

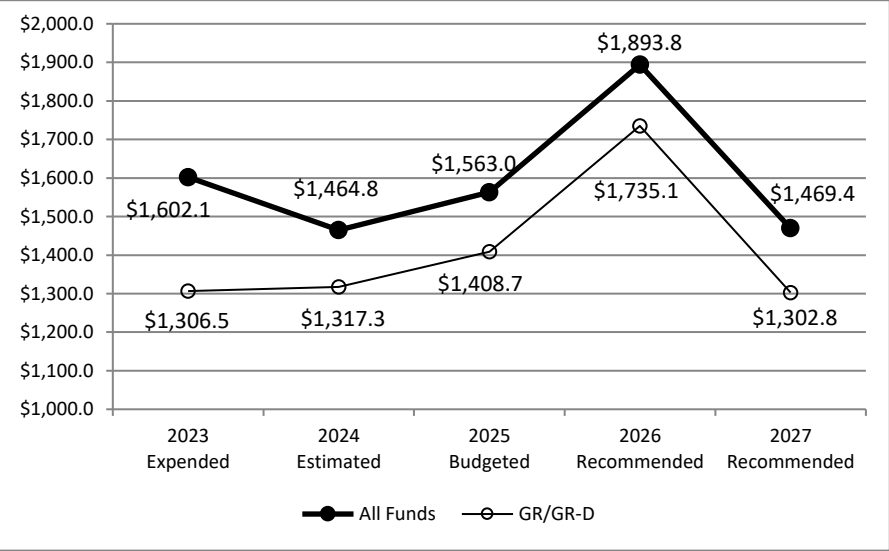
**Higher Education Coordinating Board  
Summary of Budget Recommendations - House**

Page III-62  
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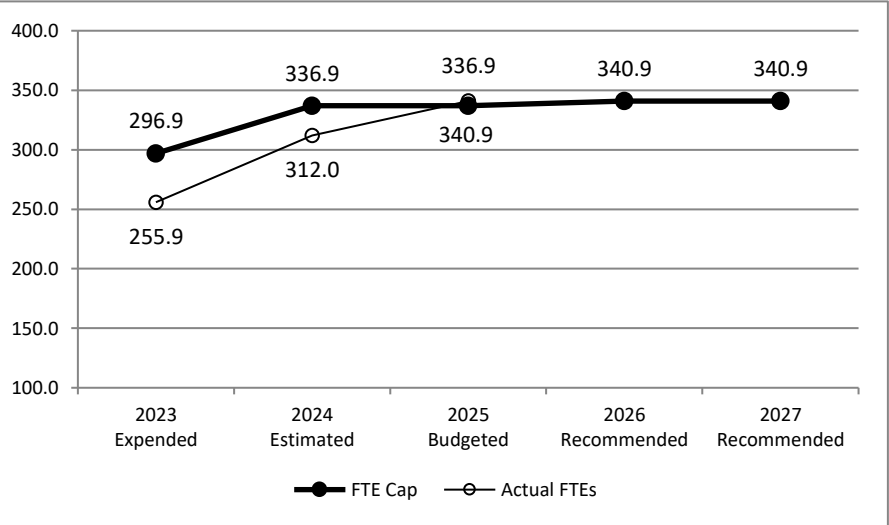
Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$2,546,437,017	\$3,002,375,461	\$455,938,444	17.9%
GR Dedicated Funds	\$179,599,591	\$35,534,984	(\$144,064,607)	(80.2%)
<b>Total GR-Related Funds</b>	<b>\$2,726,036,608</b>	<b>\$3,037,910,445</b>	<b>\$311,873,837</b>	<b>11.4%</b>
Federal Funds	\$94,529,143	\$88,524,112	(\$6,005,031)	(6.4%)
Other	\$207,240,085	\$236,724,098	\$29,484,013	14.2%
<b>All Funds</b>	<b>\$3,027,805,836</b>	<b>\$3,363,158,655</b>	<b>\$335,352,819</b>	<b>11.1%</b>

	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	340.9	340.9	0.0	0.0%

**Historical Funding Levels (Millions)**



**Historical Full-Time-Equivalent Employees (FTEs)**



The bill pattern for this agency (2026-27 Recommended) represents an estimated 73.8% of the agency's estimated total available funds for the 2026-27 biennium.

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

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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<i><b>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</b></i>
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A)	Texas Research Incentive Program. Recommendations include \$409.7 million in contingency funding, an increase of \$376.4 million in General Revenue, to address the backlog in eligible unmatched donations received through the Texas Research Incentive Program.	\$376.4	\$0.0	\$0.0	\$0.0	\$376.4	G.1.1
B)	Graduate Medical Education (GME) Expansion. Recommendations include \$304.4 million for Graduate Medical Education Expansion, an increase of \$71.3 million, to meet the goal 1.1. to 1.0 ratio of first-year GME residency positions to Texas medical school graduates.	\$71.3	\$0.0	\$0.0	\$0.0	\$71.3	D.1.3
C)	Baylor College of Medicine Undergraduate Medical Education. Funding recommendations include \$91.0 million, an increase of \$14.3 million, from 2024-25 funding levels.	\$14.3	\$0.0	\$0.0	\$0.0	\$14.3	E.1.1
D)	Baylor College of Medicine Graduate Medical Education. Funding recommendations include \$24.0 million, an increase of \$5.9 million, from 2024-25 funding levels.	\$5.9	\$0.0	\$0.0	\$0.0	\$5.9	E.1.2
E)	Cybersecurity. The THECB received a \$5.0 million appropriation for Cybersecurity in Senate Bill 30, 88th Legislature. This funding was one-time and there are no ongoing costs. Recommendations do not maintain this funding for the 2026-27 biennium.	(\$5.0)	\$0.0	\$0.0	\$0.0	(\$5.0)	A.1.1
F)	Data Modernization. The THECB received a \$15.0 million appropriation for Data Modernization in Senate Bill 30, 88th Legislature, that was expended in the 2024-25 biennium. During the development of the 2026-27 General Revenue Limit, this funding was taken out of the agency's Base Line Request. The agency requested an exceptional item for "Partial Restoration of Base Funding for Technology Efforts and Modernization" for ongoing costs associated with this appropriation. Based on information provided by the agency and DIR, recommendations maintain this funding for the 2026-27 biennium.	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	A.1.1

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

<b>Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 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>
G)	B-On-Time Balances. Senate Bill 30, 88th Legislature, appropriated \$141.5 million in balances in the General Revenue-Dedicated B-On-Time Student Loan Account No. 5103. This account was abolished on September 1, 2024.	\$0.0	(\$141.5)	\$0.0	\$0.0	(\$141.5)	B.1.9
H)	B-On-Time Administrative Funding. The agency used \$2.6 million in B-On-Time funds for administration in FY 2024. The funding was replaced by Student Loan Funds in FY 2025 and will be continued for the 2026-27 biennium.	\$0.0	(\$2.6)	\$0.0	\$2.6	\$0.0	A.1.2
I)	Baylor College of Medicine Hold Harmless. One-time hold harmless funding for Baylor College of Medicine not included in recommendations for the 2026-27 biennium.	(\$3.5)	\$0.0	\$0.0	\$0.0	(\$3.5)	E.1.5
J)	Texas Child Mental Health Care Consortium. Recommendations include an increase of \$0.8 million over 2024-25 appropriated amounts, but do not include \$6.5 million in unexpended balances from fiscal year 2023 in the 2024-25 Base.	(\$5.7)	\$0.0	\$0.0	\$0.0	(\$5.7)	D.1.7
K)	Statewide Salary Adjustments. Increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.	\$2.2	\$0.0	\$0.0	\$0.0	\$2.2	A.1.1 and A.1.3
L)	Financial Aid Swift Transfer Program. Recommendations reflect an increase in Foundation School Program transfers from TEA for the Financial Aid for Swift Transfer Program. This program was created in House Bill 8, 88th Legislature.	\$0.0	\$0.0	\$0.0	\$36.5	\$36.5	B.1.11

<b><i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i></b>							
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M)	Coronavirus Relief Fund Unexpended Balances in FY 2024. The agency UB'ed federal funds associated with the Governor's Emergency Education Relief Funds (\$3.8 million), the Rural Veterinarians Grant Program (\$1.0 million), and the Child Mental Health Care Consortium (\$0.4 million) from fiscal year 2023 into fiscal year 2024.	\$0.0	\$0.0	(\$5.2)	\$0.0	(\$5.2)	C.1.1, C.1.4 and D.1.7
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**Higher Education Coordinating Board  
Summary of Funding Changes and Recommendations - House**

<b>Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 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>
N)	Decrease in anticipated federal funds for statewide data systems and grants for student loan repayment assistance from Health Resources & Services Administration for targeted health professional disciplines.	\$0.0	\$0.0	(\$0.8)	\$0.0	(\$0.8)	C.1.1
O)	Decrease in anticipated tobacco funds	\$0.0	\$0.0	\$0.0	(\$6.4)	(\$6.4)	F.1.1 and F.1.2
P)	Decreases in Appropriated Receipts associated with Apply TX and eTASFA collections and IAC funding, primarily connected to the transfer of the OnCourse Program from The University of Texas at Austin to the agency.	\$0.0	\$0.0	\$0.0	(\$3.2)	(\$3.2)	A.1.1 and A.1.3
<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>		<b>\$455.9</b>	<b>(\$144.1)</b>	<b>(\$6.0)</b>	<b>\$29.5</b>	<b>\$335.3</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>		\$470.1	\$0.0	\$0.0	\$39.1	\$506.6	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>		(\$14.2)	(\$144.1)	(\$6.0)	(\$9.6)	(\$171.3)	As Listed

NOTE: Totals may not sum due to rounding.

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

1. **Funding Overview of the Texas Higher Education Coordinating Board (THECB).** Appropriations to the THECB are composed of General Revenue, General Revenue-Dedicated (GR-D) from a tax on smokeless tobacco (Physician Education Loan Repayment Account), Federal Funds and Other Funds. Below is an overview of funding changes between the 2024-25 and 2026-27 biennia broken out by goal in the agency's budget structure.

**Goal A: Higher Education Support**

- **Increases**
  - **Academic Innovation and Success (A.1.3).** Recommendations reflect an increase of \$0.4 million in General Revenue associated with salary adjustments. The total salary adjustment for the agency totaled \$2.2 million and was split between two strategies, Academic Innovation and Success (\$0.4 million) and Agency Operations (\$1.8 million).
- **Decreases**
  - **Agency Operations (A.1.1).** Recommended total funding of \$85.0 million reflects a reduction of \$5.0 million in General Revenue due to the removal of one-time funding appropriated in Senate Bill 30, 88<sup>th</sup> Legislature, for Cybersecurity Initiatives. This decrease was offset by a \$1.8 million increase associated with salary adjustments. The THECB received a \$15.0 million appropriation for Data Modernization in Senate Bill 30, 88<sup>th</sup> Legislature, that was expended in the 2024-25 biennium. During the development of the 2026-27 General Revenue Limit, this funding was taken out of the agency's Base Line Request. The agency requested an exceptional item for "Partial Restoration of Base Funding for Technology Efforts and Modernization" for ongoing costs associated with this appropriation. Based on information provided by the agency and DIR, **recommendations maintain this \$15.0 million for the 2026-27 biennium.**
  - **Student Loan Programs (A.1.2).** Recommended funding levels is \$16.5 million in All Funds and reflects a \$2.6 million method of finance swap related to the B-On-Time Program.
- **Maintained at 2024-25 funding levels**
  - For the remaining strategy under Goal A, **Computer Science Pipeline Initiative (A.1.4)**, the recommended funding amount matches the agency's requested amount.

**Goal B: Affordability and Debt**

- **Increases**
  - **FAST Program (B.1.11).** The recommended funding level is \$165.2 million in estimated IAC transfers from the Foundation School Program, which is an increase of \$36.5 million compared to the 2024-25 biennium. Additional information related to this House Bill 8 program is included later in this document.
- **Decreases**
  - **B-On-Time Balances (B.1.9).** Senate Bill 30, 88<sup>th</sup> Legislature, appropriated \$141.5 million in estimated GR-D balances to the agency in fiscal year 2024. The B-On-Time account was abolished on September 1, 2024; therefore, no funding is included in the recommendations for the 2026-27 biennium.
- **Maintained at 2024-25 funding levels**

- **TEXAS Grants (B.1.1).** The recommended funding level is \$1,056.5 million and would support approximately 99,000 students per year.
- **Tuition Equalization Grants (B.1.2).** The recommended funding level is \$203.8 million and would support approximately 29,000 students per year.
- **TEOG Public Community College Grants (B.1.3).** The recommended funding level is \$222.0 million and would support approximately 48,000 students per year.
- **TEOG Public State/Technical College Grants (B.1.4).** The recommended funding level is \$22.2 million and would support approximately 2,400 students per year.
- **College Work Study Program (B.1.5).** The recommended funding level is \$18.3 million.
- **License Plate Scholarships (B.1.6).** The recommended funding level is \$0.5 million in Other Funds.
- **Educational Aide Program (B.1.7).** The recommended funding level is \$1.0 million.
- **Texas Armed Services Scholarship Program (B.1.8).** The recommended funding level is \$14.7 million.
- **Scholarship Program (B.1.10).** The recommended funding level is \$1.0 million.
- **Texas Transfer Grant Program (B.1.12).** The recommended funding levels is \$24.9 million.
- **Texas Leadership Scholars Program (B.1.13)** The recommended funding level is \$10.2 million.

### Goal C: Industry Workforce

- **Maintained at 2024-25 levels**
  - **Bilingual Education Program (C.1.2).** The recommended funding level is \$2.2 million.
  - **Educational Loan Repayment Program (C.1.3).** The recommended funding level is \$92.3 million. This strategy contains funding for seven loan repayment programs, including:
    - Teach for Texas Loan Repayment Program - \$2.6 million
    - Math and Science Scholar's Loan Repayment Program - \$2.5 million
    - Peace Officer Loan Repayment Program - \$4.1 million
    - Physician Education Loan Repayment Program - \$35.5 million in GR-D funds
    - Mental Health Loan Repayment Program - \$28.0 million
    - Nursing Faculty Loan Repayment Program - \$7.0 million
    - Nurse Loan Repayment Program - \$12.5 million
  - **Workforce Education/Reskilling Programs (C.1.4).** The recommended funding level is \$29.3 million. The strategy contains funding for two workforce/reskilling programs, the Texas Reskilling Through Upskilling Program (TRUE) and the Innovative Adult Career Education Grant Program, which is a program tied to House Bill 8, 88<sup>th</sup> Legislature.

### Goal D: Industry Workforce-Health Related Programs

- **Increases**
  - **GME Expansion Program (D.1.3).** Funding recommendations include \$304.4 million in All Funds, an increase of \$71.3 million from 2024-25 biennial funding levels, to meet the goal 1.1 to 1.0 ratio of first-year GME residency positions to Texas medical school graduates.
- **Decreases**
  - **Texas Child Mental Health Care Consortium (D.1.7).** Recommendations include an increase of \$0.8 million over 2024-25 appropriated amounts, but do not include \$6.5 million in unexpended balances from fiscal year 2023 in the 2024-25 Base.

- **Maintained at 2024-25 levels**
  - **Family Practice Residency Program (D.1.1).** The recommended funding level is \$16.5 million.
  - **Preceptorship Program (D.1.2).** The recommended funding level is \$4.9 million.
  - **Trauma Care Program (D.1.4).** The recommended funding level is \$5.9 million.
  - **Joint Admission Medical Program (D.1.5).** The recommended funding level is \$11.7 million.
  - **Professional Nursing Shortage Reduction Program (D.1.6).** The recommended funding level is \$46.8 million.
  - **Forensic Psychiatry Fellowship Program (D.1.8).** The recommended funding level is \$5.0 million.
  - **Nursing Scholarships (D.1.9).** The recommended funding level is \$12.5 million.
  - **Rural Resident Physician Program (D.1.10).** The recommended funding level is \$3.0 million.
  - **Nursing Innovation Grant Program (D.1.11).** The recommended funding level is \$6.0 million.

#### **Goal E: Baylor College of Medicine**

- **Increases**
  - The funding amounts for Baylor College of Medicine Undergraduate Medical Education and Baylor College of Medicine Graduate Medical Education are tied to Health-Related Institutions formulas
  - Baylor College of Medicine Undergraduate Medical Education (E.1.1). Funding recommendations include \$91.0 million, an increase of \$14.3 million, from 2024-25 funding levels.
  - Baylor College of Medicine Graduate Medical Education (E.1.2). Funding recommendations include \$24.0 million, an increase of \$5.9 million, from 2024-25 funding levels.
  - Baylor College of Medicine was appropriated \$3.5 million as one-time hold harmless formula funding by the 88<sup>th</sup> Legislature that is not included in 2026-27 recommendations.

#### **Goal G: Trusteed Funds for Research**

- **Increases**
  - **Texas Research Incentive Program (G.1.1).** Recommendations include \$409.7 million, an increase of \$376.4 million from 2024-25 biennial levels, contingent on the enactment of legislation repealing the program.
- **Maintained at 2024-25 levels**
  - **Autism Program (G.1.2).** Recommended funding level is \$7.4 million.

2. **2024-25 Funding Increases for Financial Aid and Health Programs**

The 88<sup>th</sup> Legislature appropriated \$567.7 million in additional funding for financial aid programs and \$199.1 million in health programs for the 2024-25 biennium. The tables below contain information regarding these programs. The agency also received additional funding tied to House Bill 8, Baylor College of Medicine and other programs that are not reflected in these tables.

<b>Financial Aid Program</b>	<b>2022-23 Estimated/Budget (Millions)</b>	<b>2024-25 Estimated/Budgeted (Millions)</b>	<b>2022-23 to 2024-25 Increase (Millions)</b>	<b>2026-27 Recommended (Millions)</b>
B.1.1 TEXAS Grant Program	\$950.1	\$1,056.5	\$106.4	\$1,056.5
B.1.2, Tuition Equalization Grants	\$195.8	\$203.8	\$8.0	\$203.8
B.1.3 TEOG-Community Colleges	\$97.0	\$222.0	\$125.0	\$222.0
B.1.4 TEOG State and Technical Colleges	\$8.2	\$22.2	\$14.0	\$22.2
B.1.8 Texas Armed Services Scholarships	\$6.7	\$14.7	\$8.0	\$14.7
B.1.9 B-On-Time Balances (GR-D)	N/A	\$141.5	\$141.5	N/A
B.1.10 Scholarship Program	N/A	\$1.0	\$1.0	\$1.0
B.1.11 FAST Program	N/A	\$128.7	\$128.7	\$165.2
B.1.12 Texas Transfer Grant Program	Supported by GEER Funds	\$24.9	\$24.9	\$24.9
B.1.13 Texas Leadership Scholar's Program	Supported by GEER Funds	\$10.2	\$10.2	\$10.2
		<b>Total:</b>	<b>\$567.7</b>	



Health Program	2022-23 Estimated/Budget (Millions)	2024-25 Estimated/Budgeted (Millions)	2022-23 to 2024-25 Increase (Millions)	2026-27 Recommended (Millions)
C.1.3 Physician Education Loan Repayment Program (General Revenue Dedicated)	\$29.5	\$35.5	\$6.0	\$35.5
C.1.3 Mental Health Loan Repayment Program	\$3.2	\$28.0	\$24.8	\$28.0
C.1.3 Nursing Faculty Loan Repayment Program	\$2.9	\$7.0	\$4.1	\$7.0
C.1.3 Nursing Loan Repayment Program	N/A	\$12.5	\$12.5	\$12.5
D.1.1 Family Practice Residency	\$9.5	\$16.5	\$7.0	\$16.5
D.1.2 Preceptorship	\$2.9	\$4.9	\$2.0	\$4.9
D.1.3 GME Expansion	\$199.1	\$233.1	\$34.1	\$304.4
D.1.4 Trauma Care	\$3.9	\$5.9	\$2.0	\$5.9
D.1.5 Joint Admission Medical Program	\$9.7	\$11.7	\$2.0	\$11.7
D.1.6 Professional Nursing Shortage Reduction	\$18.9	\$46.8	\$27.9	\$46.8
D.1.7 Texas Child Mental Health Care Consortium (General Revenue, except 2022-23 includes \$113.1 million in ARPA funds)	\$237.4	\$287.5	\$50.1	\$281.4
D.1.8 Forensic Psychiatry Fellowship	N/A	\$5.0	\$5.0	\$5.0
D.1.9 Nursing Scholarships	N/A	\$12.5	\$12.5	\$12.5
D.1.10 Rural Resident Physician Grant Program	N/A	\$3.0	\$3.0	\$3.0
D.1.11 Nursing Innovation Grant Program	N/A	\$6.0	\$6.0	\$6.0
		<b>Total:</b>	<b>\$199.1</b>	

3. **Financial Aid Eligibility Projections**

The information below reflects THECB’s 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 2024-25 biennium, the agency’s 2026-27 base line request and the agency’s exceptional item request. 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**

<b>TEXAS Grants 2024-25 Biennium</b>								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Actual	<b>FY2024</b>	41,089	55,806	96,895	\$517,699,156	\$5,343	61,092	67%
Actual	<b>FY2025</b>	39,943	60,971	100,913	\$538,829,733	\$5,340	69,034	58%
		<u>81,031</u>	<u>116,777</u>	<u>197,808</u>	<u>\$1,056,528,889</u>		<u>130,126</u>	<u>62%</u>

<b>TEXAS Grants 2026-27 Biennium Base Line Request</b>								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	36,087	62,839	98,926	\$528,264,445	\$5,340	71,105	51%
Projected	<b>FY2027</b>	38,106	61,109	99,215	\$528,264,445	\$5,324	73,238	52%
		<u>74,193</u>	<u>123,948</u>	<u>198,141</u>	<u>\$1,056,528,890</u>		<u>144,343</u>	<u>51%</u>

<b>TEXAS Grants 2026-27 Biennium Exceptional Item Request</b>								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	49,774	62,839	112,613	\$601,350,355	\$5,340	71,105	70%
Projected	<b>FY2027</b>	47,667	75,832	123,499	\$657,551,130	\$5,324	68,096	70%
		<u>97,441</u>	<u>138,671</u>	<u>236,112</u>	<u>\$1,258,901,485</u>		<u>139,201</u>	<u>70%</u>

TEOG-Community Colleges

TEOG Community Colleges 2024-25 Biennium								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Actual	<b>FY2024</b>	40,435	6,033	47,468	\$111,000,445	\$2,388	51,632	78%
Actual	<b>FY2025</b>	27,855	19,047	46,902	\$111,000,445	\$2,367	58,344	48%
		<u>68,290</u>	<u>26,080</u>	<u>94,370</u>	<u>\$222,000,890</u>		<u>109,976</u>	<u>62%</u>

TEOG Community Colleges 2026-27 Biennium Baseline Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	30,609	17,188	47,797	\$111,000,445	\$2,322	65,412	47%
Projected	<b>FY2027</b>	30,108	17,590	47,698	\$111,000,445	\$2,327	67,374	45%
		<u>60,717</u>	<u>34,778</u>	<u>95,495</u>	<u>\$222,000,890</u>		<u>132,786</u>	<u>46%</u>

TEOG Community Colleges 2026-27 Biennium Exceptional Item Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	45,788	17,188	62,976	\$146,247,012	\$2,322	65,412	70%
Projected	<b>FY2027</b>	48,631	24,117	72,748	\$169,291,660	\$2,327	69,473	70%
		<u>94,419</u>	<u>41,305</u>	<u>135,724</u>	<u>\$315,538,672</u>		<u>134,885</u>	<u>70%</u>

TEOG-State and Technical Colleges

TEOG State and Technical Colleges 2024-25 Biennium								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Actual	<b>FY2024</b>	2,073	264	2,337	\$11,122,093	\$4,759	2,607	80%
Actual	<b>FY2025</b>	1,351	1,005	2,356	\$11,122,093	\$4,721	2,946	46%
		<u>3,424</u>	<u>1,269</u>	<u>4,693</u>	<u>\$22,244,186</u>		<u>5,553</u>	<u>62%</u>

TEOG State and Technical Colleges 2026-27 Biennium Base Line Request								
		IY	RY	Total	Funding	Average Grant	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	1,554	835	2,389	\$11,122,093	\$4,656	3,303	47%
Projected	<b>FY2027</b>	1,503	837	2,376	\$11,122,093	\$4,681	3,402	44%
		<u>3,057</u>	<u>1,708</u>	<u>4,765</u>	<u>\$22,244,186</u>		<u>6,705</u>	<u>46%</u>

TEOG State and Technical Colleges 2026-27 Biennium Exceptional Item Request								
		IY	RY	Total	Funding	Target Award	Total IY Eligible	% IY of Eligible
Projected	<b>FY2026</b>	2,312	835	3,147	\$14,651,807	\$4,656	3,303	70%
Projected	<b>FY2027</b>	2,381	1,222	3,603	\$16,866,270	\$4,681	3,402	70%
		<u>4,693</u>	<u>2,057</u>	<u>6,750</u>	<u>\$31,518,077</u>		<u>6,705</u>	<u>70%</u>

Tuition Equalization Grants (TEG)

Tuition Equalization Grants 2024-25 Biennium						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Actual	FY2024	28,634	\$101,913,339	\$3,559	48,414	59%
Actual	FY2025	28,634	\$101,913,339	\$3,559	48,414	59%
		<u>57,268</u>	<u>\$203,826,678</u>		<u>96,828</u>	<u>59%</u>

Tuition Equalization Grants 2026-27 Biennium Base Line Request						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Projected	FY2026	28,634	\$101,913,339	\$3,559	48,414	59%
Projected	FY2027	28,634	\$101,913,339	\$3,559	48,414	59%
		<u>57,268</u>	<u>\$203,826,678</u>		<u>96,828</u>	<u>59%</u>

Tuition Equalization Grants 2026-27 Biennium Exceptional Item Request						
		Number of Recipients	Funding	Average Grant	Total Eligible	% of Eligible Students
Projected	FY2026	33,890	\$120,618,731	\$3,559	48,414	70%
Projected	FY2027	33,890	\$120,618,731	\$3,559	48,414	70%
		<u>67,780</u>	<u>\$241,237,462</u>		<u>96,828</u>	<u>70%</u>

4. **Texas Research Incentive Program Overview**

The Texas Research Incentive Program (TRIP) allows eligible institutions to vie for state matching funds awarded by THECB based on the amount an institution receives in private gifts to enhance research activities. Only emerging research universities, as defined by THECB, are eligible to receive matching funds through the program. Currently, eight institutions are classified as emerging research universities.

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, THECB will provide matching grants for the remaining unmatched gifts in the following fiscal year to the extent funds are available. **Recommendations include \$409.7 million, an increase of \$376.4 million from 2024-25 biennial levels, contingent on the enactment of legislation repealing the program. Recommendations fully fund the agency’s exceptional item for the program.** The table below shows the unmatched donations as of January 23, 2025, including eligible donations that have been approved by the Board and donations that have been received and are pending approval.

Institution	Board Approved	Received and Pending Approval	Total
The University of Texas at Arlington	\$15,378,540	\$3,058,378	\$18,436,919
The University of Texas at Dallas	\$90,022,953	\$1,729,662	\$91,752,616
The University of Texas at El Paso	\$8,305,079	\$50,925	\$8,356,004
The University of Texas at San Antonio	\$48,944,595	\$2,300,000	\$51,244,595
University of Houston	\$145,569,850	\$3,780,793	\$149,350,643
University of North Texas	\$46,971,447	\$1,366,458	\$48,337,905
Texas Tech University	\$33,770,090	\$1,258,074	\$35,028,165
Texas State University	\$11,986,439	\$250,000	\$12,236,439
<b>Total</b>	<b>\$400,948,993</b>	<b>\$13,794,292</b>	<b>\$414,743,285</b>

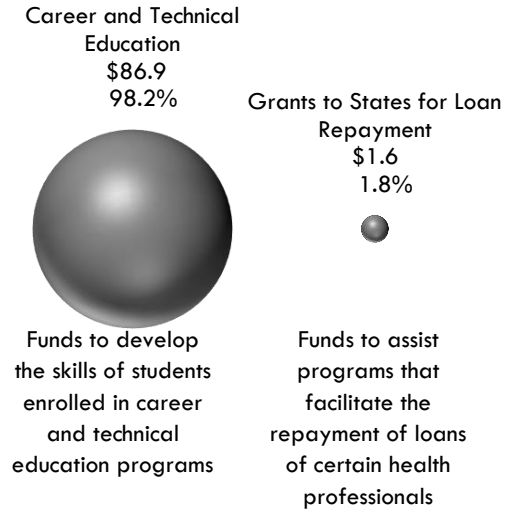
5. **Financial Aid for Swift Transfer (FAST)**

The FAST program, which was created in House Bill 8, 88<sup>th</sup> Legislature, provides funding for public institutions of higher education to offer dual credit courses to educationally disadvantaged students, which are students eligible for the national free/reduced-price lunch program, at no cost. An eligible student will not pay tuition and fees for an eligible dual credit course and books and other course materials must also be provided at no cost. **Recommendations include \$165.2 million in transfers from the Foundation School Program for the 2026-27 biennium.** Below is information received from THECB that illustrates the funding that participating institutions received for eligible semester credit hours during the 2023-24 school year. The agency indicates that these amounts will increase once the last dual credit enrollments for spring and summer are certified, and funding is disbursed. Additional information regarding this program, and other House Bill 8 initiatives, will be included in the Community College Summary of Budget Recommendations packet.

Institution	2023-24 School Year Funding	Institution	2023-24 School Year Funding	Institution	2023-24 School Year Funding
Alvin Community College	\$285,835	Northeast Lakeview College (Alamo Community College)	\$515,570	Lamar Institute of Technology	\$731,775
Amarillo College	\$475,970	Northeast Texas Community College	\$442,200	Lamar State College-Orange	\$540,595
Angelina College	\$749,063	Northwest Vista College (Alamo Community College)	\$788,370	Lamar State College-Port Arthur	\$1,157,860
Austin Community College	\$2,022,144	Odessa College	\$1,839,750	Texas State Technical Colleges	\$371,690
Brazosport College	\$409,145	Palo Alto College (Alamo Community College)	\$1,719,520	Angelo State University	\$725,505
Cisco College	\$332,585	Panola College	\$192,748	Sul Ross State University	\$89,375
Clarendon College	\$219,835	Paris Junior College	\$654,438	Tarleton State University	\$102,795
Dallas County Community College	\$10,964,910	Ranger College	\$224,840	Texas A&M-Kingsville	\$198,000
Del Mar College	\$1,153,451	San Antonio College (Alamo Community College)	\$742,390	Texas A&M-San Antonio	\$93,170
El Paso Community College	\$4,580,015	San Jacinto College District	\$3,882,120	University of Texas at Austin	\$5,828,295
Frank Phillips College	\$465,025	South Plains College	\$878,460	University of Texas Permian Basin	\$52,415
Grayson College	\$258,907	South Texas College	\$7,774,745		
Houston Community College	\$4,435,475	Southwest Texas Junior College	\$1,507,605		
Howard Collage	\$193,971	St. Philip's College (Alamo Community College)	\$1,257,355		
Kilgore College	\$1,076,846	Tarrant County College District	\$4,073,520		
Laredo Community College	\$2,659,704	Temple College	\$173,690		
Lee College	\$562,540	Texarkana College	\$776,875		
Lone Star College System	\$6,581,726	Texas Southmost College	\$2,540,945		
Navarro College	\$814,770	Trinity Valley Community College	\$1,048,575		
North Central Texas College	\$360,085	Vernon College	\$158,493		
		<b>Total Community College Funding:</b>	<b>\$69,794,211</b>	<b>Total GAI and Technical College Funding:</b>	<b>\$9,891,475</b>
				<b>Total Funding for All Institutions:</b>	<b>\$79,685,686</b>

**Higher Education Coordinating Board**  
 Summary of Federal Funds (2026-27) - House

**Total \$88.5M**

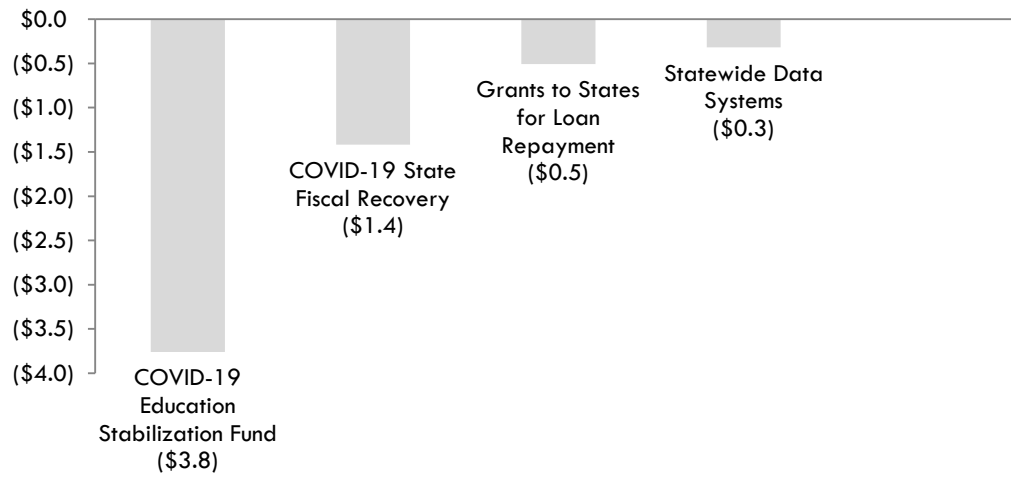


**Selected Federal Fiscal and Policy Issues**

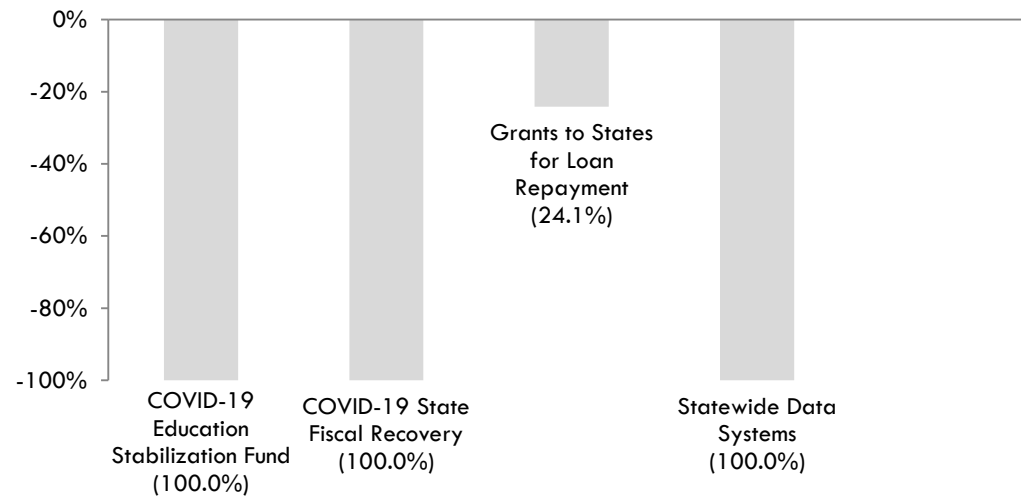
1. Excluding the completion of Federal COVID-19 Funds, Federal Funds estimates for the 2026-27 biennium maintain funding similar to fiscal years 2024-25. There are no significant fiscal and policy issues.

Programs with Significant Federal Funding Changes from 2026-27

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



**Program Change-by Percentage**





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

**Modification of Existing Riders**

2. **Capital Budget.** Rider modified to reflect consolidation of two small capital budget items, Cybersecurity/Managed Security Data Center Services (\$95,000 per year) and Agency Application Portfolio Modernization Project (\$260,000 per year) into Data Center Consolidation item (\$5.9 million per year).
3. **Commissioner's Salary.** Rider modified to remove reference to using earned federal funds for the Commissioner's Salary.
10. **Tuition Equalization Grants.** Rider modified to remove requirement that agency provide updated information to LBB staff regarding the program prior to session. The information submitted in the agency's Legislative Appropriations Request, which is required by the rider, is the most up to date information available to the agency.
14. **Collegiate License Plate Collections for Out of State Institutions.** Rider modified to only include information for out of state institutions.
34. **Advise TX.** Rider #42, Advise TX Reporting Requirement, was consolidated into Rider #34.
37. **Program to Encourage Certification to Teach Bilingual Education, English as a Second Language, or Spanish.** Rider modified to allow funds to be allocated to Texas Tech University's main campus in Lubbock.
39. **Texas Child Mental Health Care Consortium.** Recommendations delete Subsection (f) of rider as all provisions are currently covered in Article IX, Section 10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.
40. **Informational Listing of Appropriated Funds: Academic Innovation and Success.** Informational rider modified to reflect additional programs that are supported in Strategy A.1.3, Academic Innovation and Success. These programs include College and Career Advising, Student Success Programs, and Open Education and Course Sharing. Rider modified to include information related to these programs, including reporting requirements.
41. **College and Career Advising-Texas OnCourse Program.** Rider updated to reflect that funding for the Texas OnCourse Program is under Strategy A.1.3, Academic Innovation and Success and to clarify use of funds.
43. **Informational Listing of Appropriated Funds: Educational Loan Repayment Programs.** Informational rider modified to reflect additional program, Nurse Loan Repayment Program, that is supported in Strategy C.1.3, Educational Loan Repayment Programs.
44. **Physician Education Loan Repayment Program Retention Rates.** Rider modified to clarify population of physicians being surveyed.
48. **Math and Science Scholar's Loan Repayment Program.** Rider modified to align with statute.
50. **Nursing Scholarships.** Rider modified to remove contingency language.
51. **Computer Science Pipeline.** Rider modified to allow contingency appropriation to be reduced to match the amount of gifts and donations.

54. **Reporting Requirement for Community College Formula Funding.** Rider modified to remove contingency language. Frequency of reporting requirements changed from September 1, 2024 to September 1<sup>st</sup> of each year. Provisions dealing with Financial Aid for Swift Transfer and Texas Innovative Adult Career Education Program are now standalone riders.

#### New Riders

56. **Informational Listing of Appropriated Funds: Workforce Education and Reskilling Programs.** New informational rider for programs that are supported in Strategy C.1.3, Workforce Education and Reskilling Programs. These programs include the Texas Reskilling and Upskilling Through Education (TRUE) Program and the Texas Innovative Adult Career and Education Grant Program.
57. **Financial Aid for Swift Transfer.** Rider for FAST program. The rider provides unexpended balance authority within the biennium and includes reporting requirement.
58. **Nurse Loan Repayment Program.** Rider for Nurse Loan Repayment Program provides information regarding the program. Funding for this program is under Strategy C.1.3, Educational Loan Repayment.
59. **Texas Transfer Grant Program.** Rider for the Texas Transfer Grant program. The rider provides unexpended balance authority within the biennium.
60. **Texas Leadership Scholars Program.** Rider for the Texas Leadership Scholars program. The rider provides unexpended balance authority within the biennium.
61. **Contingency Funding for Texas Research Incentive Program.** The appropriation to address the backlog in eligible unmatched donations through the program is contingent on the enactment of legislation that repeals the program.

#### Deleted Riders

**License Plates Riders.** Riders associated programs supported by license plate revenue have been deleted. General authority for license plate collections is covered under Article IX, Section 8.13. These riders include: #14 Girl Scout Scholarships, #15 Houston Livestock Show and Rodeo Scholarships, #18 “College for Texans” Campaign License Plate, #19 Boy Scout Scholarships and #20 Cotton Boll Scholarships.

42. **Advise TX Reporting Requirement.** Rider language rolled into Rider #34, Advise TX.
44. **Open Educational Resources.** Funding for the Open Educational Resource Program has been moved from its own standalone strategy, B.1.9, Open Educational Resources to Strategy A.1.3, Academic Innovation and Success. Information related to this program is now under the rider associated with that strategy, #40, Informational Listing of Appropriated Funds: Academic Innovation and Success.
56. **State Grant Funding** The rider required the agency to allocate the \$149.3 million appropriated to Strategy B.1.10, Student Financial Aid, to the TEXAS Grant Program, TEG Program, Texas Transfer Grants, and Texas Leadership Scholars Program. The agency has allocated this funding to these programs in the 2024-25 biennium and the rider is no longer needed.
59. **Study on State Social Work Workforce Needs.** Study has been submitted.
60. **Baylor College of Medicine One-Time Hold Harmless.** Rider associated with one-time hold harmless funding for the 2024-25 biennium has been removed.
61. **Innovation and Collaboration Initiatives.** Funding associated with these initiatives has been moved to Strategy A.1.3, Academic Innovation and Success.

67. **B-On-Time Balances.** Rider associated with the one-time appropriations for B-On-Time Balances has been removed.

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

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

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

1)	<p>Student Financial Aid. The exceptional item includes additional funding for six financial aid programs: 1) TEXAS Grants, 2) Tuition Equalization Grants (TEG), 3) TEOG-Community College, 4) TEOG State and Technical Colleges, 5) Texas Leadership Scholar's Program and 6) Texas Armed Services Scholarship Program. The additional funding would support 70% of eligible students through the TEXAS Grant, TEG, and TEOG Programs (\$286.2 million); guarantee a TEXAS Grant/TEOG award for eligible students in the top 25% (\$25.6 million); treat TEOG as Texas Grant renewals (\$27.4 million); and allow TEOG awards for students seeking bachelor's degrees at 2-year institutions (\$3.4 million). The funding would maintain the current Texas Leadership Scholars Program cohort size of 300 (\$14.2 million) and expand the program to recruit more doctoral students to Texas public institutions (\$13.8 million). The funding would increase the maximum awards for the Texas Armed Services Scholarship Program to \$30,000 (\$6.1 million). The TEOG change to allow students seeking bachelor's degrees at 2-year institutions and increasing the maximum award for the Texas Armed Services Scholarship Program would require statutory changes. The \$27.4 million increase for TEOG transfer students would replace funding in Strategy B.1.11, Texas Transfer Grant Program in fiscal year 2027 (\$12.4 million).</p>	\$364,281,352	\$364,281,352	0.0	No	No	\$364,281,352
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**Rider Revisions Requested by the Agency but not Recommended**

Capital Budget. The Higher Education Coordinating Board is requesting authority to increase their capital budget authority by money appropriated to the agency from the student loan program notwithstanding the limitations of Article IX, Section 14.03 Transfers-Capital Budget.

<b>TOTAL Items Not Included in Recommendations</b>	<b>\$364,281,352</b>	<b>\$364,281,352</b>	<b>0.0</b>			<b>\$364,281,352</b>
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**Higher Education Coordinating Board  
Appendices - House**

<b>Table of Contents</b>		
<b>Appendix</b>	<b>Appendix Title</b>	<b>Page</b>
<b>A</b>	Funding Changes and Recommendations by Strategy	22
<b>B</b>	Summary of Federal Funds	28
<b>C</b>	FTE Highlights	29

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

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$88,346,852	\$84,984,441	(\$3,362,411)	(3.8%)	Recommendations reflect an a reduction of \$5.0 million in General Revenue due to the removal of one-time funding for Cybersecurity appropriations the agency received in Senate Bill 30, 88th Legislature. These decreases were offset by a \$1.8 million increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.
STUDENT LOAN PROGRAMS A.1.2	\$16,477,940	\$16,477,940	\$0	0.0%	
ACADEMIC INNOVATION AND SUCCESS A.1.3	\$58,981,448	\$56,375,570	(\$2,605,878)	(4.4%)	Recommendations reflect a reduction of \$3.0 million in Other Funds due to funding for the OnCourse Program being UB'ed from FY 2023 into FY 2024 (\$1.9 million) and appropriated receipt adjustments for Apply TX and eTASFA collections (\$1.1 million). These decreases were offset by a \$0.4 million increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.
COMPUTER SCIENCE PIPELINE A.1.4	\$10,000,000	\$10,000,000	\$0	0.0%	
<b>Total, Goal A, HIGHER EDUCATION SUPPORT</b>	<b>\$173,806,240</b>	<b>\$167,837,951</b>	<b>(\$5,968,289)</b>	<b>(3.4%)</b>	
TEXAS GRANT PROGRAM B.1.1	\$1,056,528,888	\$1,056,528,888	\$0	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$203,826,678	\$203,826,678	\$0	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$222,000,890	\$222,000,890	\$0	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$22,244,186	\$22,244,186	\$0	0.0%	
COLLEGE WORK STUDY PROGRAM B.1.5	\$18,339,046	\$18,339,046	\$0	0.0%	
LICENSE PLATE SCHOLARSHIPS B.1.6	\$512,253	\$494,800	(\$17,453)	(3.4%)	
EDUCATIONAL AIDE PROGRAM B.1.7	\$963,232	\$963,232	\$0	0.0%	
TX ARMED SERVICES SCHOLARSHIP PGM B.1.8	\$14,670,000	\$14,670,000	\$0	0.0%	
B-ON-TIME BALANCES B.1.9	\$141,460,191	\$0	(\$141,460,191)	(100.0%)	The 2024-25 Base reflects General Revenue-Dedicated appropriations for balances in the B-On-Time Student Loan Account.
SCHOLARSHIP PROGRAM B.1.10	\$1,000,000	\$1,000,000	\$0	0.0%	
FAST PROGRAM B.1.11	\$128,700,000	\$165,165,000	\$36,465,000	28.3%	Recommendations reflect an increase in anticipated transfers from TEA for the FAST Program.
TEXAS TRANSFER GRANT PROGRAM B.1.12	\$24,853,698	\$24,853,698	\$0	0.0%	
TEXAS LEADERSHIP SCHOLARS PROGRAM B.1.13	\$10,233,700	\$10,233,700	\$0	0.0%	
<b>Total, Goal B, AFFORDABILITY AND DEBT</b>	<b>\$1,845,332,762</b>	<b>\$1,740,320,118</b>	<b>(\$105,012,644)</b>	<b>(5.7%)</b>	

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

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$93,110,141	\$88,524,112	(\$4,586,029)	(4.9%)	The 2024-25 Base reflects federal funds associated with Governor's Emergency Education Relief Funds (GEER) the agency received from the Governor's Office. GEER awards ended in FY 2024 (\$3.8 million). The remaining decrease (\$0.8 million) is due to an anticipated decrease in federal funds.
BILINGUAL EDUCATION PROGRAM C.1.2	\$2,198,964	\$2,198,964	\$0	0.0%	
EDUCATIONAL LOAN REPAYMENT C.1.3	\$92,281,250	\$92,281,250	\$0	0.0%	
RURAL VETERINARIANS GRANT PROGRAM C.1.4	\$1,000,000	\$0	(\$1,000,000)	(100.0%)	The 2024-25 Base reflects Coronavirus Relief Funds UB'ed from FY 2023 into FY 2024.
WORKFORCE EDUCATION/RESKILLING PGMS C.1.5	\$29,332,000	\$29,332,000	\$0	0.0%	
<b>Total, Goal C, INDUSTRY WORKFORCE</b>	<b>\$217,922,355</b>	<b>\$212,336,326</b>	<b>(\$5,586,029)</b>	<b>(2.6%)</b>	
FAMILY PRACTICE RESIDENCY PROGRAM D.1.1	\$16,500,000	\$16,500,000	\$0	0.0%	
PRECEPTORSHIP PROGRAM D.1.2	\$4,850,000	\$4,850,000	\$0	0.0%	
GME EXPANSION D.1.3	\$233,100,000	\$304,425,000	\$71,325,000	30.6%	Funding recommendations include \$304.4 million in All Funds, an increase of \$71.3 million from 2024-25 biennial funding levels, to meet the goal 1.1 to 1.0 ratio of first-year GME residency positions to Texas medical school graduates.
TRAUMA CARE PROGRAM D.1.4	\$5,914,406	\$5,914,406	\$0	0.0%	
JOINT ADMISSION MEDICAL PROGRAM D.1.5	\$11,696,794	\$11,696,794	\$0	0.0%	
PROF NURSING SHORTAGE REDUCTION PGM D.1.6	\$46,800,000	\$46,800,000	\$0	0.0%	
CHILD MENTAL HEALTH CARE CONSORTIUM D.1.7	\$287,536,493	\$281,400,352	(\$6,136,141)	(2.1%)	The 2024-25 Base reflects \$6.5 million in unexpended general revenue balances from FY 2023 and \$0.4 million in unexpended Coronavirus Relief Funds offset by a \$0.8 million increase in funding for the Consortium.
FORENSIC PSYCHIATRY FELLOWSHIP PGM D.1.8	\$5,000,000	\$5,000,000	\$0	0.0%	
NURSING SCHOLARSHIPS D.1.9	\$12,500,000	\$12,500,000	\$0	0.0%	
RURAL RESIDENT PHYSICIAN PROGRAM D.1.10	\$3,000,000	\$3,000,000	\$0	0.0%	
NURSING INNOVATION GRANT PROGRAM D.1.11	\$6,000,000	\$6,000,000	\$0	0.0%	
<b>Total, Goal D, INDUSTRY WORKFORCE - HEALTH RELATED</b>	<b>\$632,897,693</b>	<b>\$698,086,552</b>	<b>\$65,188,859</b>	<b>10.3%</b>	

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

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
BAYLOR COLLEGE OF MEDICINE - UGME E.1.1	\$76,699,056	\$90,978,783	\$14,279,727	18.6%	The funding amounts for Baylor College of Medicine Undergraduate Medical Education are tied to Health-Related Institutions formulas.
BAYLOR COLLEGE OF MEDICINE - GME E.1.2	\$18,005,150	\$23,951,146	\$5,945,996	33.0%	The funding amounts for Baylor College of Medicine Graduate Medical Education are tied to Health-Related Institutions formulas.
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%	
BAYLOR COLL MED HOLD HARMLESS E.1.5	\$3,497,284	\$0	(\$3,497,284)	(100.0%)	The 2024-25 Base reflects one-time hold harmless funding for Baylor College of Medicine.
<b>Total, Goal 5, BAYLOR COLLEGE OF MEDICINE</b>	<b>\$104,879,876</b>	<b>\$121,608,315</b>	<b>\$16,728,439</b>	<b>16.0%</b>	
EARNINGS - MINORITY HEALTH F.1.1	\$7,786,552	\$2,133,102	(\$5,653,450)	(72.6%)	Recommendations align with historical tobacco settlement receipts received from the Treasury.
EARNINGS - NURSING/ALLIED HEALTH F.1.2	\$4,520,358	\$3,767,620	(\$752,738)	(16.7%)	Recommendations align with historical tobacco settlement receipts received from the Treasury.
<b>Total, Goal F, TOBACCO FUNDS</b>	<b>\$12,306,910</b>	<b>\$5,900,722</b>	<b>(\$6,406,188)</b>	<b>(52.1%)</b>	
TEXAS RESEARCH INCENTIVE PROGRAM G.1.1	\$33,250,000	\$409,658,671	\$376,408,671	1,132.1%	Recommendations include \$409.7 million, an increase of \$376.4 million, from 2024-25 biennial funding levels, to address the backlog in eligible unmatched donations contingent on the enactment of legislation repealing the program.
AUTISM PROGRAM G.1.2	\$7,410,000	\$7,410,000	\$0	0.0%	
<b>Total, Goal G, RESEARCH AND INNOVATION</b>	<b>\$40,660,000</b>	<b>\$417,068,671</b>	<b>\$376,408,671</b>	<b>925.7%</b>	
<b>Grand Total, All Strategies</b>	<b>\$3,027,805,836</b>	<b>\$3,363,158,655</b>	<b>\$335,352,819</b>	<b>11.1%</b>	



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

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
AGENCY OPERATIONS A.1.1	\$68,566,603	\$65,377,191	(\$3,189,412)	(4.7%)	Recommendations reflect an a reduction of \$5.0 million in General Revenue due to the removal of one-time funding for Cybersecurity appropriations the agency received in Senate Bill 30, 88th Legislature. These decreases were offset by a \$1.8 million increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.
STUDENT LOAN PROGRAMS A.1.2	\$0	\$0	\$0	0.0%	
ACADEMIC INNOVATION AND SUCCESS A.1.3	\$55,602,685	\$55,975,570	\$372,885	0.7%	Recommendations reflect a \$0.4 million increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.
COMPUTER SCIENCE PIPELINE A.1.4	\$10,000,000	\$10,000,000	\$0	0.0%	
<b>Total, Goal A, HIGHER EDUCATION SUPPORT</b>	<b>\$134,169,288</b>	<b>\$131,352,761</b>	<b>(\$2,816,527)</b>	<b>(2.1%)</b>	
TEXAS GRANT PROGRAM B.1.1	\$1,056,518,888	\$1,056,528,888	\$10,000	0.0%	
TUITION EQUALIZATION GRANTS B.1.2	\$203,826,678	\$203,826,678	\$0	0.0%	
TEOG PUB COMMUNITY COLLEGES B.1.3	\$222,000,890	\$222,000,890	\$0	0.0%	
TEOG PUB STATE/TECHNICAL COLLEGES B.1.4	\$22,244,186	\$22,244,186	\$0	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	\$14,670,000	\$14,670,000	\$0	0.0%	
B-ON-TIME BALANCES B.1.9	\$0	\$0	\$0	0.0%	
SCHOLARSHIP PROGRAM B.1.10	\$1,000,000	\$1,000,000	\$0	0.0%	
FAST PROGRAM B.1.11	\$0	\$0	\$0	0.0%	
TEXAS TRANSFER GRANT PROGRAM B.1.12	\$24,853,698	\$24,853,698	\$0	0.0%	
TEXAS LEADERSHIP SCHOLARS PROGRAM B.1.13	\$10,233,700	\$10,233,700	\$0	0.0%	
<b>Total, Goal B, AFFORDABILITY AND DEBT</b>	<b>\$1,574,650,318</b>	<b>\$1,574,660,318</b>	<b>\$10,000</b>	<b>0.0%</b>	
CAREER/TECHNICAL EDUCATION PROGRAMS C.1.1	\$0	\$0	\$0	0.0%	
BILINGUAL EDUCATION PROGRAM C.1.2	\$2,198,964	\$2,198,964	\$0	0.0%	
EDUCATIONAL LOAN REPAYMENT C.1.3	\$56,746,266	\$56,746,266	\$0	0.0%	
RURAL VETERINARIANS GRANT PROGRAM C.1.4	\$0	\$0	\$0	0.0%	
WORKFORCE EDUCATION/RESKILLING PGMS C.1.5	\$29,332,000	\$29,332,000	\$0	0.0%	

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

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
<b>Total, Goal C, INDUSTRY WORKFORCE</b>	<b>\$88,277,230</b>	<b>\$88,277,230</b>	<b>\$0</b>	<b>0.0%</b>	
FAMILY PRACTICE RESIDENCY PROGRAM D.1.1	\$1,650,000	\$1,650,000	\$0	0.0%	
PRECEPTORSHIP PROGRAM D.1.2	\$4,850,000	\$4,850,000	\$0	0.0%	
GME EXPANSION D.1.3	\$211,100,000	\$282,425,000	\$71,325,000	33.8%	Funding recommendations include \$304.4 million in All Funds, an increase of \$71.3 million from 2024-25 biennial funding levels, to meet the goal 1.1 to 1.0 ratio of first-year GME residency positions to Texas medical school graduates.
TRAUMA CARE PROGRAM D.1.4	\$5,914,406	\$5,914,406	\$0	0.0%	
JOINT ADMISSION MEDICAL PROGRAM D.1.5	\$11,696,794	\$11,696,794	\$0	0.0%	
PROF NURSING SHORTAGE REDUCTION PGM D.1.6	\$46,800,000	\$46,800,000	\$0	0.0%	
CHILD MENTAL HEALTH CARE CONSORTIUM D.1.7	\$287,117,491	\$281,400,352	(\$5,717,139)	(2.0%)	The 2024-25 Base reflects \$6.5 million in unexpended general revenue balances from FY 2023 offset by a \$0.8 million increase in funding for the Consortium.
FORENSIC PSYCHIATRY FELLOWSHIP PGM D.1.8	\$5,000,000	\$5,000,000	\$0	0.0%	
NURSING SCHOLARSHIPS D.1.9	\$12,500,000	\$12,500,000	\$0	0.0%	
RURAL RESIDENT PHYSICIAN PROGRAM D.1.10	\$3,000,000	\$3,000,000	\$0	0.0%	
NURSING INNOVATION GRANT PROGRAM D.1.11	\$6,000,000	\$6,000,000	\$0	0.0%	
<b>Total, Goal D, INDUSTRY WORKFORCE - HEALTH RELATED</b>	<b>\$610,478,691</b>	<b>\$676,086,552</b>	<b>\$65,607,861</b>	<b>10.7%</b>	
BAYLOR COLLEGE OF MEDICINE - UGME E.1.1	\$76,699,056	\$90,978,783	\$14,279,727	18.6%	The funding amounts for Baylor College of Medicine Undergraduate Medical Education are tied to Health-Related Institutions formulas.
BAYLOR COLLEGE OF MEDICINE - GME E.1.2	\$18,005,150	\$23,951,146	\$5,945,996	33.0%	The funding amounts for Baylor College of Medicine Graduate Medical Education are tied to Health-Related Institutions formulas.
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%	
BAYLOR COLL MED HOLD HARMLESS E.1.5	\$3,497,284	\$0	(\$3,497,284)	(100.0%)	The 2024-25 Base reflects one-time hold harmless funding for Baylor College of Medicine.
<b>Total, Goal 5, BAYLOR COLLEGE OF MEDICINE</b>	<b>\$98,201,490</b>	<b>\$114,929,929</b>	<b>\$16,728,439</b>	<b>17.0%</b>	
EARNINGS - MINORITY HEALTH F.1.1	\$0	\$0	\$0	0.0%	
EARNINGS - NURSING/ALLIED HEALTH F.1.2	\$0	\$0	\$0	0.0%	
<b>Total, Goal F, 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	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
TEXAS RESEARCH INCENTIVE PROGRAM G.1.1	\$33,250,000	\$409,658,671	\$376,408,671	1,132.1%	Recommendations include \$409.7 million, an increase of \$376.4 million, from 2024-25 biennial funding levels, to address the backlog in eligible unmatched donations contingent on the enactment of legislation repealing the program.
AUTISM PROGRAM G.1.2	\$7,410,000	\$7,410,000	\$0	0.0%	
<b>Total, Goal G, RESEARCH AND INNOVATION</b>	<b>\$40,660,000</b>	<b>\$417,068,671</b>	<b>\$376,408,671</b>	<b>925.7%</b>	
<b>Grand Total, All Strategies</b>	<b>\$2,546,437,017</b>	<b>\$3,002,375,461</b>	<b>\$455,938,444</b>	<b>17.9%</b>	

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

<b>Program</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Rec 2026</b>	<b>Rec 2027</b>	<b>2024-25 Base</b>	<b>2026-27 Rec</b>	<b>2026-27 Rec % Total</b>	<b>Recommended Over/(Under) Base</b>	<b>% Change from Base</b>
Career and Technical Education	\$46.8	\$40.2	\$43.5	\$43.5	\$86.9	\$86.9	<b>98.2%</b>	<b>\$0.0</b>	<b>0.0%</b>
Grants to States for Loan Repayment	\$1.3	\$0.8	\$0.8	\$0.8	\$2.1	\$1.6	<b>1.8%</b>	<b>(\$0.5)</b>	<b>(24.1%)</b>
Statewide Data Systems	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3	\$0.0	<b>0.0%</b>	<b>(\$0.3)</b>	<b>(100.0%)</b>
COVID-19 Grants	\$5.2	\$0.0	\$0.0	\$0.0	\$5.2	\$0.0	<b>0.0%</b>	<b>(\$5.2)</b>	<b>(100.0%)</b>
<b>TOTAL:</b>	<b>\$53.6</b>	<b>\$41.0</b>	<b>\$44.3</b>	<b>\$44.3</b>	<b>\$94.5</b>	<b>\$88.5</b>	<b>100.0%</b>	<b>(\$6.0)</b>	<b>(6.4%)</b>

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

<b>Full-Time-Equivalent Positions</b>	<b>Expended 2023</b>	<b>Estimated 2024</b>	<b>Budgeted 2025</b>	<b>Recommended 2026</b>	<b>Recommended 2027</b>
Cap	296.9	336.9	336.9	340.9	340.9
Actual/Budgeted	255.9	312.0	340.9	NA	NA

<b>Schedule of Exempt Positions (Cap)</b>					
Commissioner of Higher Education, Group 9	\$299,813	\$325,000	\$325,000	\$325,000	\$325,000

Notes:

a) The agency typically experiences attrition throughout the year. The variances in fiscal year 2023 and 2024 were directly related to attrition.