

**Higher Education Coordinating Board
Summary of Budget Recommendations - House**

Page III-57

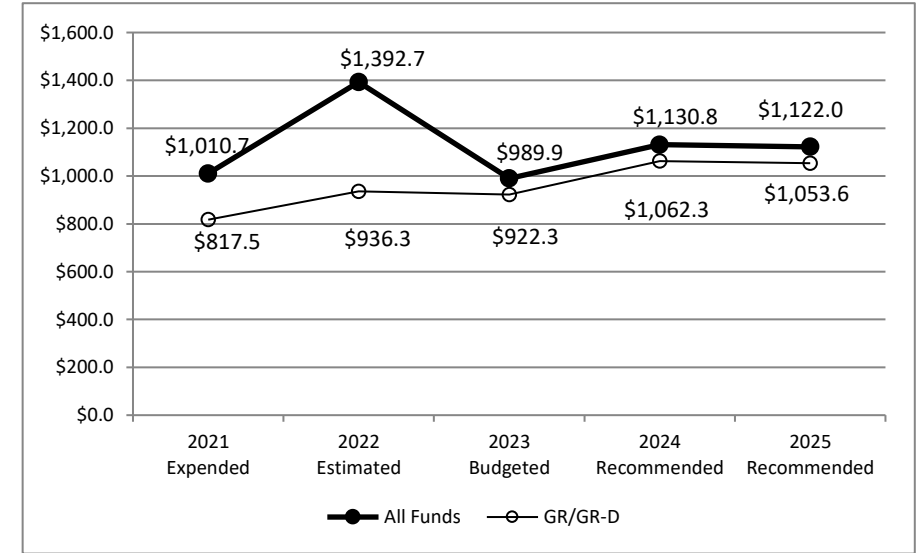
Harrison Keller, Commissioner of Higher Education

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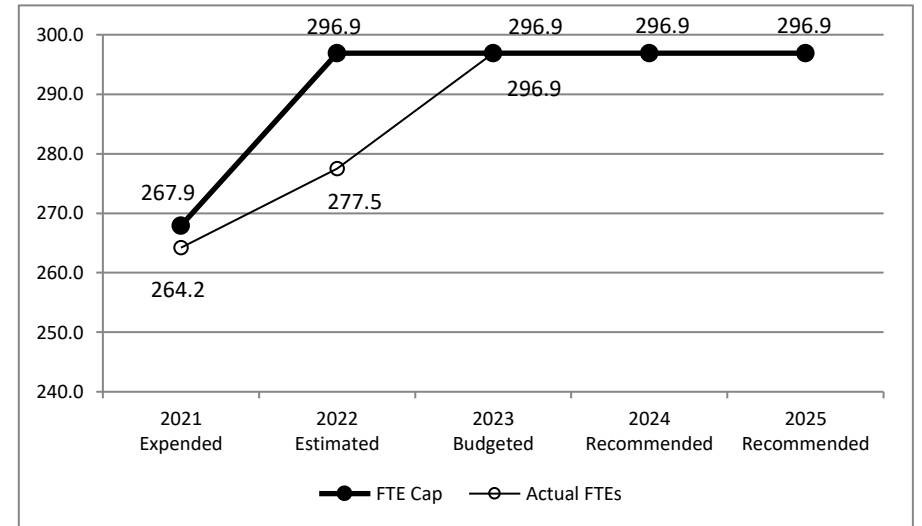
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$1,823,783,193	\$2,081,150,250	\$257,367,057	14.1%
GR Dedicated Funds	\$34,743,815	\$34,743,815	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$1,858,527,008</i>	<i>\$2,115,894,065</i>	<i>\$257,367,057</i>	<i>13.8%</i>
Federal Funds	\$449,056,094	\$71,783,460	(\$377,272,634)	(84.0%)
Other	\$75,003,543	\$65,095,774	(\$9,907,769)	(13.2%)
All Funds	\$2,382,586,645	\$2,252,773,299	(\$129,813,346)	(5.4%)

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	296.9	296.9	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 78.2% of the agency's estimated total available funds for the 2024-25 biennium.

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

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Capital Complex Move. One-time funding for capital complex move in the 2022-23 biennium not included in recommendations for the 2024-25 biennium.	(\$0.7)	\$0.0	\$0.0	\$0.0	(\$0.7)	A.1.1
B)	CAPPS Financials. The agency completed transition to CAPPS Financials in FY 2023.	(\$0.5)	\$0.0	\$0.0	\$0.0	(\$0.5)	A.1.1
C)	Texas Armed Services Scholarship Program. Recommendations increase funding by \$8.0 million over 2022-23 funding levels.	\$8.0	\$0.0	\$0.0	\$0.0	\$8.0	B.1.8
D)	Nursing Faculty Loan Repayment Program. Recommendations increase funding by \$4.1 million over 2022-23 funding levels. In the 87th Session, six of the agencies loan repayment programs, including the Nursing Faculty Loan Repayment Program, were consolidated into one strategy, C.1.3, Educational Loan Repayment Programs.	\$4.1	\$0.0	\$0.0	\$0.0	\$4.1	C.1.3
E)	Mental Health Loan Repayment Program. Recommendations increase funding by \$24.8 million over 2022-23 funding levels. In the 87th Session, six of the agencies loan repayment programs, including the Mental Health Loan Repayment Program, were consolidated into one strategy, C.1.3, Educational Loan Repayment Programs.	\$24.8	\$0.0	\$0.0	\$0.0	\$24.8	C.1.3
F)	Peace Officer Loan Repayment Program. In the 2022-23 biennium, the agency transferred \$1.1 million in unused funds for the program to the Mental Health Loan Repayment Program. Recommendations maintain the 2022-23 appropriations for the Peace Officer Loan Repayment Program, \$4.1 million. In the 87th Session, six of the agencies loan repayment programs, including the Peace Officer Loan Repayment Program, were consolidated into one strategy, C.1.3, Educational Loan Repayment Programs.	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1	C.1.3
G)	Graduate Medical Education Expansion. Recommendations increase funding by \$34.1 million to meet the 1.1 to 1 ratio of first year residency positions for each Texas medical school graduate.	\$34.1	\$0.0	\$0.0	\$0.0	\$34.1	D.1.3

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

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
H)	Professional Nursing Shortage Reduction Program. Recommendations increase funding by \$27.9 million.	\$27.9	\$0.0	\$0.0	\$0.0	\$27.9	D.1.6
I)	Texas Child Mental Health Care Consortium. Recommendations increase General Revenue funding by \$156.2 million.	\$156.2	\$0.0	\$0.0	\$0.0	\$156.2	D.1.7
J)	Baylor College of Medicine-Undergraduate Medical Education. Formula allocations are tied to the Health Related Institutions formula.	(\$3.0)	\$0.0	\$0.0	\$0.0	(\$3.0)	E.1.1
K)	Baylor College of Medicine-Graduate Medical Education. Formula allocations are tied to the Health Related Institutions formula.	\$1.2	\$0.0	\$0.0	\$0.0	\$1.2	E.1.2
L	Governor's Emergency Education Relief (GEER) Funds. The agency received two allocations of federal funds from the Governor's Office in fiscal year 2022, \$94.7 million in GEER Funds Phase 2, and \$93.3 million in GEER/Coronavirus Response and Relief Supplemental Act (CRSSA) Funds. The agency also UB'ed a portion of the first allocation received from the Governor's Office, \$39.8 million, from FY 2021 into FY 2022. Additional information regarding how the agency used these funds is provided in Section 3: Selected Fiscal and Policy Issues.	\$0.0	\$0.0	(\$227.8)	\$0.0	(\$227.8)	C.1.1

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

M)	Salary Adjustments for state-wide salary adjustments.	\$4.2	\$0.0	\$0.0	\$0.0	\$4.2	H.1.1
N)	Senate Bill 8, 87th Legislature, 3rd Called Session. The agency was appropriated \$113.1 million in additional federal funds for the Texas Child Mental Health Care Consortium. Additional information regarding the Consortium will be provided in the Health-Related Institution's presentation. (See Item I)	\$0.0	\$0.0	(\$113.1)	\$0.0	(\$113.1)	D.1.7

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

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
O)	Senate Bill 8, 87th Legislature, 3rd Called Session. The agency was appropriated \$15.0 million in additional federal funds for the Texas Reskilling and Upskilling Through Education (TRUE) Program.	\$0.0	\$0.0	(\$15.0)	\$0.0	(\$15.0)	A.1.5
P)	Senate Bill 8, 87th Legislature, 3rd Called Session. The agency was appropriated \$20.0 million in additional federal funds for Performance-Based Funding for At-Risk Students at Comprehensive Universities (CRU).	\$0.0	\$0.0	(\$20.0)	\$0.0	(\$20.0)	A.1.6
Q)	Senate Bill 8, 87th Legislature, 3rd Called Session. The agency was appropriated \$1.0 million in additional federal funds for the Rural Veterinarian's Program.	\$0.0	\$0.0	(\$1.0)	\$0.0	(\$1.0)	C.1.3
R)	Decrease in anticipated federal funds associated with the Career and Technical State Grant Program.	\$0.0	\$0.0	(\$0.4)	\$0.0	(\$0.4)	C.1.1
S)	OnCourse Program. Removal of IAC funding associated with the transfer of the OnCourse Program from The University of Texas at Austin to the agency.	\$0.0	\$0.0	\$0.0	(\$2.2)	(\$2.2)	A.1.4
T)	Decrease in anticipated tobacco funds.	\$0.0	\$0.0	\$0.0	(\$9.1)	(\$9.1)	F.1.1 and F.1.2
U)	Increase in Student Loan Funds (Other Funds) used for administration.	\$0.0	\$0.0	\$0.0	\$1.3	\$1.3	A.1.1, A.1.2 and A.1.3
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$257.4	\$0.0	(\$377.3)	(\$10.0)	(\$129.9)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$261.6	\$0.0	\$0.0	\$1.3	\$262.9	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$4.2)	\$0.0	(\$377.3)	(\$11.3)	(\$392.8)	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 primarily funding from a tax on smokeless tobacco (Physician Education Loan Repayment Account), Federal Funds and Other Funds, which includes donations. Below is a list of the selected fiscal and policy issues broken out by goal in the agency's budget structure. The information below illustrates changes in General Revenue funding between the 2022-23 and 2024-25 biennia. A high-level summary of the federal funds the agency received from the Governor's Office (GEER funds) and federal funds appropriated to the agency in Senate Bill 8, Eighty-seventh Legislature, 3rd Called Session is included later in this document. Supplemental Schedule 3 includes a comparison of the 2022-23 appropriated amounts, the 2022-23 estimated/budgeted levels, the HECB baseline requested 2024-25 amounts, and the 2024-25 recommended amounts for the agency's trustee programs for all methods of finance.

1. Goal A: Higher Education Support

Decreases:

- **Agency Operations.** Recommended funding reflect a reduction of \$1.3 million in General Revenue due to the removal of \$0.8 million in costs associated with the capital complex move and \$0.5 million in funding for CAPPs Financials, which the agency completed in FY 2023. This decrease was offset by a small increase, \$37,471, in general revenue for Data Center Services, to maintain current obligations.

Maintained at 2022-23 funding levels:

- For the remaining strategies under Goal A, **Student Loan Programs, College Readiness and Success, and Texas OnCourse Program**, the recommended funding amount matches the agency's requested amount.

2. Goal B: Affordability and Debt

Increases:

- **Texas Armed Forces Scholarship Program.** Recommended funding level is \$14.7 million, an increase of \$8.0 million.

Maintained at 2022-23 funding levels:

- **TEXAS Grants.** Recommended funding level is \$950.1 million and would support approximately 90,234 students per year.
- **Tuition Equalization Grants.** Recommended funding level is \$195.8 million and would support approximately 28,534 students per year.
- **TEOG Public Community College Grants.** Recommended funding level is \$97.0 million and would support approximately 21,504 students per year.
- **TEOG Public State/Technical College Grants.** Recommended funding level is \$8.2 million and would support approximately 899 students per year.
- **College Work Study Program.** Recommended funding level is \$18.3 million.
- **Educational Aide Program.** Recommended funding level is \$1.0 million.
- **Open Educational Resources.** Recommended funding level is \$0.5 million.

3. Goal C: Industry Workforce

Increases:

- **Educational Loan Repayment Program.** Recommended funding level is \$73.8 million, an increase of \$29.0 million in General Revenue (see related items below). In the 87th Session, six of the agencies loan repayment programs were consolidated into one strategy, C.1.3, Educational Loan Repayment Program. Recommendations for these programs include: 1) Teach for Texas Loan Repayment Program-\$2.6 million, 2) Math and Science Scholar's Loan Repayment Program-\$2.5 million, 3) Peace Officer Loan Repayment Program-\$4.1 million, 4) Physician Education Loan Repayment Program-\$29.5 million in General-revenue-Dedicated funds, 5) Mental Health Loan Repayment Program-\$28.0 million and 6) Nursing Faculty Loan Repayment Program-\$7.0 million.
- Recommended funding level for the Mental Health Loan Repayment Program is \$28.0 million, an increase of \$24.8 million over 2022-23 funding levels.
- Recommended funding level funding for the Nursing Faculty Loan Repayment is \$7.0 million, an increase of \$4.1 million over 2022-23 funding levels.
- Recommendations maintain the Peace Officer Loan Repayment Program at the 2022-23 appropriated levels, \$4.1 million. In the 2022-23 biennium, the agency transferred \$1.1 million in unused funds from the Peace Officer Loan Repayment Program to the Mental Health Loan Repayment Program.

Maintained at 2022-23 levels:

- **Bilingual Education Program.** Recommended funding level is \$1.5 million.

4. Goal D: Industry Workforce-Health Related Programs

Increases:

- **GME Expansion.** Recommended funding level is \$233.1 million, an increase of \$34.1 million in General Revenue over 2022-23 funding levels to meet the 1.1 to 1 ratio of first year residency positions for each Texas medical school graduate. Recommendations include \$211.1 million in General Revenue and \$22.0 million in distributions from the Permanent Fund Supporting Graduate Medical Education (Other Funds).
- **Professional Nursing Shortage Reduction Program.** Recommended funding level is \$46.8 million, an increase of \$27.9 million over 2022-23 funding levels.
- **Texas Child Mental Health Care Consortium.** Recommended funding level is \$280.6 million, an increase of \$156.2 million in General Revenue. In the 2022-23 biennium, the agency was appropriated \$113.1 million in federal funds in Senate Bill 8, 87th Legislature, Third Called Session.

Maintained at 2022-23 levels:

- **Family Practice Residency Program.** Recommended funding level is \$9.5 million.
- **Preceptorship Program.** Recommended funding level is \$2.9 million.
- **Trauma Care Program.** Recommended funding level is \$3.9 million.
- **Joint Admission Medical Program.** Recommended funding level is \$9.7 million.

5. Goal E: Baylor College of Medicine

Increases:

- **Baylor College of Medicine Graduate Medical Education.** Recommended funding level is \$18.0 million, an increase of \$1.2 million in General Revenue. The recommended funding level is tied to the Health Related Institutions Formula.

Decreases:

- **Baylor College of Medicine Undergraduate Medical Education.** Recommended funding level is \$76.4 million, a decrease of \$3.0 million in General Revenue. The recommended funding level is tied to the Health Related Institutions Formula.

6. Goal G: Trusteed Funds for Research

Maintained at 2022-23 levels:

- **Texas Research Incentive Program.** Recommended funding level is \$33.3 million. The current backlog of unmatched donations is \$324.4 million as of November 2022. Additional information regarding this program is included later in this document.

2016-17 Appropriations	2018-19 Appropriations	2020-21 Appropriations	2022-23 Est/Bud	2024-25 Recommendations
\$138.1 million	\$35.0 million	\$35.0 million	\$33.3 million	\$33.3 million

- **Autism Program.** Recommended funding level is \$7.4 million.

7. Goal H: Salary Adjustments

Increases:

- **Salary Adjustments.** Increase of \$4.2 million for statewide salary adjustments.

2. **Financial Aid Eligibility Projections**

The information below reflects the eligibility projections for TEXAS Grants, Texas Educational Opportunity Grants (TEOG)-Public Community Colleges, TEOG-Public State and Technical Colleges and Texas Equalization Grants (TEG) for the 2022-23 biennium, the agency’s 2024-25 base line requests, and the agency’s exceptional items. Each table provides information on the number of students that receive initial year (IY) awards, students that receive renewal year (RY) awards, and the total population of students eligible for IY awards. For the TEXAS Grant program and TEOG programs, renewal students are prioritized. Once all renewal students have been awarded grants, institutions can allocate awards for initial awards. The TEG program does not prioritize renewal awards. The percentage of initial year eligible students represents the number of initial year students that received awards compared to the total population of initial year eligible students.

TEXAS Grants

TEXAS Grants 2022-23 Biennium								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2022	40,334	50,274	90,608	\$465,556,997	\$5,138	56,775	71%
Projected	FY2023	37,493	56,610	94,103	\$484,559,323	\$5,149	58,478	64%
		<u>77,827</u>	<u>106,884</u>	<u>184,711</u>	<u>\$950,116,320</u>		<u>115,253</u>	<u>68%</u>

TEXAS Grants 2024-25 Base Line Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2024	32,144	58,090	90,234	\$465,556,997	\$5,159	60,232	53%
Projected	FY2025	36,967	57,502	94,469	\$484,559,323	\$5,129	62,039	60%
		<u>69,111</u>	<u>115,592</u>	<u>184,703</u>	<u>\$950,116,320</u>		<u>122,271</u>	<u>57%</u>

TEXAS Grants 2024-25 Base Line Request + Exceptional Item (\$101.3 million in new funding)								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2024	40,695	58,077	98,772	\$509,381,824	\$5,157	60,232	68%
Projected	FY2025	41,916	63,528	105,444	\$542,036,256	\$5,141	62,039	68%
		<u>82,611</u>	<u>121,605</u>	<u>204,216</u>	<u>\$1,051,417,680</u>		<u>122,271</u>	<u>68%</u>

TEOG-Community Colleges

TEOG Community Colleges 2022-23 Biennium								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2022	13,875	7,544	21,419	\$48,500,445	\$2,264	49,132	28%
Projected	FY2023	13,448	8,020	21,468	\$48,500,445	\$2,259	49,132	27%
		<u>27,323</u>	<u>15,564</u>	<u>42,887</u>	<u>\$97,000,890</u>		<u>98,264</u>	<u>28%</u>

TEOG Community Colleges 2024-25 Base Line Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2024	13,552	7,952	21,504	\$48,500,445	\$2,255	50,606	27%
Projected	FY2025	13,540	7,956	21,496	\$48,500,445	\$2,256	52,124	26%
		<u>27,092</u>	<u>15,908</u>	<u>43,000</u>	<u>\$97,000,890</u>		<u>102,730</u>	<u>27%</u>

TEOG Community Colleges 2024-25 Base Line Request + Exceptional Item (\$3.9 million in new funding)								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2024	14,068	7,955	22,023	\$49,692,092	\$2,256	50,606	28%
Projected	FY2025	14,490	8,180	22,670	\$51,203,126	\$2,259	52,124	28%
		<u>28,558</u>	<u>16,135</u>	<u>44,693</u>	<u>\$100,895,218</u>		<u>102,730</u>	<u>28%</u>

TEOG-State and Technical Colleges

TEOG State and Technical Colleges 2022-23 Biennium								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2022	519	383	902	\$4,122,093	\$4,570	2,383	22%
Projected	FY2023	576	326	902	\$4,122,093	\$4,570	2,383	24%
		<u>1,095</u>	<u>709</u>	<u>1,804</u>	<u>\$8,244,186</u>		<u>4,766</u>	<u>23%</u>

TEOG State and Technical Colleges 2024-25 Base Line Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	FY2024	563	336	899	\$4,122,093	\$4,585	2,454	23%
Projected	FY2025	564	336	900	\$4,122,093	\$4,580	2,528	22%
		<u>1,127</u>	<u>672</u>	<u>1,799</u>	<u>\$8,244,186</u>		<u>4,982</u>	<u>22%</u>

TEOG State and Technical Colleges 2024-25 Base Line Request + Exceptional Item (\$94,746 in new funding)								
		IY	RY	Total	Funding	Target Award	Total IY Eligible	% IY of Eligible
Projected	FY2024	564	337	901	\$4,131,631	\$4,586	2,454	23%
Projected	FY2025	581	337	918	\$4,207,301	\$4,583	2,528	23%
		<u>1,145</u>	<u>674</u>	<u>1,819</u>	<u>\$8,338,932</u>		<u>4,982</u>	<u>23%</u>

Tuition Equalization Grants (TEG)

Tuition Equalization Grants 2022-23 Biennium						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Projected	FY2024	28,534	\$97,913,339	\$3,431	52,790	54%
Projected	FY2025	28,534	\$97,913,339	\$3,431	53,846	53%
		<u>57,068</u>	<u>\$195,826,678</u>		<u>106,636</u>	<u>53%</u>

Tuition Equalization Grants 2024-25 Base Line Request						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Projected	FY2024	28,534	\$97,913,339	\$3,431	54,923	52%
Projected	FY2025	28,534	\$97,913,339	\$3,431	56,021	51%
		<u>57,068</u>	<u>\$195,826,678</u>		<u>110,924</u>	<u>51%</u>

Tuition Equalization Grants 2024-25 Base Line Request +Exceptional Item (\$8.0 million in new funding)						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Projected	FY2024	29,411	\$100,923,584	\$3,431	54,923	53%
Projected	FY2025	29,999	\$102,941,301	\$3,431	56,021	53%
		<u>59,410</u>	<u>\$203,864,885</u>		<u>110,924</u>	<u>53%</u>

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

In the 2022-23 biennium, the Eighty-seventh Legislature appropriated \$199.1 million in GME Expansion funding. Recommendations increase funding to \$233.1 million to meet the 1.1 to 1 ratio of first year residency positions for each Texas medical school graduate. Recommendations include \$211.1 million in General Revenue and \$22.0 million in distributions from the Permanent Fund Supporting Graduate Medical Education (Other Funds). Additional information regarding this issue can be found in the Health-Related Institution's presentation.

4. **Texas Research Incentive Program Overview**

The Texas Research Incentive Program (TRIP) allows eligible institutions to vie for state matching funds awarded by the Higher Education Coordinating Board based on the amount an institution receives in private gifts to enhance research activities. Only emerging research universities, as defined by the Higher Education Coordinating Board, are eligible to receive matching funds through the program. Currently eight institutions are classified as emerging research universities. These institutions include University of Texas at Arlington, University of Texas at Dallas, University of Texas at El Paso, University of Texas at San Antonio, University of Houston, University of North Texas, Texas Tech University and Texas State University.

The state match depends on the amount of the gifts the institutions receive. If the total amount of the gift is \$100,000 or more, but less than \$999,999, 50 percent of the donations will be matched. If the total amount of the gift is \$1,000,000 or more, but less than \$1,999,999, 75 percent of the donations will be matched. If the total amount of the gift is \$2,000,000 or more, 100 percent of the donations will be matched. If the funds appropriated for the program are insufficient to provide matching grants for all qualifying gifts, the Higher Education Coordinating Board will provide matching grants for the remaining unmatched gifts in the following fiscal year to the extent funds are available. As of November 2022, the backlog of unmatched donations totals \$324.4 million. The table below shows the allocations per institution based on the recommended amounts, \$16.6 million per year and the distributions based on unmatched donations, \$162.2 million per year.

Texas Research Incentive Program 2024-25				
Institution	Recommended		All Unmatched Donations	
	FY 2024	FY 2025	FY 2024	FY 2025
The University of Texas at Arlington	143,000	100,000	9,185,906	1,660,634
The University of Texas at Dallas	3,563,114	440,500	34,071,291	27,258,544
The University of Texas at El Paso	240,000	118,636	2,123,636	5,089,180
The University of Texas at San Antonio	350,000	1,452,333	18,082,615	21,321,705
University of Houston	963,693	10,705,627	42,984,370	68,017,548
University of North Texas	322,786	680,062	19,295,252	20,448,616
Texas Tech University	10,633,470	588,045	27,584,361	14,053,281
Texas State University	408,938	2,539,797	8,801,379	4,289,302
Totals	\$16,625,000	\$16,625,000	\$162,178,810	\$162,178,810

5. **Governor's Emergency Education Relief (GEER) Fund**

The agency received three phases of GEER funding, totaling \$363.0 million from the Governor's Office. The first phase, CARES Act GEER 1, totaled \$175 million. The second phase, CARES Act GEER 2, totaled \$94.6 million and the last allocation the agency received, CRRSA GEER Funds, which was announced on December 21, 2021, totaled \$93.3 million. The agency expended \$135.2 million of these funds in FY 2021 with the remainder, \$227.8 million, to be expended in the 2022-23 biennium. The agency has provided the following summary of initiatives that were supported by GEER 1 and GEER 2 funding. The agency is in the process of developing initiatives associated with the CRRSA GEER Funds. Included below is a tentative list of projects. We will continue to work with the agency in compiling this information.

GEER 1 (\$175 million) and GEER 2 (\$94.6 million):

Maintain Financial Aid-\$57 million

These funds were used to offset reductions to agency's need-based financial aid programs in fiscal year 2021. Funds were allocated to the 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).

Emergency Educational Aid-\$46.5 million

This funding was used 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.

Reskilling & Upskilling Grants-\$50.0 million

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. Work-Based Learning initiatives provided students with paid internships and supported institutional efforts to provide quality apprenticeship training. Eligible institutions included Texas public institutions of higher education, including universities, community colleges, state colleges, and technical colleges.

TRUE Institutional Capacity Grants-\$27.0 million

The Texas Reskilling and Upskilling through Education (TRUE) Capacity Grant program was used to establish, redesign, or expand workforce training programs that lead to postsecondary industry certifications or other credentials for high-demand fields, at community, state, and technical colleges.

Accelerating Credentials of Purpose and Value Grant Program-\$15 million

The grant program supports the development or expansion of short-term, industry-recognized postsecondary credentials that incorporate skills and knowledge required by high-demand careers. The projects funded by the program focused on three broad fields: 1) digital skills-which includes programming, web and application development, digital project management, and cybersecurity programs, 2) data analytics, which includes data analysis and visualizations and 3) front-line healthcare programs, which includes nursing, medical specialist and technician programs. Eligible institutions include public two-year and four-year institutions of higher education and public health-related institutions.

Online Learning Support-\$11 million

Funding institutions through matching grants to enhance quality in online course offerings and reduce the costs of instructional materials for students. Institutions received 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. Funding was available for public and private institutions.

Data Modernization-\$10 million

Funding to support the agency's Data Modernization Initiative, modernizing, and improving the educational and workforce data infrastructure.

College and Career Advising-\$5.0 million

Funding to build on the state's higher education plan to allow access to tools and resources that promote educational attainment. Initiatives supported by this funding include MyTexas Future, a one-stop intake and college and career advising portal for students, and the Advise TX program, which places recent college graduates as near peer advisors in high schools.

Student Financial Aid-\$32.0 million

Funding was provided for new and existing financial aid programs. The agency allocated \$10.0 million for the Texas Leadership Scholar's Program, a scholarship and leadership development program, that encourages high-achieving Texas high school students, who are low income, to take advantage of educational opportunities at public institutions of higher education. The agency allocated \$10.0 million for the Texas Transfer Grants program, which provides portable need-based aid to high-achieving transfer students who are low income, and who transfer from a Texas public two-year to a four-year institution. Both programs started in the fall 2022. The agency also allocated \$6.0 million for Completion Grants, to clear students' outstanding non-tuition related balances of up to \$1,000 per student. The grants allow dropped students to access transcripts necessary for re-enrollment. The remaining funding, \$5 million, was used to support exiting programs, Texas Grants and TEOG.

Student Success-\$5 million

Funding to allow institutions to plan for the development or expansion of innovative programs and initiatives that accelerate student success.

Commercial Driver License (CDL) Training and Supply Chain-\$3 million

These funds were awarded to Lamar Institute of Technology, Lamar State College Port Arthur, and Lamar State College-Orange for CDL training programs.

Other Projects-\$8.0 million

These funds supported the creation of a Centralized Credential Repository, Student Success Inventory, Community College Cost Analysis and Modernization Grants to Texas public universities, health-related institutions, and community and state technical colleges to improve workforce data infrastructure.

CRRSA GEER (\$93.3 million):**Nursing Education and Financial Aid-\$19.0 million.**

Initiatives to support Texas nurses through loan repayment assistance, financial aid, and accelerate innovation in nursing education.

Financial Aid Investments-\$19.0 million.

Investments in student financial aid programs including the Texas Transfer Grant Program and Texas Leadership Scholar's Program.

Student Success and Advising-\$30.0 million.

Student success initiatives to improve student enrollment, retention, and credential completion, including technology applications to strengthen student advising.

Data Modernization & Data Center Services-\$25 million

Continued support to modernize the state's educational and workforce data infrastructure and funding to support technology innovation.

6. **Senate Bill 8, 87th Legislature, 3rd Called Session Overview**

The agency was appropriated a total of \$474.1 million in federal funds in Senate Bill 8, Eighty-seventh Legislature, Third Called Session. Below is a high-level summary of these federal funds. Several of the Senate Bill 8 initiatives supported the general academic institutions, health related institutions and community college and additional information will be provided in those presentations.

University Construction. The agency was appropriated \$325 million in federal funds for university construction for capital projects authorized in Senate Bill 52, Eighty-seventh Legislature, Third Called Session. The LBB determined construction was not a proper use of federal funds and these funds were lapsed and replaced with general revenue. The agency has transferred these amounts to eligible institutions of higher education and is reflected in the institution's LARs.

Texas Child Mental Health Care Consortium. The agency was appropriated \$113.1 million in additional funding for the Texas Child Mental Health Care Consortium. The funding was allocated to health-related institutions for enhancement and expansion of the Child Psychiatry Access Network, Texas Child Access Through Telemedicine program and for adolescent mental health workforce. Additional information regarding the Consortium will be provided in the Health-Related Institution's presentation.

Texas Reskilling and Upskilling Through Education (TRUE) Program. The agency was appropriated \$15.0 million for the TRUE Program. The agency awarded grants to Texas public community colleges and state technical colleges and/or consortiums comprised of these institutions and local chamber of commerce, trade associations, or economic development corporations for education and training programs that are shorter than six months in duration, and are in industry-aligned, high-value/high need fields. Senate Bill 1102, Eighty-seventh Legislature, Regular Session, created the TRUE Program. Additional information regarding the TRUE Program will be provided in the Community College's presentation.

Performance-Based Funding for At-Risk Students at Comprehensive Universities (CRU). The agency was appropriated \$20 million for the CRU Program. The agency awarded grants to eligible institutions (comprehensive, doctoral, or masters university as designated by the THECB accountability system) based on the number of degrees awarded to at-risk students each year. Senate Bill 1295, Eighty-seventh Legislature, Regular Session, created the CRU Program. Additional information regarding the CRU Program will be provided in the General Academic Institution's presentation.

Rural Veterinarians Grant Program. The agency was appropriated \$1.0 million for the Rural Veterinarians Grant Program. The Animal Health Commission oversees the program, and the THECB is responsible for administering the loan repayments at the request of the Commission. House Bill 1259, Eighty-seventh Legislature, Regular Session, amended several Education Code provisions related to the program.

Higher Education Coordinating Board

	HIGHER EDUCATION COORDINATING BOARD	2022-23 Appropriated	2022-23 Est/Bud	Difference of 2022-23 Est/Bud to Appropriated	2024-25 Base Request by HECB	2024-25 Recommended	Difference of Recommended to 2022-23 Est/Bud	Explanation
	Goal A, Higher Education Support							
A.1.1	Agency Operations	\$42.5	\$47.1	\$4.6	\$46.5	\$46.1	(\$1.0)	Recommendations reflect a decrease of \$1.3 million in General Revenue due to one-time costs associated with the capitol complex move and funding for CAPPs Financials. The agency has fully implemented CAPPs. This decrease was offset by a \$0.3 million increase in Student Loan Funds (Other Funds) used for administration.
A.1.2	Student Loan Programs	\$13.3	\$14.3	\$1.0	\$15.3	\$15.3	\$1.0	
A.1.3	College Readiness and Success	\$11.9	\$11.7	(\$0.2)	\$12.0	\$12.0	\$0.3	
A.1.4	Texas OnCourse Program	\$9.5	\$10.3	\$0.8	\$8.0	\$8.0	(\$2.3)	Recommendations reflect the removal of the IAC with The University of Texas at Austin in the 2022-23 biennium for the OnCourse Program.
A.1.5	Texas Reskilling and Upskilling Through Educaiton (TRUE) Program-Federal Funds	\$15.0	\$15.0	\$0.0	\$0.0	\$0.0	(\$15.0)	The agency was appropriated \$15.0 million in federal funds in Senate Bill 8, 87th Legislature, Third Called Session for the TRUE Program. The agency has requested an exceptional item to replace these funds.
A.1.6	Comprehensive Regional University Performance Based Funding (CRU)-Federal Funds.	\$20.0	\$20.0	\$0.0	\$0.0	\$0.0	(\$20.0)	The agency was appropriated \$20.0 million in federal funds in Senate Bill 8, 87th Legislature, Third Called Session for the CRU Program.
	Goal B, Affordability and Debt							
B.1.1	TEXAS Grants	\$866.6	\$950.1	\$83.5	\$950.1	\$950.1	\$0.0	Recommendations maintain 2022-23 Estimated/Budgeted General Revenue funding levels and would support approximately 90,234 students per year. In the 2022-23 biennium, the agency was appropriated \$110 million to Strategy B.1.10, Student Financial Aid. The agency allocated \$83.5 million from this appropriation to the TEXAS Grant Program as reflected by the 2022-23 Estimated/Budgeted amounts.
B.1.2	Tuition Equalization Grants	\$178.6	\$195.8	\$17.2	\$195.8	\$195.8	\$0.0	Recommendations maintain 2022-23 estimated/budgeted General Revenue funding levels and would support approximately 28,534 students per year. In the 2022-23 biennium, the agency was appropriated \$110 million in B.1.10, Student Financial Aid. The agency allocated \$17.2 million from this appropriation to the TEG Program as reflected by the 2022-23 Estimated/Budgeted amounts.

Higher Education Coordinating Board

	HIGHER EDUCATION COORDINATING BOARD	2022-23 Appropriated	2022-23 Est/Bud	Difference of 2022-23 Est/Bud to Appropriated	2024-25 Base Request by HECB	2024-25 Recommended	Difference of Recommended to 2022-23 Est/Bud	Explanation
B.1.3	Texas Educational Opportunity Grants (TEOG)-Public Community Colleges	\$88.5	\$97.0	\$8.5	\$97.0	\$97.0	\$0.0	Recommendations maintain 2022-23 estimated/budgeted General Revenue funding levels and would support approximately 21,504 students per year. In the 2022-23 biennium, the agency was appropriated \$110 million in B.1.10, Student Financial Aid. The agency allocated \$7.1 million from this appropriation to the TEOG Program-Community Colleges as reflected by the 2022-23 Estimated/Budgeted amounts.
B.1.4	Texas Educational Opportunity Grants (TEOG)-Public State and Technical Colleges	\$7.5	\$8.2	\$0.7	\$8.2	\$8.2	\$0.0	Recommendations maintain 2022-23 estimated/budgeted General Revenue funding levels and would support approximately 899 students per year. In the 2022-23 biennium, the agency was appropriated \$110 million in B.1.10, Student Financial Aid. The agency allocated \$0.7 million from this appropriation to the TEOG Program-State and Technical Colleges as reflected by the 2022-23 Estimated/Budgeted amounts.
B.1.5	Texas College Work Study	\$18.3	\$18.3	\$0.0	\$18.3	\$18.3	\$0.0	
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	\$1.0	\$0.0	\$1.0	\$1.0	\$0.0	
B.1.8	Texas Armed Services Scholarships Program	\$6.7	\$6.7	\$0.0	\$6.7	\$14.7	\$8.0	Recommendations increase funding by \$8.0 million over 2022-23 funding levels.
B.1.9	Open Educational Resources	\$0.5	\$0.5	\$0.0	\$0.5	\$0.5	\$0.0	
B.1.10	Student Financial Aid	\$110.0	\$0.0	(\$110.0)	\$0.0	\$0.0	\$0.0	In the 87th Legislative Session, the agency was appropriated \$110 million in B.1.10, Student Financial Aid. The agency allocated this funding to four need-based financial aid programs, 1) Texas Grants, 2) TEG, 3) TEOG-Community Colleges and 4) TEOG-State and Technical Colleges as reflected by the 2022-23 Estimated/Budgeted amounts for those four programs.
	Goal C: Industry and Workforce Support							
C.1.1	Career/Technical Education Programs	\$68.7	\$300.0	\$231.3	\$71.8	\$71.8	(\$228.2)	This strategy is supported by federal funds. The 2022-23 biennium includes \$227.8 million in GEER funds from the Governor's Office.

Higher Education Coordinating Board

	HIGHER EDUCATION COORDINATING BOARD	2022-23 Appropriated	2022-23 Est/Bud	Difference of 2022-23 Est/Bud to Appropriated	2024-25 Base Request by HECB	2024-25 Recommended	Difference of Recommended to 2022-23 Est/Bud	Explanation
C.1.2	Bilingual Education Program	\$1.5	\$1.5	\$0.0	\$1.5	\$1.5	\$0.0	
C.1.3	Educational Loan Repayment	\$44.8	\$44.8	\$0.0	\$43.8	\$73.8	\$29.0	In the 87th Legislative Session, six of the agency's loan repayment programs were consolidated into one strategy, C.1.3, Educational Loan Repayment Program. Recommendations reflect an increase of \$4.1 million in additional funding for the Nursing Faculty Loan Repayment Program and \$24.8 million for the Mental Health Loan Repayment Program.
	Teach for Texas Loan Repayment Program	\$2.6	\$2.6	\$0.0	\$2.6	\$2.6	\$0.0	
	Math and Science Scholar's Loan Repayment Program	\$2.5	\$2.5	\$0.0	\$2.5	\$2.5	\$0.0	
	Peace Officer Loan Repayment Program	\$4.1	\$3.0	(\$1.1)	\$4.1	\$4.1	\$1.1	Recommendations, \$4.1 million, match the 2022-23 appropriated amounts for the program. In the 2022-23 biennium, the agency transferred \$1.1 million in unused funds from the Peace Officer Loan Repayment Program to the Mental Health Loan Repayment Program. As a result the 2022-23 estimated/budgeted amount for the program is \$3.0 million.
	Physician Education Loan Repayment Program (General Revenue-Dedicated Funds).	\$29.5	\$29.5	\$0.0	\$29.5	\$29.5	\$0.0	
	Mental Health Loan Repayment Program	\$2.1	\$3.2	\$1.1	\$2.1	\$28.0	\$24.8	Recommendations increase funding by \$24.8 million over 2022-23 levels. In the 2022-23 biennium, the agency transferred \$1.1 million in unused funds from the Peace Officer Loan Repayment Program to the program.
	Nursing Faculty Loan Repayment Program	\$2.9	\$2.9	\$0.0	\$2.9	\$7.0	\$4.1	Recommendations increase funding by \$4.1 million over 2022-23 levels. The agency received \$5.0 million in GEER funds from the Governor's Office in the 2022-23 biennium. These funds are reflected in Strategy C.1.1, Career and Technical Programs.
	Rural Veterinarian's Grant Program-Federal Funds	\$1.0	\$1.0	\$0.0	\$0.0	\$0.0	(\$1.0)	The agency was appropriated \$1.0 million in federal funds in Senate Bill 8, 87th Legislature, Third Called Session, for the program.

Higher Education Coordinating Board

	HIGHER EDUCATION COORDINATING BOARD	2022-23 Appropriated	2022-23 Est/Bud	Difference of 2022-23 Est/Bud to Appropriated	2024-25 Base Request by HECB	2024-25 Recommended	Difference of Recommended to 2022-23 Est/Bud	Explanation
	Medical Education and Health Related Workforce Development.							
D.1.1	Family Practice Residency Program	\$9.5	\$9.5	\$0.0	\$9.5	\$9.5	\$0.0	
D.1.2	Preceptorship Program	\$2.9	\$2.9	\$0.0	\$2.9	\$2.9	\$0.0	
D.1.3	GME Expansion-General Revenue	\$177.1	\$177.1	\$0.0	\$177.1	\$211.1	\$34.0	Recommendations increase General Revenue by \$34.0 million to meet the 1.1. to 1 ratio of first year residency positions for each Texas medical school graduate. This program is supported by General Revenue and allocations from the Permanent Fund Supporting Graduate Medical Education (Other Funds).
	GME Expansion-Other Funds	\$22.0	\$22.0	\$0.0	\$22.0	\$22.0	\$0.0	
D.1.4	Trauma Care Program	\$3.9	\$3.9	\$0.0	\$3.9	\$3.9	\$0.0	
D.1.5	Joint Admission Medical Program	\$9.7	\$9.7	\$0.0	\$9.7	\$9.7	\$0.0	
D.1.6	Professional Nursing Shortage Reduction Program	\$18.9	\$18.9	\$0.0	\$18.9	\$46.8	\$27.9	Recommendations increased funding by \$27.9 million over 2022-23 funding levels.
D.1.7	Texas Child Mental Health Care Consortium-General Revenue	\$118.5	\$124.3	\$5.8	\$124.3	\$280.6	\$156.3	Recommendations increase funding by \$156.2 million in General Revenue. In fiscal year 2022, the Texas Child Mental Health Care program received an additional \$5.8 million in General Revenue through Budget Execution.
D.1.7	Texas Child Mental Health Care Consortium-Federal Funds	\$113.1	\$113.1	\$0.0	\$0.0	\$0.0	(\$113.1)	The agency was appropriated \$113.1 million in federal funds in Senate Bill 8, 87th Legislature, Third Called Session for the program.
	Goal E Baylor College of Medicine							
E.1.1	Baylor College of Medicine-Undergraduate Medical Education	\$79.4	\$79.4	\$0.0	\$79.4	\$76.4	(\$3.0)	Funding amounts for Baylor College of Medicine Undergraduate Graduate Medical Education are tied to Health Related Institutions formula.
E.1.2	Baylor College of Medicine-Graduate Medical Education	\$16.8	\$16.8	\$0.0	\$16.8	\$18.0	\$1.2	Funding amounts for Baylor College of Medicine Graduate Medical Education are tied to Health Related Institutions formula.
E.1.3	Baylor College of Medicine Permanent Endowment Fund	\$2.9	\$2.9	\$0.0	\$2.9	\$2.9	\$0.0	
E.1.4	Baylor College of Medicine Permanent Health Fund	\$3.8	\$3.8	\$0.0	\$3.8	\$3.8	\$0.0	

Higher Education Coordinating Board

	HIGHER EDUCATION COORDINATING BOARD	2022-23 Appropriated	2022-23 Est/Bud	Difference of 2022-23 Est/Bud to Appropriated	2024-25 Base Request by HECB	2024-25 Recommended	Difference of Recommended to 2022-23 Est/Bud	Explanation
	Goal F Tobacco Settlement Funds to Institutions							
F.1.1	Tobacco Earnings-Permanent Fund for Minority Health Research and Education	\$2.1	\$7.3	\$5.2	\$3.8	\$2.1	(\$5.2)	The agency reports that requested amounts align with anticipated revenue. The estimated/budgeted amounts include unexpended balances from the previous biennium.
F.1.2	Tobacco Earnings-Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs	\$3.8	\$7.7	\$3.9	\$2.1	\$3.8	(\$3.9)	The agency reports that requested amounts align with anticipated revenue. The estimated/budgeted amounts include unexpended balances from the previous biennium.
	Goal G Research							
G.1.1	Texas Research Incentive Program	\$33.3	\$33.3	\$0.0	\$33.3	\$33.3	\$0.0	The current backlog of unmatched donations, as of November 2022, is \$324.4 million.
G.1.2	Autism Program	\$7.4	\$7.4	\$0.0	\$7.4	\$7.4	\$0.0	
	Goal H Salary Adjustments							
H.1.1	Salary Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$4.2	\$4.2	
	Total Compared to 2022-23 Est/Budgeted Amounts						(\$129.8)	

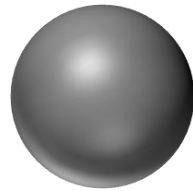
NOTES:

*Strategy numbering aligns with LBE.

Higher Education Coordinating Board
 Summary of Federal Funds (2024-25) - House

Total \$71.8M

Career and Technical Education
 \$71.8
 100.0%



Funds to develop the skills of students enrolled in career and technical education programs

Selected Federal Fiscal and Policy Issues

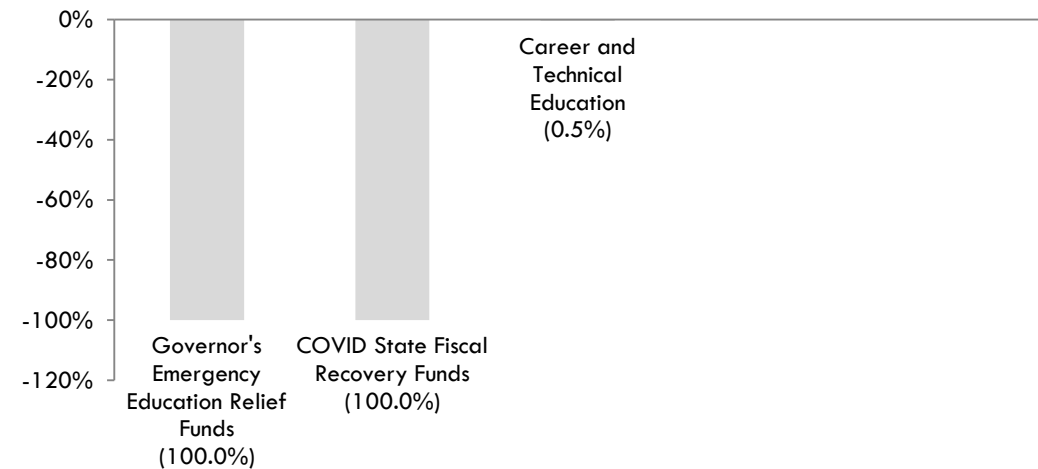
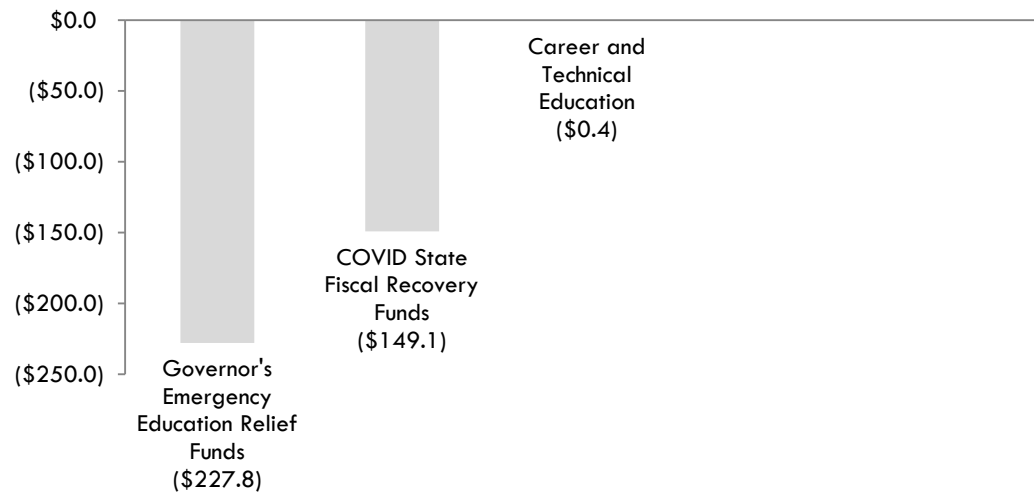
Excluding one-time COVID-19 funds, Federal Funds estimates for the 2024-25 biennium maintain level funding equal to fiscal years 2022-23. There are no significant fiscal and policy issues.

COVID-19 federal awards are one-time awards to help respond to, and mitigate, the COVID-19 pandemic.

Programs with Significant Federal Funding Changes from 2022-23

**Program Change-by Amount
 (In Millions)**

Program Change-by Percentage



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

Modification of Existing Riders

26. **Professional Nursing Shortage Reduction Program.** Reporting requirement removed. Agency has submitted report on metrics related to nursing programs.
28. **Developmental Education.** Rider modified to clarify use of funds.
43. **Program to Encourage Certification to Teach Bilingual Education, English as a Second Language or Spanish.** Rider modified to simplify requirements for students to receive awards. Previously the rider required qualified students to demonstrate financial need, as determined by the completion of the Free Application for Federal Student Aid form the institution's financial aid office, successfully pass the State Board for Educator Certification Bilingual Target Proficiency Test and maintain a minimum cumulative 3.0 GPA. The rider, as modified, requires students demonstrate financial need, as defined by the Coordinating Board, and maintain a cumulative 3.0 GPA.
46. **Texas Child Mental Health Care Consortium.** Rider modified to reflect additional funds, \$156.2 million.
48. **Texas OnCourse Program.** Rider modified to remove reference to inter-agency agreement with The University of Texas at Austin.
52. **Physician Education Loan Repayment Program.** Rider modified to delete reference to UB authority within the biennium. Six of the agency's loan repayment programs, including the Physician Education Loan Repayment Program, were consolidated into one strategy and Rider #50, Informational Listing of Appropriated Funds: Educational Loan Repayment Programs, includes UB authority for all the programs.
53. **Teach for Texas Loan Repayment Program.** Rider modified to delete reference to UB authority within the biennium. Six of the agency's loan repayment programs, including the Teach for Texas Loan Repayment Program, were consolidated into one strategy and Rider #50, Informational Listing of Appropriated Funds: Educational Loan Repayment Programs, includes UB authority for all the programs.
54. **Nursing Faculty Loan Repayment Program.** Rider modified to delete reference to UB authority within the biennium. Six of the agency's loan repayment programs, including the Nursing Faculty Loan Repayment Program, were consolidated into one strategy and Rider #50, Informational Listing of Appropriated Funds: Educational Loan Repayment Programs, includes UB authority for all the programs.

Deleted Riders

55. **Contingency for Senate Bill 1888.** Senate Bill 1888, 87th Legislature, Regular Session, was enacted.
57. **Student Financial Aid.** The rider required the agency to allocate the \$110 million appropriated to Strategy B.1.10, Student Financial Aid, to the TEXAS Grant Program, TEG Program, TEOG-Community College Program, and TEOG-State and Technical Colleges Program. The agency has allocated this funding to these programs in the 2022-3 biennium and the rider is no longer needed.
58. **Contingency for House Bill 1259.** House Bill 1259, 87th Legislature, Regular Session, was enacted.

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

	2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	State Grant Funding. The exceptional item request is split between six programs. A portion of the request, \$113 million, would support the agency's four need based financial aid programs. In addition to the 2024-25, base line request for the TEXAS Grant Program, TEG, TEOG-Community Colleges and TEOG-State and Technical Colleges, the additional funding would maintain the percentage of students served at these programs at 2022-23 levels. Included in Section 3, Selected Fiscal and Policy Issues, is information that shows the allocations to each program to maintain these levels. The remaining funding would be used by the agency for two programs, Texas Transfer Grants and the Texas Leadership Scholars Program, that were supported by GEER funds in the 2022-23 biennium.	\$153,000,000	\$153,000,000	0.0	No	No	\$0
2)	Data Security and Modernization. The exceptional item funding will be used to upgrade the agency's existing infrastructure, integrate data services into the cloud-based state higher education and workforce data pipeline, enhance the security and privacy protection of the confidential and FERPA data owned by the agency, and for professional services to help implement the agency's new Customer Relationship Management (CRM) solution. The agency reports that it has been leveraging GEER funds to initiate Phase I of the Data Modernization initiative in the FY2022-2023 biennium. The funding requested for FY2024-2025 will support the Phases II and III of the initiative	\$15,000,000	\$15,000,000	5.0	Yes	No	\$600,000

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

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
3)	Career and College Advising. The exceptional item funding would be used to further develop and integrate Map My Path and Apply Texas into My Texas Future, expand the use of ADVi chatbot and virtual advisors to additional audiences, and expand content development. My Texas Future will serve as the one-stop solution for college and career preparation and success and will unify once separate applications into one cohesive experience for students. The agency reports that for transfer students, the imbedded Map My Path tool will allow students to understand how course credits will transfer and apply across programs and institutions. The agency reports that \$5 million in GEER I funding supported the development of My Texas Future and additional GEER II funding will support the development of Apply Texas and Map My Path.	\$20,000,000	\$20,000,000	7.0	Yes	No	\$350,000
4)	Innovation and Collaboration. The agency reports that the majority of the funding is intended to be awarded to institutions through grant programs that support new distance learning tools, help institutions establish and grow programs that award credentials of value, and provide students with relevant on-the-job learning opportunities. The agency identified the Accelerating Credentials of Value Grants Program(\$15.0 million), Work-based Learning Opportunity Grants (\$5.0 million) and the TRUE programs (\$15.0 million) as examples of recently created programs that fit this model. The agency indicates that the goal with this exceptional item is to leave some flexibility regarding which programs are funded and at what amounts.	\$47,500,000	\$47,500,000	8.0	No	No	\$0

Rider Revisions Requested by Agency but not Recommended

Cost Recovery for the Common Application Form. Currently the rider prohibits the agency from using appropriated funds for the common application form. The agency is requesting to change the rider to allow for that possibility.

TOTAL Items Not Included in Recommendations	\$235,500,000	\$235,500,000	20.0			\$950,000
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**Higher Education Coordinating Board
Appendices - House**

Table of Contents		
Appendix	Appendix Title	Page
A	Funding Changes and Recommendations by Strategy	27
B	Summary of Federal Funds	33
C	FTE Highlights	34

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$47,059,092	\$46,049,570	(\$1,009,522)	(2.1%)	Recommendations reflect a reduction of \$1.3 million in General Revenue due to the removal of \$0.8 million in costs associated with the capital complex move and \$0.5 million in funding for CAPPs Financials, which the agency completed in FY 2023. These decreases were offset by a \$0.3 million increase in Student Loan Funds (Other Funds) used for administration and a small increase, \$37,471, in general revenue for Data Center Services, to maintain current obligations.
STUDENT LOAN PROGRAMS A.1.2	\$14,258,623	\$15,286,122	\$1,027,499	7.2%	Recommendations reflect an increase in Student Loan Funds (Other Funds) used for Administration.
COLLEGE READINESS AND SUCCESS A.1.3	\$11,738,888	\$11,957,394	\$218,506	1.9%	
TEXAS ONCOURSE PROGRAM A.1.4	\$10,262,839	\$8,028,461	(\$2,234,378)	(21.8%)	Recommendations reflect the elimination of IAC funding associated with the transfer of the OnCourse Program from The University of Texas at Austin to the agency in the 2022-23 biennium.
TEXAS RESKILLING/UPSKILLING PGM A.1.5	\$15,000,000	\$0	(\$15,000,000)	(100.0%)	The 2022-23 Base reflects federal funds the agency was appropriated in Senate Bill 8, 87th, Third Called Session, for the TRUE Program.
PERFORMANCE BASED FUNDING A.1.6	\$20,000,000	\$0	(\$20,000,000)	(100.0%)	The 2022-23 Base reflects federal funds the agency was appropriated in Senate Bill 8, 87th, Third Called Session, for the CRU Program.
Total, Goal A, HIGHER EDUCATION SUPPORT	\$118,319,442	\$81,321,547	(\$36,997,895)	(31.3%)	
TEXAS GRANT PROGRAM B.1.1	\$950,116,320	\$950,116,320	\$0	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$195,826,677	\$195,826,678	\$1	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$97,000,889	\$97,000,890	\$1	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$8,244,185	\$8,244,186	\$1	0.0%	
COLLEGE WORK STUDY PROGRAM B.1.5	\$18,339,046	\$18,339,046	\$0	0.0%	
LICENSE PLATE SCHOLARSHIPS B.1.6	\$506,744	\$494,800	(\$11,944)	(2.4%)	
EDUCATIONAL AIDE PROGRAM B.1.7	\$963,232	\$963,232	\$0	0.0%	
TX ARMED SERVICES SCHOLARSHIP PGM B.1.8	\$6,670,000	\$14,670,000	\$8,000,000	119.9%	Recommendations reflect an increase of \$8.0 million in general revenue.
OPEN EDUCATIONAL RESOURCES B.1.9	\$462,049	\$462,049	\$0	0.0%	
STUDENT FINANCIAL AID B.1.10	\$0	\$0	\$0	0.0%	In the 87th Legislative Session, the agency was appropriated \$110 million in B.1.10, Student Financial Aid. The agency allocated this funding to four need-based financial aid programs, B.1.1, Texas Grants, B.1.2, TEG, B.1.3, TEOG-Community Colleges and B.1.4, TEOG-State and Technical Colleges as reflected by the 2022-23 Estimated/Budgeted amounts for those four programs.

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
Total, Goal B, AFFORDABILITY AND DEBT	\$1,278,129,142	\$1,286,117,201	\$7,988,059	0.6%	
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$299,973,207	\$71,783,460	(\$228,189,747)	(76.1%)	The 2022-23 Base reflects GEER Funds the agency received from the Governor's Office.
BILINGUAL EDUCATION PROGRAM C.1.2	\$1,462,500	\$1,462,500	\$0	0.0%	
EDUCATIONAL LOAN REPAYMENT C.1.3	\$44,778,126	\$73,781,250	\$29,003,124	64.8%	Recommendations reflect an increase of \$24.8 million in general revenue for the Mental Health Loan Repayment Program and an increase of \$4.1 million for the Nursing Faculty Loan Repayment Program. In the 2022-23 biennium the agency transferred \$1.1 million in unused funds from the Peace Officer Loan Repayment Program to the Mental Health Loan Repayment Program. Recommendations maintain the 2022-23 appropriations for the Peace Officer Loan Repayment Program resulting in an increase of \$1.1 million in general revenue. These general revenue increases were offset by a \$1.0 million decrease in federal funds for the Rural Veterinarian's Grant Program.
Total, Goal C, INDUSTRY WORKFORCE	\$346,213,833	\$147,027,210	(\$199,186,623)	(57.5%)	
FAMILY PRACTICE RESIDENCY PROGRAM D.1.1	\$9,500,000	\$9,500,000	\$0	0.0%	
PRECEPTORSHIP PROGRAM D.1.2	\$2,850,000	\$2,850,000	\$0	0.0%	
GME EXPANSION D.1.3	\$199,050,000	\$233,100,000	\$34,050,000	17.1%	Recommendations reflect an increase of \$34.1 million in general revenue.
TRAUMA CARE PROGRAM D.1.4	\$3,914,406	\$3,914,406	\$0	0.0%	
JOINT ADMISSION MEDICAL PROGRAM D.1.5	\$9,696,794	\$9,696,794	\$0	0.0%	
PROF NURSING SHORTAGE REDUCTION PGM D.1.6	\$18,880,048	\$46,800,000	\$27,919,952	147.9%	Recommendations reflect an increase of \$27.9 million in general revenue.
CHILD MENTAL HEALTH CARE CONSORTIUM D.1.7	\$237,391,213	\$280,555,912	\$43,164,699	18.2%	Recommendations reflect an increase of \$156.2 million in general revenue offset by a decrease of \$113.1 million in federal funds. The 2022-23 Base reflects \$113.1 million in federal funds the agency was appropriated in Senate Bill 8, 87th, Third Called Session, for the Texas Child Mental Health Care Consortium.
Total, Goal D, INDUSTRY WORKFORCE - HEALTH RELATED	\$481,282,461	\$586,417,112	\$105,134,651	21.8%	
BAYLOR COLLEGE OF MEDICINE - UGME E.1.1	\$79,428,300	\$76,413,492	(\$3,014,808)	(3.8%)	Recommendations reflect a decrease of \$3.0 million in general revenue. Recommendations are tied to the Health Related Institutions Formula.

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
BAYLOR COLLEGE OF MEDICINE - GME E.1.2	\$16,846,992	\$18,005,150	\$1,158,158	6.9%	Recommendations reflect an increase of \$1.1 million in general revenue. Recommendations are tied to the Health Related Institutions Formula.
BAYLOR COLL MED PERM ENDOWMENT FUND E.1.3	\$2,850,000	\$2,850,000	\$0	0.0%	
BAYLOR COLL MED PERM HEALTH FUND E.1.4	\$3,828,386	\$3,828,386	\$0	0.0%	
Total, Goal E, BAYLOR COLLEGE OF MEDICINE	\$102,953,678	\$101,097,028	(\$1,856,650)	(1.8%)	
EARNINGS - MINORITY HEALTH F.1.1	\$7,294,119	\$2,133,102	(\$5,161,017)	(70.8%)	Recommendations align with historical tobacco settlement receipts received from the Treasury.
EARNINGS - NURSING/ALLIED HEALTH F.1.2	\$7,733,970	\$3,767,620	(\$3,966,350)	(51.3%)	
Total, Goal F, TOBACCO FUNDS	\$15,028,089	\$5,900,722	(\$9,127,367)	(60.7%)	
TEXAS RESEARCH INCENTIVE PROGRAM G.1.2	\$33,250,000	\$33,250,000	\$0	0.0%	
AUTISM PROGRAM G.1.3	\$7,410,000	\$7,410,000	\$0	0.0%	
Total, Goal G, RESEARCH AND INNOVATION	\$40,660,000	\$40,660,000	\$0	0.0%	
SALARY ADJUSTMENTS H.1.1	\$0	\$4,232,479	\$4,232,479	100.0%	Increase related to statewide salary adjustments.
Total, Goal H, SALARY ADJUSTMENTS	\$0	\$4,232,479	\$4,232,479	100.0%	
Grand Total, All Strategies	\$2,382,586,645	\$2,252,773,299	(\$129,813,346)	(5.4%)	

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$29,004,352	\$27,774,915	(\$1,229,437)	(4.2%)	Recommendations reflect a reduction of \$1.3 million in General Revenue due to the removal of \$0.8 million in costs associated with the capital complex move and \$0.5 million in funding for CAPPs Financials, which the agency completed in FY 2023. This increase is offset by a small increase, \$37,471, in general revenue for Data Center Services, to maintain current obligations.
STUDENT LOAN PROGRAMS A.1.2	\$1,000,000	\$1,000,000	\$0	0.0%	
COLLEGE READINESS AND SUCCESS A.1.3	\$9,297,474	\$9,297,474	\$0	0.0%	
TEXAS ONCOURSE PROGRAM A.1.4	\$8,028,461	\$8,028,461	\$0	0.0%	
TEXAS RESKILLING/UPSKILLING PGM A.1.5	\$0	\$0	\$0	0.0%	
PERFORMANCE BASED FUNDING A.1.6	\$0	\$0	\$0	0.0%	
Total, Goal A, HIGHER EDUCATION SUPPORT	\$47,330,287	\$46,100,850	(\$1,229,437)	(2.6%)	
TEXAS GRANT PROGRAM B.1.1	\$950,106,320	\$950,106,320	\$0	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$195,826,677	\$195,826,678	\$1	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$97,000,889	\$97,000,890	\$1	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$8,244,185	\$8,244,186	\$1	0.0%	
COLLEGE WORK STUDY PROGRAM B.1.5	\$18,339,046	\$18,339,046	\$0	0.0%	
LICENSE PLATE SCHOLARSHIPS B.1.6	\$0	\$0	\$0	0.0%	
EDUCATIONAL AIDE PROGRAM B.1.7	\$963,232	\$963,232	\$0	0.0%	
TX ARMED SERVICES SCHOLARSHIP PGM B.1.8	\$6,670,000	\$14,670,000	\$8,000,000	119.9%	Recommendations reflect an increase of \$8.0 million in general revenue.
OPEN EDUCATIONAL RESOURCES B.1.9	\$462,049	\$462,049	\$0	0.0%	
STUDENT FINANCIAL AID B.1.10	\$0	\$0	\$0	0.0%	
Total, Goal B, AFFORDABILITY AND DEBT	\$1,277,612,398	\$1,285,612,401	\$8,000,003	0.6%	
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$0	\$0	\$0	0.0%	
BILINGUAL EDUCATION PROGRAM C.1.2	\$1,462,500	\$1,462,500	\$0	0.0%	

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
EDUCATIONAL LOAN REPAYMENT C.1.3	\$14,243,142	\$44,246,266	\$30,003,124	210.6%	Recommendations reflect an increase of \$24.8 million in general revenue for the Mental Health Loan Repayment Program and an increase of \$4.1 million for the Nursing Faculty Loan Repayment Program. In the 2022-23 biennium the agency transferred \$1.1 million in unused funds from the Peace Officer Loan Repayment Program to the Mental Health Loan Repayment Program. Recommendations maintain the 2022-23 appropriations for the Peace Officer Loan Repayment Program resulting in an increase of \$1.1 million in general revenue.
Total, Goal C, INDUSTRY WORKFORCE	\$15,705,642	\$45,708,766	\$30,003,124	191.0%	
FAMILY PRACTICE RESIDENCY PROGRAM D.1.1	\$9,500,000	\$9,500,000	\$0	0.0%	
PRECEPTORSHIP PROGRAM D.1.2	\$2,850,000	\$2,850,000	\$0	0.0%	
GME EXPANSION D.1.3	\$177,050,000	\$211,100,000	\$34,050,000	19.2%	Recommendations reflect an increase of \$34.1 million in general revenue.
TRAUMA CARE PROGRAM D.1.4	\$3,914,406	\$3,914,406	\$0	0.0%	
JOINT ADMISSION MEDICAL PROGRAM D.1.5	\$9,696,794	\$9,696,794	\$0	0.0%	
PROF NURSING SHORTAGE REDUCTION PGM D.1.6	\$18,880,048	\$46,800,000	\$27,919,952	147.9%	Recommendations reflect an increase of \$27.9 million in general revenue.
CHILD MENTAL HEALTH CARE CONSORTIUM D.1.7	\$124,308,326	\$280,555,912	\$156,247,586	125.7%	Recommendations reflect an increase of \$156.2 million in general revenue.
Total, Goal D, INDUSTRY WORKFORCE - HEALTH RELATED	\$346,199,574	\$564,417,112	\$218,217,538	63.0%	
BAYLOR COLLEGE OF MEDICINE - UGME E.1.1	\$79,428,300	\$76,413,492	(\$3,014,808)	(3.8%)	
BAYLOR COLLEGE OF MEDICINE - GME E.1.2	\$16,846,992	\$18,005,150	\$1,158,158	6.9%	
BAYLOR COLL MED PERM ENDOWMENT FUND E.1.3	\$0	\$0	\$0	0.0%	
BAYLOR COLL MED PERM HEALTH FUND E.1.4	\$0	\$0	\$0	0.0%	
Total, Goal E, BAYLOR COLLEGE OF MEDICINE	\$96,275,292	\$94,418,642	(\$1,856,650)	(1.9%)	
EARNINGS - MINORITY HEALTH F.1.1	\$0	\$0	\$0	0.0%	
EARNINGS - NURSING/ALLIED HEALTH F.1.2	\$0	\$0	\$0	0.0%	
Total, Goal F, TOBACCO FUNDS	\$0	\$0	\$0	0.0%	
TEXAS RESEARCH INCENTIVE PROGRAM G.1.2	\$33,250,000	\$33,250,000	\$0	0.0%	

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

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
AUTISM PROGRAM G.1.3	\$7,410,000	\$7,410,000	\$0	0.0%	
Total, Goal G, RESEARCH AND INNOVATION	\$40,660,000	\$40,660,000	\$0	0.0%	
SALARY ADJUSTMENTS H.1.1	\$0	\$4,232,479	\$4,232,479	100.0%	Increase related to statewide salary adjustments.
Total, Goal H, SALARY ADJUSTMENTS	\$0	\$4,232,479	\$4,232,479	100.0%	
Grand Total, All Strategies	\$1,823,783,193	\$2,081,150,250	\$257,367,057	14.1%	

**Higher Education Coordinating Board
Summary of Federal Funds - House
(In Millions)**

Program	Est 2022	Bud 2023	Rec 2024	Rec 2025	2022-23 Base	2024-25 Rec	2024-25 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Career and Technical Education Basic Grants to States	\$36.2	\$35.9	\$35.9	\$35.9	\$72.1	\$71.8	100.0%	(\$0.4)	(0.5%)
COVID-19 Grants ¹	\$376.9	\$0.0	\$0.0	\$0.0	\$376.9	\$0.0	0.0%	(\$376.9)	(100.0%)
TOTAL:	\$413.2	\$35.9	\$35.9	\$35.9	\$449.1	\$71.8	100.0%	(\$377.3)	(84.0%)

¹COVID-19 Grants include Governor's Emergency Education Relief (GEER) Funds and Coronavirus State Fiscal Recovery Funds (ARPA) appropriated through Senate Bill 8, Eighty-seventh Third Called Session. COVID-19 federal awards are one-time awards to help respond to, and mitigate, the COVID-19 pandemic.

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

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	267.9	296.9	296.9	296.9	296.9
Actual/Budgeted	264.2	277.5	296.9	NA	NA

Schedule of Exempt Positions (Cap)					
Commissioner of Higher Education, Group 8	\$299,813	\$299,813	\$299,813	\$299,813	\$299,813

Notes:

a) The agency typically experiences attrition throughout the year. The variance in fiscal year 2022 was directly related to attrition.