>Total, Goal 2, AFFORDABILITY AND ACCESS</b>	<b>\$1,109,479,475</b>	<b>\$1,112,179,019</b>	<b>\$2,699,544</b>	<b>0.2%</b>	
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$0	\$0	\$0	0.0%	
EDUCATIONAL LOAN REPAYMENT C.1.2	\$11,785,435	\$14,243,142	\$2,457,707	20.9%	The agency identified additional savings in the programs contained in this strategy in the 2020-21 biennium. Recommendations align with the agency's requested 2022-23 amounts, which do not maintain these reductions. The additional savings were primary in the Math and Science Scholar's Loan Repayment Program, \$1.9 million, and the Mental Health Loan Repayment Program, \$0.4 million.
MED ED. AND HLTH REL. WORKFORCE DEV C.1.3	\$176,646,682	\$173,341,248	(\$3,305,434)	(1.9%)	Recommendations align with the agency's 2022-23 requested amounts, which incorporate greater reductions to the GME Expansion Program (\$2.6 million), Joint Admission Medical Program (\$0.5 million), and the Family Practice Residency Program (\$0.5 million). The JAMP Program and Family Practice Residency Program were not reduced in the 2020-21 biennium.
CHILD MENTAL HEALTH CARE CONSORTIUM C.1.4	\$99,000,000	\$99,000,000	\$0	0.0%	The Texas Child Mental Health Care Consortium was exempt from the 5 percent reductions.
NORTHEAST TEXAS INITIATIVE 3.1.5	\$2,375,000	\$0	(\$2,375,000)	(100.0%)	Recommendations reflect a phase out of the program.
<b>Total, Goal 3, INDUSTRY AND WORKFORCE SUPPORT</b>	<b>\$289,807,117</b>	<b>\$286,584,390</b>	<b>(\$3,222,727)</b>	<b>(1.1%)</b>	
BAYLOR COLLEGE OF MEDICINE - UGME D.1.1	\$72,999,289	\$72,999,289	\$0	0.0%	Recommendations maintain 2020-21 funding levels.
BAYLOR COLLEGE OF MEDICINE - GME D.1.2	\$16,673,246	\$16,027,462	(\$645,784)	(3.9%)	Recommendations reflect an decrease of \$0.6 million in General Revenue. The recommended funding amount is tied to the Health Related Institutions Formula.
BAYLOR COLL MED PERM ENDOWMENT FUND D.1.3	\$0	\$0	\$0	0.0%	
BAYLOR COLL MED PERM HEALTH FUND D.1.4	\$0	\$0	\$0	0.0%	
<b>Total, Goal D, BAYLOR COLLEGE OF MEDICINE</b>	<b>\$89,672,535</b>	<b>\$89,026,751</b>	<b>(\$645,784)</b>	<b>(0.7%)</b>	
EARNINGS - MINORITY HEALTH E.1.1	\$0	\$0	\$0	0.0%	
EARNINGS - NURSING/ALLIED HEALTH E.1.2	\$0	\$0	\$0	0.0%	
<b>Total, Goal E, TOBACCO FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	

Higher Education Coordinating Board					
Funding Changes and Recommendations by Strategy - House -- GENERAL REVENUE FUNDS					
Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
TEXAS RESEARCH INCENTIVE PROGRAM F.1.1	\$35,000,000	\$33,250,000	(\$1,750,000)	(5.0%)	The program was not reduced in the 2020-21 biennium.
AUTISM PROGRAM F.1.2	\$7,605,000	\$7,410,000	(\$195,000)	(2.6%)	The program was not reduced in FY 2020. The reduction in FY 2021 was carried forward in FY 2022 and FY 2023.
Total, Goal F, RESEARCH AND INNOVATION	\$42,605,000	\$40,660,000	(\$1,945,000)	(4.6%)	
Grand Total, All Strategies	\$1,567,743,045	\$1,578,031,349	\$10,288,304	0.7%	

Higher Education Coordinating Board  
Summary of Federal Funds - House  
(Dollar amounts in Millions)

Program	Est 2020	Bud 2021	Rec 2022	Rec 2023	2020-21 Base	2022-23 Rec	2022-23 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Vocational Education Basic Grants to States	\$27.6	\$34.1	\$34.1	\$34.6	\$61.7	\$68.7	100.0%	\$7.0	11.4%
COVID19 Education Stabilization Fund	\$0.0	\$175.0	\$0.0	\$0.0	\$175.0	\$0.0	0.0%	(\$175.0)	(100.0%)
<b>TOTAL:</b>	<b>\$27.6</b>	<b>\$209.1</b>	<b>\$34.1</b>	<b>\$34.6</b>	<b>\$236.7</b>	<b>\$68.7</b>	<b>100.0%</b>	<b>(\$168.0)</b>	<b>(71.0%)</b>

Higher Education Coordinating Board  
FTE Highlights - House

Full-Time-Equivalent Positions	Expended 2019	Estimated 2020	Budgeted 2021	Recommended 2022	Recommended 2023
Cap	264.9	266.9	267.9	296.9	296.9
Actual/Budgeted	237.2	241.2	265.3	NA	NA
Schedule of Exempt Positions (Cap)					
Commissioner of Higher Education	\$212,135	\$299,813	\$299,813	\$299,813	\$299,813

Notes:

- a) State Auditor's Office is the source for the FY 2019 and FY 2020 annual average (actual) FTE levels
- b) The agency typically experiences attrition throughout the year. The variances in fiscal year 2019 and 2020 were directly related to attrition.
- c) Recommendations reflect an increase of 29 FTEs per year due to the transfer of the OnCourse Program from The University of Texas at Austin to the agency.
- d) The Commissioner of Higher Education received an authorized salary increase from \$212,135 to \$299,813 in the 86th Legislative Session, 2019.