

TEXAS HIGHER EDUCATION COORDINATING BOARD

COMMITTEE ON AFFORDABILITY, ACCOUNTABILITY AND PLANNING

1200 EAST ANDERSON LANE, ROOM 1.170
AUSTIN, TEXAS
June 29, 2016
9 a.m.

CHAIR
David D. Teuscher, M.D.
VICE CHAIR
S. Javaid Anwar
Arcilia C. Acosta
Janelle Shepard
Stuart W. Stedman
Haley Rader DeLaGarza
Student Representative, Ex-Officio
Robert "Bobby" Jenkins, Jr.,
Ex-Officio

PUBLIC TESTIMONY: The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or any other time as determined by the presiding chair. For procedures on testifying, please go to <http://www.thecb.state.tx.us/public-testimony>.

- I. Welcome and Committee Chair's meeting overview
- II. Consideration of approval of the minutes from the March 30, 2016, Committee meeting
- III. Consideration of approval of the Consent Calendar
- IV. Public Testimony on Agenda Items Relating to the Committee on Affordability, Accountability and Planning
- V. Matters relating to the Committee on Affordability, Accountability and Planning
 - A. Consideration of adopting the Commissioner's recommendation to the Committee relating to approval of the *Closing the Gaps by 2015* Final Progress Report
 - B. Consideration of adopting the Commissioner's recommendation to the Committee relating to approval of the Space Model Study (*House Bill 1, Article III, Rider 55, 84th Texas Legislature*)
 - C. Consideration of adopting the staff recommendation to the Committee relating to the report on the Physician Loan Repayment Program Retention Rates (*House Bill 1, Article III, Rider 31, 84th Texas Legislature*)
 - D. Consideration of adopting the staff recommendation to the Committee relating to the report on the TEXAS Grant Program (*Senate Bill 28, 82nd Texas Legislature, Regular Session*)
 - E. Consideration of adopting the staff recommendation to the Committee for approval of the nominated members of the Financial Literacy Advisory Committee
 - F. Presentation on activities related to 60x30TX strategies
 - G. Update on the Request for Proposals for Educational Research Centers
 - H. Report on facilities projects that were submitted to the Coordinating Board

I. Proposed Rules:

- (1) Consideration of adopting the Commissioner's recommendation to the Committee relating to proposed amendments to Chapter 1, Subchapter J, Sections 1.149 – 1.151, and 1.154 of Board rules, concerning the Financial Aid Advisory Committee
- (2) Consideration of adopting the Commissioner's recommendation to the Committee relating to the proposed new section to Chapter 4, Subchapter A, General Provisions, Section 4.12 concerning tracking the participation of students with Intellectual and Developmental Disabilities (IDD) in public institutions of higher education in Texas (*Senate Bill 37, 84th Texas Legislature, Regular Session*)
- (3) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 21, Subchapter C, Section 21.53 - 21.55 of Board rules, concerning the Hinson-Hazlewood College Student Loan Program
- (4) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter II, Sections 21.1080; 21.1081; 21.1083 – 21.1085; 21.1087 and 21.1088, concerning the Educational Aide Exemption Program
- (5) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter KK, concerning the Math and Science Scholars Loan Repayment Program (*Senate Bill 686, 84th Texas Legislature*)

J. Adjournment

NOTE: The Board will not consider or act upon any item before the Committee on Affordability, Accountability and Planning at this meeting. This meeting is not a regular meeting of the full Board. Because the Board members who attend the committee meeting may create a quorum of the full Board, the meeting of the Committee on Affordability, Accountability and Planning is also being posted as a meeting of the full Board.

Committee on Affordability, Accountability and Planning

AGENDA ITEM I

Welcome and Committee Chair's meeting overview

Dr. David Teuscher, Chair of the Committee on Affordability, Accountability and Planning, will provide the Committee an overview of the items on the agenda.

Committee on Affordability, Accountability and Planning

AGENDA ITEM II

Consideration of approval of the minutes from the March 30, 2016, Committee meeting

RECOMMENDATION: Approval

TEXAS HIGHER EDUCATION COORDINATING BOARD
MINUTES
Committee on Affordability, Accountability and Planning
1200 East Anderson Lane, Room 1.170
Austin, Texas
March 30, 2016, 9:00 a.m.
DRAFT Minutes

The Texas Higher Education Coordinating Board ***Committee on Affordability, Accountability and Planning*** convened at 9:00 a.m. on ***March 30, 2016***, with the following members present: David Teuscher, Chair, presiding; Janelle Shepard; Javaid Anwar; Arcilia Acosta; Fred Farias; Ricky Raven; Stuart Stedman; Christina Delgado, Student Representative; and Robert "Bobby" Jenkins, Ex-Officio.

The meeting is available at the following link: <http://www.theccb.state.tx.us/apps/Events/>

AGENDA ITEM	ACTION
I. Welcome and Committee Chair's meeting overview	<p>Dr. David Teuscher called the meeting to order and advised the meeting was being broadcast.</p> <p>Mr. Bobby Jenkins announced the Governor has appointed new Board members and asked that they introduce themselves. The new members are: Ms. Arcilia Acosta; Mr. Ricky Raven; and Mr. Stuart Stedman.</p> <p>Mr. Bobby Jenkins announced the Board committee assignments. He then turned the meeting over to Dr. David Teuscher.</p> <p>Dr. David Teuscher reminded Board members that only the Committee members can vote, but other Board members are welcome to participate.</p>
II. Consideration of approval of the minutes from the December 16, 2015, Committee meeting	<p>On motion by Mr. Javaid Anwar, seconded by Dr. Fred Farias, the Committee approved this item.</p>
III. Consideration of approval of the Consent Calendar	<p>Dr. David Teuscher stated Agenda Items V-H (8) – (16) are on the Consent Calendar for consideration.</p> <p>On motion by Ms. Janelle Shepard, seconded by Mr. Javaid Anwar, the Committee approved this item.</p>

AGENDA ITEM	ACTION
<p>IV. Public Testimony on Items Relating to the Committee on Affordability, Accountability and Planning meeting</p>	<p>Dr. David Teuscher stated that there is no public testimony.</p>
<p>V. Matters relating to the Committee on Affordability, Accountability and Planning</p> <p>A. Consideration of adopting the Commissioner’s recommendation to the Committee relating to funding formulas for use by the Governor and the Legislative Budget Board in making appropriations recommendations to the appropriate Legislative Committees</p>	<p>Dr. Julie Eklund, Assistant Commissioner of Strategic Planning and Funding; Mr. Dusty Johnston, President of Vernon College and Chair of the Community and Technical College Formula Advisory Committee; Dr. Dana Hoyt, President of Sam Houston State University and Chair of the General Academic Institutions Formula Advisory Committee; and Mr. John Harman, Vice President for Business and Finance of the University of North Texas Health Science Center at Fort Worth and Chair of the Health-Related Institutions Formula Advisory Committee, were present to provide a presentation.</p> <p>Dr. Julie Eklund provided an overview of formula funding. Each Formula Advisory Committee Chair provided the recommendations from their committees. Dr. Julie Eklund provided the Commissioner’s recommendations after each chair’s presentation.</p> <p>Dr. Stacey Silverman, Deputy Assistant Commissioner, Academic Quality and Workforce, provided information regarding Graduate Medical Education (GME).</p> <p>Board members asked for clarification on funding for the Dell Medical School. Dr. Raymund Paredes stated information could be provided before the April Board meeting.</p> <p>Board members commended the Formula Advisory Committees, the Commissioner, and Coordinating Board staff.</p> <p>On motion by Ms. Janelle Shepard, seconded by Mr. Javaid Anwar, the Committee adopted the Commissioner’s recommendations.</p>

AGENDA ITEM	ACTION
<p>B. Consideration of adopting the Commissioner's recommendation to the Committee relating to the annual report about the financial condition of the state's community college districts (<i>S.B. 1, 83rd Texas Legislature, Regular Session, Rider 13, III-203</i>)</p> <p>C. Consideration of adopting the staff recommendations relating to the Coordinating Board's Legislative Agenda for the 85th Texas Legislature</p> <p>D. Consideration of adopting the staff recommendations to the Committee relating to approval of the appointment of student representatives to the Financial Aid Advisory Committee</p> <p>E. Presentation by Texas Guaranteed Student Loan Corporation (TG) on the Financial Coaching aspect of the Pilot Project on Default Prevention and Financial Aid Literacy (<i>S.B. 680, 83rd Texas Legislature, Regular Session</i>)</p> <p>F. Report on data Highlight: Completion</p>	<p>Mr. David Young, Senior Director, Special Projects, Strategic Planning and Funding, was available for questions.</p> <p>On motion by Dr. Fred Farias, seconded by Mr. Javaid Anwar, the Committee approved the agenda item.</p> <p>Mr. John Wyatt, Director for External Relations, stated that the recommendations relating to the Coordinating Board's Legislative Agenda for the 85th Texas Legislature presented were not for consideration, but rather for discussion only.</p> <p>Dr. Teuscher added that more specific language needed to be provided in the recommendations before adoption.</p> <p>The revised recommendations will be presented for approval at the April Board meeting.</p> <p>Dr. Charles Puls, Deputy Assistant Commissioner for Student Financial Aid Services, was available to answer questions.</p> <p>On motion by Ms. Janelle Shepard, seconded by Mr. Javaid Anwar, the Committee approved the agenda item.</p> <p>Ms. Cynthia Marrs, Financial Education Consultant; Ms. Bridget Price, Customer Relationship Specialist; and Mr. Chris Scott, Program Director with Texas Guaranteed Student Loan Corporation (TG), presented the Financial Coaching aspect of the Default Prevention and Financial Literacy pilot project.</p> <p>This item was for information only.</p> <p>Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, provided a presentation on completion data and was available for questions.</p> <p>This item was for information only.</p>

AGENDA ITEM	ACTION
<p>G. Report on facilities projects that were submitted to the Coordinating Board</p> <p>H. Proposed Rules:</p> <p>(1) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 1, Subchapter A, Section 1.18 (c) (1) , concerning Education Research Center Advisory Board status as a governmental body (<i>S.B. 685, 84th Texas Legislature, Regular Session</i>)</p> <p>(2) Consideration of adopting the Commissioner's recommendation to the Committee relating Chapter 1, Subchapter K, Sections 1.156, 1.158, and 1.161 concerning the Formula Advisory Committee – Community and Technical Colleges</p> <p>(3) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 1, Subchapter L, Sections 1.164 and 1.169, concerning the Formula Advisory Committee – General Institutions</p> <p>(4) Consideration of adopting the Commissioner's recommendation to the Committee relating to an amendments to Chapter 1, Subchapter M, Section 1.176 concerning the Formula Advisory Committee – Health-Related Institutions</p>	<p>Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, was available for questions.</p> <p>This item was for information only.</p> <p>Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, was available for questions.</p> <p>On motion by Ms. Janelle Shepard, seconded by Mr. Javaid Anwar, the Committee approved the recommendation.</p> <p>Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, stated that Mr. Bill Franz, General Counsel, had advised that agenda items V-H (2) through (7) of the proposed rules were related to the four-year rule review, and could be approved in one consideration.</p> <p>Dr. David Teuscher asked if Committee members objected to considering approving the items together.</p> <p>On motion by Mr. Stuart Stedman, seconded by Mr. Javaid Anwar, the Committee approved together the recommendations for the items.</p> <p>This item was approved as stated above.</p> <p>This item was approved as stated above.</p>

AGENDA ITEM	ACTION
<p>(5) Consideration of adopting the Commissioner's recommendation to the Committee relating to proposed new rules under Chapter 1, Subchapter CC, concerning the Financial Literacy Advisory Committee</p> <p>(6) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 13, Subchapter A, Section 13.1 concerning Definitions section of the financial planning rules</p> <p>(7) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 13, Subchapter C, Sections 13.42, 13.43, and 13.47 concerning clarification of terms in the rules on budgets</p> <p>(8) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 21, Subchapter A, Section 21.9 – 21.11, and new proposed Sections 21.9 – 21.10 of the Board rules concerning the General Provisions of Student Services (<i>H.B. 700, 84th Texas Legislature</i>)</p> <p>(9) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter D, Section 21.100 of Board rules, concerning the Hinson-Hazlewood College Student Loan Program</p> <p>(10) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter G, Sections 21.171 – 21.176, and proposed new Sections 21.171 – 21.176, concerning the Teach for Texas Loan Repayment assistance Program</p>	<p>This item was approved as stated above.</p> <p>This item was approved as stated above.</p> <p>This item was approved as stated above.</p> <p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p>

AGENDA ITEM	ACTION
<p>(11) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter H, Sections 21.191 – 21.207 of Board rules, concerning the Teacher Education Loan Program (<i>S.B. 457, 71st Texas Legislature</i>)</p> <p>(12) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter I, Sections 21.221 – 21.241 of Board rules, concerning the Future Teacher Loan Program (<i>S.B. 457, 71st Texas Legislature</i>)</p> <p>(13) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter L, Sections 21.301 – 21.325 of Board rules, concerning the Paul Douglas teacher Scholarship Program (<i>H.B. 1944, 104 Congress, 1995</i>)</p> <p>(14) Consideration of adopting the Commissioner's recommendation to the Committee relating to the repeal of Chapter 21, Subchapter O, Sections 21.465 – 21.477 and Sections 21.2050 – 21.2056 of Board rules, concerning the Early Childhood Care Provider Student Loan Repayment Program</p> <p>(15) Consideration of adopting the Commissioner's recommendation to the Committee relating to proposed amendments to Chapter 21, Subchapter S, Sections 21.590 – 21.596, concerning the Border County Doctoral Faculty Education Loan Repayment Program</p>	<p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p> <p>This item was on the Consent Calendar.</p>

AGENDA ITEM	ACTION
<p data-bbox="240 289 815 529">(16) Consideration of adopting the Commissioner’s recommendation to the Committee relating to the repeal of Chapter 21, Subchapter DD, Sections 21.970 – 21.980 of Board rules, concerning the Minority Doctoral Incentive Program of Texas</p> <p data-bbox="207 562 430 598">I. Adjournment</p>	<p data-bbox="917 279 1429 315">This item was on the Consent Calendar.</p> <p data-bbox="917 556 1399 592">The meeting adjourned at 12:15 p.m.</p>

Committee on Affordability, Accountability and Planning

AGENDA ITEM III

Consideration of approval of the Consent Calendar

RECOMMENDATION: Approval

Background Information:

In order to save institutions time and travel costs to attend the Committee on Affordability, Accountability and Planning meetings in Austin, the Committee made the decision to establish a Consent Calendar for items that are noncontroversial. Any item can be removed from the Consent Calendar by a Committee member.

Consent Calendar

III. Matters relating to the Committee on Affordability, Accountability and Planning

I. Proposed Rules:

- (1) Consideration of adopting the Commissioner's recommendation to the Committee relating to proposed amendments to Chapter 1, Subchapter J, Sections 1.149 - 1.151, and 1.154 of Board rules, concerning the Financial Aid Advisory Committee
- (3) Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 21, Subchapter C, Section 21.53 - 21.55 of Board rules, concerning the Hinson-Hazlewood College Student Loan Program
- (4) Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter II, Sections 22.1080; 21.1083 – 21.1085; 21.1087 and 21.1088, concerning the Educational Aide Exemption Program

Committee on Affordability, Accountability and Planning

AGENDA ITEM IV

Public Testimony on Agenda Items Relating to the Committee on Affordability, Accountability and Planning

RECOMMENDATION: No action required

Background Information:

PUBLIC TESTIMONY: The presiding chair shall designate whether public testimony will be taken at the beginning of the meeting, at the time the related item is taken up by the Board after staff has presented the item, or at any other time as determined by the presiding chair.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-A

Consideration of adopting the Commissioner's recommendation to the Committee relating to approval of the *Closing the Gaps by 2015* Final Progress Report

RECOMMENDATION: Approval

Background Information:

The 15-year strategic plan for Texas higher education, *Closing the Gaps by 2015*, concluded in fall 2015. Final data submissions have been certified, including flex entry and career school data received in spring 2016. Staff will provide a report to the Board on the 14th and final *Closing the Gaps* progress report, which will include highlights of plan achievements.

During the years of the *Closing the Gaps* plan, Texas made excellent progress in the critical area of student success, far exceeding its 2015 success goal. The state achieved 96 percent of its ambitious participation goal, enrolling over 600,000 additional students since the plan's inception. In 2015, Texas higher education was considerably more diverse than in 2000 and student outcomes had improved in many areas.

Staff will also summarize information and data relating to public institutions' Higher Education Assistance Plans, which is statutorily required to be included in the progress report.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-B

Consideration of adopting the Commissioner's recommendation to the Committee relating to approval of the Space Model Study (House Bill 1, Article III, Rider 55, 84th Texas Legislature)

RECOMMENDATION: Approval

Background Information:

In accordance with General Appropriations Act, House Bill 1, Article III, Section 55, 84th Texas Legislature, Regular Session, the Texas Higher Education Coordinating Board (THECB) was directed to conduct a study of the Space Projection Model. Specifically:

Space Projection Model. *Out of funds appropriated above, the Higher Education Coordinating Board shall conduct a study to review the space projection model and report the results of the study to the Legislative Budget Board and the Governor's Office no later than June 1, 2016. The study should provide an analysis of the methodology used in the model and consider the impacts of courses delivered online in the model. The study shall include recommendations to enhance the accuracy and validity of space projections determined by the model.*

THECB staff conducted an analysis of the existing methodology and parameters of the space model as well as the impact of online course delivery. Further, staff developed recommendations intended to increase the accuracy and validity of the space model using actual performance data from the institutions to inform recommended changes to the projection approach.

Institutional representatives were asked to provide input and feedback on the proposed changes to the model. TheCB staff considered all input provided and integrated changes that found substantial support within the advisory group. Of particular concern to the institutional representatives was the potential impact of the proposed modifications on formula funding and how the revised model might influence the legislative funding process. Staff included a section on institutional concerns in the report to highlight potential affects should the model be used for funding in the upcoming legislative session.

Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, and Mr. Thomas Keaton, Director of Funding, Strategic Planning and Funding, will present the report and recommendations.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-C

Consideration of adopting the staff recommendation to the Committee relating to the report on the Physician Education Loan Repayment Program Retention Rates (House Bill 1, Article III, Rider 31, 84th Texas Legislature)

RECOMMENDATION: Approval

Background Information:

House Bill (HB) 1, General Appropriations Act, Rider 31, page III-52 (84th Texas Legislature) directs the Coordinating Board to report the results of a survey of physicians who have completed a Physician Education Loan Repayment Program application agreeing to practice in a health professional shortage area in exchange for loan repayment assistance, to determine rates of retention in those areas. The Coordinating Board is required to report the results of the survey to the Governor and Legislative Budget Board by September 1 of every even-numbered year.

A draft of the Physician Education Loan Repayment Program Retention Rates report will be sent under separate cover.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions about this report.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-D

Consideration of adopting the staff recommendation to the Committee relating to the report on the TEXAS Grant Program (Senate Bill 28, 82nd Texas Legislature, Regular Session)

RECOMMENDATION: Approval

Background Information:

The Texas Legislature established the TEXAS (Towards EXcellence, Access and Success) Grant in 1999 (Texas Education Code, Section 56.301) to provide funds to academically prepared high school graduates with financial need assistance to pursue a higher education.

Senate Bill (S.B.) 28, 82nd Texas Legislature, Regular Session and Texas Education Code, Section 56.311(c-1) requires the Coordinating Board to submit by September 1 of each year a report regarding the operation of the TEXAS Grant Program to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and the Senate Higher Education Committee members. The report includes from the three preceding state fiscal years information regarding:

- allocations of TEXAS grants by eligible institution, disaggregated by initial and subsequent awards;
- the number of TEXAS grants awarded to students, disaggregated by race, ethnicity, and expected family contribution; and
- the persistence, retention, and graduation rates of students receiving TEXAS grants.

A draft of the TEXAS Grant report will be sent under separate cover.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions about this report.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-E

Consideration of adopting the staff recommendation to the Committee for approval of the nominated members of the Financial Literacy Advisory Committee

RECOMMENDATION: Appoint Members

Background Information:

Coordinating Board staff are requesting new member appointments for the Financial Literacy Advisory Committee. Board staff will seek confirmation of these appointments at the July 2016 Board meeting.

In accordance with Texas Education Code, Section 61.026 and Texas Government Code, Section 2110.0012, the Financial Literacy Advisory Committee was created to provide the Board advice and recommendations regarding better ways to advise students and parents on financial aid options and the impact of those options on students' finances before, during, and after their college careers.

The Financial Literacy Advisory Committee includes business leaders, representatives from community-based organizations, public education leaders, higher education administrators, and financial aid administrators at Texas institutions of higher education. The Financial Literacy Advisory Committee will meet on a monthly basis. A list of recommended final candidates will be provided under separate cover.

Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Programs, will be available to answer questions.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-F

Presentation on activities related to *60x30TX* strategies

RECOMMENDATION: No action required

Background Information:

Agency staff have made progress on *60x30TX* implementation efforts. This presentation will be an overview on these agency activities to-date.

Dr. Ginger Gossman, Senior Director, Innovation and Policy Development, is available for questions.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-G

Update on the Request for Proposals for Educational Research Centers

RECOMMENDATION: No action required

Background Information:

As allowed by Texas Education Code, Sections 1.005 and 1.006, the Texas Higher Education Coordinating Board (THECB) may establish not more than three Education Research Centers (ERCs) to conduct studies or evaluations on topics of benefit to the state. ERCs make de-identified data from the Texas Education Agency, the Texas Workforce Commission, and the THECB available for research purposes to researchers who have met ERC requirements and been approved by review of the ERC advisory board. An education research center must be established as part of a public junior college, public senior college or university, public state college, or a consortium of those institutions.

Currently there are two ERCs with existing contracts that were renewed in 2013; one at The University of Texas at Austin (UT-Austin) and one at The University of Texas at Dallas (UT – Dallas). The THECB intends to issue a Request for Proposals (RFP) in summer 2016 to solicit institutional interest in establishing a third ERC in the state. Any resulting agreement would provide for the operation of the ERC, as long as it meets contractual and legal requirements for operation.

Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, will provide a brief presentation and be available for questions.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-G

Update on the Request for Applications for Educational Research Centers

RECOMMENDATION: No action required

Background Information:

As allowed by Texas Education Code, Sections 1.005 and 1.006, the Texas Higher Education Coordinating Board (THECB) may establish not more than three Education Research Centers (ERCs) to conduct studies or evaluations on topics of benefit to the state. ERCs make de-identified data from the Texas Education Agency, the Texas Workforce Commission, and the THECB available for research purposes to researchers who have met ERC requirements and been approved by review of the ERC advisory board. An education research center must be established as part of a public junior college, public senior college or university, public state college, or a consortium of those institutions.

Currently there are two ERCs with existing contracts that were renewed in 2013; one at The University of Texas at Austin (UT-Austin) and one at The University of Texas at Dallas (UT – Dallas). The THECB intends to issue a Request for Proposals (RFP) in summer 2016 to solicit institutional interest in establishing a third ERC in the state. Any resulting agreement would provide for the operation of the ERC, as long as it meets contractual and legal requirements for operation.

Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, will provide a brief presentation and be available for questions.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-H

Report on facilities projects that were submitted to the Coordinating Board

RECOMMENDATION: No action required

Background Information:

Senate Bill 215, 83rd Texas Legislature, Regular Session shifted the authority to approve capital projects from the Texas Higher Education Coordinating Board (THECB) to the Boards of Regents. Texas Education Code (TEC) 61.0572 (regarding real property purchases) and TEC 61.058 (regarding new construction and repair and rehabilitation projects) to require institutions to report capital projects to the Board and that THECB staff review facilities projects. The Board must submit a report to the governor, lieutenant governor, speaker of the house, and Legislative Budget Board on all projects that do not meet standards.

Dr. Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, will be available to answer questions.

Reviewed Projects

Institution Project Name	Project Cost	Space Usage	Space Need	Cost	Building Efficiency
The University of Texas M.D. Anderson Cancer Center <i>Resubmit Construct Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Care</i>	\$361,000,000	NA ¹	Yes	Yes	Yes
The University of Texas Health Science Center at San Antonio <i>Renovate Facilities Renewal and Renovation</i>	\$96,000,000	NA ¹	Yes	Yes	Yes
Texas Tech University System <i>Construct New System Office Building</i>	\$27,500,000	NA ²	NA ²	Yes	Yes
Sam Houston State University <i>Construct Library Repository</i>	\$22,000,000	No	Yes	Yes	Yes
The University of Texas Health Science Center at Tyler <i>Renovate Facility for Physicians Residents Training</i>	\$18,500,000	NA ¹	Yes	Yes	Yes
Texas A&M University <i>Renovate Energy Consumption Reduction Project Phase IV</i>	\$5,806,890	NA ³	Yes	NA ³	NA ³
Texas A&M University <i>Renovate Energy Consumption Reduction Project Phase V</i>	\$5,522,908	NA ³	Yes	NA ³	NA ³

¹ The Standard for Space Usage Efficiency is not calculated for Health-Related Institutions.

² The Standard for Space Usage Efficiency and Space Need are not calculated for University System Projects.

³ The Standard for Space Usage Efficiency, Cost and Building Efficiency are not applicable to Energy Savings Performance Projects.

Project Type	Space Usage	Space Need	Cost	Building Efficiency
New Construction and Addition	<p>Space Usage Efficiency (SUE) score of:</p> <ul style="list-style-type: none"> 75 points in the classroom score for classroom type facilities 75 points in the class laboratory score for lab type facilities 150 points overall for all others 	Does not create nor add to a surplus as predicted in the space projection model	Does not exceed the annually published cost standard	<p>The ratio of net assignable square feet (NASF) to gross square feet (GSF) shall not exceed:</p> <ul style="list-style-type: none"> Classroom and general – 0.60 Office – 0.65 Clinical, diagnostic support labs, and technical research – 0.50 <p>For parking structures:</p> <ul style="list-style-type: none"> Automobile – 400 SF per space Boathouses – 500 SF per space Airplanes – 3,000 SF per space
Repair and Renovation (including repairs and renovations as part of a real property purchase)	Not applicable	Does not create nor add to a surplus as predicted in the space projection model	Does not exceed the annually published cost standard	Does not reduce existing ratio of NASF to GSF more than ten percent
Real Property Purchases	Not applicable	Does not create nor add to a surplus as predicted in the space projection model	Should not exceed the higher of two appraisals. If the cost exceeds this amount, institution must demonstrate the need to purchase at the higher price	Not applicable

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (1)

Consideration of adopting the Commissioner's recommendation to the Committee relating to proposed amendments to Chapter 1, Subchapter J, Sections 1.149 – 1.151, and 1.154 of Board rules, concerning the Financial Aid Advisory Committee

RECOMMENDATION: Approval

Background Information:

Specifically, Section 1.149 regarding authority and purpose removes redundant language.

Section 1.150 regarding definitions removes unnecessary language referring to the location of the Texas Financial Aid Information Center call center and the College for All Texans website. Section 1.150 (3) removes the definition of "Commissioner", because the term is not referenced in the rule.

Section 1.151(a) regarding committee membership and officers adds language regarding the composition of the committee's membership to include representatives employed in the non-profit sector. Section 1.151 (b)(1-4) language is modified to state the minimum of one representative from a health-related institution to be included in the committee. Language is also added to clarify that the committee will be comprised of at least one student representative from a health-related institution or a four-year institution, one student representative from a two-year college sector, and one representative from the Texas Association of Student Financial Aid Administrators (TASFAA). Each will serve as a non-voting member on the committee. Language referencing the specific professional associations is removed from Section 1.151(c). Section 1.151(e)(2) adds language to clarify the appointment procedures in which the vice chair succeeds the presiding officer. Section 1.151(g) adds language clarifying the one-year term of the TASFAA-appointed committee member.

Section 1.154 regarding tasks assigned to the committee adds language stating that the committee will provide guidance and advice on tasks assigned to the Coordinating Board.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: April 25, 2016.

Date published in the *Texas Register*: May 6, 2016.

The 30-day comment period with the *Texas Register* ended on June 6, 2016.

No comments were received regarding the amendments.

CHAPTER 1 AGENCY ADMINISTRATION

SUBCHAPTER J FINANCIAL AID ADVISORY COMMITTEE

Section

- §1.149. Authority and Specific Purposes of the Financial Aid Advisory Committee
- §1.150. Definitions
- §1.151. Committee Membership and Officers
- §1.152. Duration
- §1.153. Meetings
- §1.154. Tasks Assigned the Committee
- §1.155. Report to the Board; Evaluation of Committee Costs and Effectiveness

1.149. Authority and Specific Purposes of the Financial Aid Advisory Committee.

(a) No changes.

(b) Purposes.

(1) No changes.

(2) In addition, the committee shall ~~[review]~~ provide insight on state financial aid program policies and procedures (e.g. eligibility, allocations, disbursement processes, etc); ~~[review state financial aid reports, including their uses; recommend changes in the allocation of financial aid funds to address state goals;]~~ review the collection, use, and reporting ~~[and uses]~~ of data; and identify areas of research for consideration.

1.150. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings:

(1) No changes.

(2) Center for Financial Aid Information--The state's entity for developing and disseminating information about financial aid for college, consisting of the Texas Financial Aid Information Center call center ~~[housed at the Texas Guaranteed Student Loan Corporation]~~, and the College for All Texans website ~~[housed on the Board's website]~~.

(3) - (4) No changes.

1.151. Committee Membership and Officers.

(a) Membership shall consist of financial aid practitioners, public school counselors, and other persons employed in the non-profit sector in roles with responsibility for advising

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (2)

Consideration of adopting the Commissioner's recommendation to the Committee relating to the proposed new section to Chapter 4, Subchapter A, General Provisions, Section 4.12 concerning tracking the participation of student with Intellectual and Developmental Disabilities (IDD) in public institutions of higher education in Texas (S.B. 37, 84th Texas Legislature, Regular Session)

RECOMMENDATION: Approval

Background Information:

The intent of this new section is to establish a system to acquire and maintain data regarding the participation of students with IDD in undergraduate and graduate programs in Texas, as required by Texas Education Code, Subchapter C, Section 61.0664.

Dr. Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, is available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: May 6, 2016.

Date Published in the *Texas Register*: May 6, 2016.

The 30-day comment period with the *Texas Register* ends on: June 6, 2016.

The following comments were received from The University of Texas – Austin (UT-Austin):

Comment: UT-Austin expressed concern that the definition of Intellectual and Developmental Disability (IDD) in the proposed rule is ambiguous and allows for a high degree of subjectivity. UT-Austin notes that the definition as written may result in a very small number of students being reported and unreliable reporting across institutions.

Staff Response: The definition outlined in the proposed rule is based on the definition of Intellectual Disability from the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition, published by the American Psychiatric Association (DSM-V). A group of experts who were convened suggested that it was best to keep the definition broad in order to allow each institution's disability services office to use their own process for identifying students with an IDD. Although the broad definition may result in differences in reporting across institutions, decisions on how or whether a student is identified as having a certain disability, such as an IDD, is up to the discretion of each institution. In addition, a more specific definition or definitions could lead to a much greater reporting burden for institutions. No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that relying on data based on self-reports of Intellectual and Developmental Disability will not reflect actual numbers of students with IDD.

Staff Response: We understand that relying on self-identification by students may result in an undercounting of this population. However, we cannot require that students who have an IDD identify themselves for the purpose of this data collection, nor do we wish to encourage faculty or staff to attempt to identify a student who does not wish to register their disability with the institution. We understand the disability services offices have a role in confirming reported disabilities and we do not wish to interfere with that process. Using data from only students who self-identify, as confirmed by trained staff as meeting the definition provided in rule, both protects the privacy of students and ensures some consistency of reporting. No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that the definition of “postsecondary transitional program or postsecondary program for students with IDD” in Section 4.12(b) is inconsistent with the requirement that only students in college-level coursework or technical continuing education be reported, which would exclude some students only enrolled in a transitional program (such as the UT informal classes available at UT-Austin). UT-Austin requests clarification of the apparent inconsistency.

Staff Response: The statute upon which this proposed rule is based (TEC, Section 61.0664) specifies that the Texas Higher Education Coordinating Board only collect data “relating to undergraduate and graduate level participation of persons with intellectual and developmental disabilities at institutions of higher education...” which is why we specify in Section 4.12(d) that data can only be collected on students in credit-bearing college-level coursework or technical continuing education. We include a definition for “postsecondary transitional programs or programs for students with IDD” in section 4.12(b) because one of the proposed data collection elements is whether the student with IDD has ever been or is currently enrolled in one of these transitional programs. This question will serve to show how many students in these transitional programs go on to enroll in college-level course work and provide the ability to track their subsequent outcomes. No changes were made as a result of this comment.

Comment: UT-Austin requested clarification of the categories listed in paragraph 4.12(e)(1) as the category for “not identified as having an IDD” could be interpreted in many ways.

Staff Response: Coordinating Board staff agree that the categories should be explicitly defined. The categories listed in the proposed rule will be specifically described and explained in detail within the CBM manual where this item will be reported. For example, the direction that “all students who are not defined in the other options must be reported as not identified as having an IDD.” No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that the proposed rule requires that an Autism Spectrum Disorder be reported separately from students with an Intellectual or Developmental Disability. UT-Austin requested clarification regarding whether this determination would be made based upon additional evaluation or diagnosis. They reiterate that the definition of IDD in section (b) is ambiguous and will introduce inconsistencies across institutions.

Staff Response: At the request of practitioners, we separated out the identification of those with an Autism Spectrum Disorder but not an Intellectual Disability as this group is qualitatively different from students with Intellectual Disabilities. We are leaving the identification of the diagnosis of Autism Spectrum Disorder up to the policies of each institution. We realize this may result in inconsistencies across each institution; however, it is not the role of the Texas Higher Education Coordinating Board to prescribe what documentation or evaluation is necessary for an office of disability services to accept a diagnosis to allow for accommodations. No changes were made as a result of this comment.

The following comment was received from Texas State University:

Comment: Texas State expressed that the proposed rules in general are excellent, but requested that an additional indicator be added to the reporting requirement regarding whether the student actually received any accommodations through the institution for their disability.

Staff Response: In the opinion of the Texas Higher Education Coordinating Board staff, collecting information on whether a student with IDD receives accommodations is beyond the scope of the statute, and would add an extra reporting requirement to office of disability services staff and reporting staff. Generally, self-identification of an IDD would be for the specific purpose of receiving accommodations. No changes were made as a result of this comment.

students regarding financial aid. ~~[who can provide insight into the informational needs of students]~~

(b) Membership on the committee will include:

(1) at least two representatives from the following sectors ~~[each sector]~~ of higher education: ~~[four-year public universities, [health-related institutions,] two-year colleges, and private institutions];~~ and at least one representative from a health-related institution;

(2) at least one student representative~~[-; if two are selected, one is to be]~~ from a health-related institution or the four-year college sector; and at least one student representative from the two-year college sector~~[-], who serve as non-voting members;~~

(3) two representatives of school districts; and

(4) one representative from the Texas Association of Student Financial Aid Administrators (TASFAA), named by the TASFAA Board~~[-]~~ who serves as a non-voting member.

(c) Interested persons~~[-, such as the Independent Colleges and Universities of Texas (ICUT), Texas Association of State College and University Business Officers (TASCUBO), and the Texas Association of Community Colleges (TACC),]~~ and legislative and governmental relations staff shall be regularly advised of committee meetings.

(d) The number of committee members shall not exceed twenty-four (24).

(e) Members of the committee shall select:

(1) the presiding officer, who will be responsible for conducting meetings and conveying committee recommendations to the Board, and who will be selected from the financial aid practitioners serving on the committee; and

(2) the vice chair, who will succeed the presiding officer at the end of the presiding officer's year of service~~[-]~~, and who will be selected from the financial aid practitioners serving on the committee.

(f) No changes.

(g) Members shall serve for a term of three years, except that, regardless of the number of years previously on the committee, terms for persons who serve as chair of the committee will include the year as chair and the subsequent year as immediate-past chair; and the terms of persons who serve as vice chair will include the year as vice chair, the subsequent year as chair, and a following year as immediate-past chair of the committee. Student members of the committee will serve two-year terms. The TASFAA representative will serve a one-year term. Persons who have previously served on the committee are eligible to serve again.

1.152 No changes.

1.153 No changes.

1.154 Tasks Assigned the Committee

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (2)

Consideration of adopting the Commissioner's recommendation to the Committee relating to the proposed new section to Chapter 4, Subchapter A, General Provisions, Section 4.12 concerning tracking the participation of student with Intellectual and Developmental Disabilities (IDD) in public institutions of higher education in Texas (S.B. 37, 84th Texas Legislature, Regular Session)

RECOMMENDATION: Approval

Background Information:

The intent of this new section is to establish a system to acquire and maintain data regarding the participation of students with IDD in undergraduate and graduate programs in Texas, as required by Texas Education Code, Subchapter C, Section 61.0664.

Dr. Julie Eklund, Interim Assistant Commissioner for Strategic Planning and Funding, is available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: May 6, 2016.

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The 30-day comment period with the *Texas Register* ends on: June 6, 2016.

The following comments were received from The University of Texas – Austin (UT-Austin):

Comment: UT-Austin expressed concern that the definition of Intellectual and Developmental Disability (IDD) in the proposed rule is ambiguous and allows for a high degree of subjectivity. UT-Austin notes that the definition as written may result in a very small number of students being reported and unreliable reporting across institutions.

Staff Response: The definition outlined in the proposed rule is based on the definition of Intellectual Disability from the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition, published by the American Psychiatric Association (DSM-V). A group of experts who were convened suggested that it was best to keep the definition broad in order to allow each institution's disability services office to use their own process for identifying students with an IDD. Although the broad definition may result in differences in reporting across institutions, decisions on how or whether a student is identified as having a certain disability, such as an IDD, is up to the discretion of each institution. In addition, a more specific definition or definitions could lead to a much greater reporting burden for institutions. No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that relying on data based on self-reports of Intellectual and Developmental Disability will not reflect actual numbers of students with IDD.

Staff Response: We understand that relying on self-identification by students may result in an undercounting of this population. However, we cannot require that students who have an IDD identify themselves for the purpose of this data collection, nor do we wish to encourage faculty or staff to attempt to identify a student who does not wish to register their disability with the institution. We understand the disability services offices have a role in confirming reported disabilities and we do not wish to interfere with that process. Using data from only students who self-identify, as confirmed by trained staff as meeting the definition provided in rule, both protects the privacy of students and ensures some consistency of reporting. No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that the definition of “postsecondary transitional program or postsecondary program for students with IDD” in Section 4.12(b) is inconsistent with the requirement that only students in college-level coursework or technical continuing education be reported, which would exclude some students only enrolled in a transitional program (such as the UT informal classes available at UT-Austin). UT-Austin requests clarification of the apparent inconsistency.

Staff Response: The statute upon which this proposed rule is based (TEC, Section 61.0664) specifies that the Texas Higher Education Coordinating Board only collect data “relating to undergraduate and graduate level participation of persons with intellectual and developmental disabilities at institutions of higher education...” which is why we specify in Section 4.12(d) that data can only be collected on students in credit-bearing college-level coursework or technical continuing education. We include a definition for “postsecondary transitional programs or programs for students with IDD” in section 4.12(b) because one of the proposed data collection elements is whether the student with IDD has ever been or is currently enrolled in one of these transitional programs. This question will serve to show how many students in these transitional programs go on to enroll in college-level course work and provide the ability to track their subsequent outcomes. No changes were made as a result of this comment.

Comment: UT-Austin requested clarification of the categories listed in paragraph 4.12(e)(1) as the category for “not identified as having an IDD” could be interpreted in many ways.

Staff Response: Coordinating Board staff agree that the categories should be explicitly defined. The categories listed in the proposed rule will be specifically described and explained in detail within the CBM manual where this item will be reported. For example, the direction that “all students who are not defined in the other options must be reported as not identified as having an IDD.” No changes were made as a result of this comment.

Comment: UT-Austin expressed concern that the proposed rule requires that an Autism Spectrum Disorder be reported separately from students with an Intellectual or Developmental Disability. UT-Austin requested clarification regarding whether this determination would be made based upon additional evaluation or diagnosis. They reiterate that the definition of IDD in section (b) is ambiguous and will introduce inconsistencies across institutions.

Staff Response: At the request of practitioners, we separated out the identification of those with an Autism Spectrum Disorder but not an Intellectual Disability as this group is qualitatively different from students with Intellectual Disabilities. We are leaving the identification of the diagnosis of Autism Spectrum Disorder up to the policies of each institution. We realize this may result in inconsistencies across each institution; however, it is not the role of the Texas Higher Education Coordinating Board to prescribe what documentation or evaluation is necessary for an office of disability services to accept a diagnosis to allow for accommodations. No changes were made as a result of this comment.

The following comment was received from Texas State University:

Comment: Texas State expressed that the proposed rules in general are excellent, but requested that an additional indicator be added to the reporting requirement regarding whether the student actually received any accommodations through the institution for their disability.

Staff Response: In the opinion of the Texas Higher Education Coordinating Board staff, collecting information on whether a student with IDD receives accommodations is beyond the scope of the statute, and would add an extra reporting requirement to office of disability services staff and reporting staff. Generally, self-identification of an IDD would be for the specific purpose of receiving accommodations. No changes were made as a result of this comment.

Chapter 4. Rules Applying to All Public Institutions of Higher Education in Texas**Subchapter A. General Provisions**

Section

- 4.1 Purpose
- 4.2 Authority
- 4.3 Definitions
- 4.4 Student Absences on Religious Holy Days
- 4.5 Common Calendar
- 4.6 Minimum Length of Courses and Limitation on the Amount of Credit that a Student May Earn in a Given Time Period
- 4.7 Student Transcripts
- 4.8 Expert Witness
- 4.9 Excused Absence for a Person Called to Active Military Service
- 4.10 Limitations on the Number of Courses That May Be Dropped under Certain Circumstances by Undergraduate Students
- 4.11 Common Admission Application Forms
- 4.12 Tracking Participation of Students with Intellectual and Developmental Disabilities (IDD)

4.12 Tracking Participation of Students with Intellectual and Developmental Disabilities (IDD)

- (a) For the purpose of this rule, Intellectual and Developmental Disability (IDD) will be defined as a neurodevelopmental disorder that must meet the following criteria:
 - (1) Deficits in intellectual functions, such as reasoning, problem solving, planning, abstract thinking, judgement, academic learning, and learning from experience.
 - (2) Deficits in adaptive functioning that result in failure to meet developmental and sociocultural standards for personal independence and social responsibility. Without ongoing support, the adaptive deficits limit functioning in one or more activities of daily life, such a communication, social participation, and independent living, across multiple environments, such as home, school, work and community.
 - (3) Paragraphs (a)(1) and (2) of this subsection may occur after the developmental period (such as in the case of a traumatic brain injury).
 - (4) Students with IDD may include those diagnosed with an Autism Spectrum Disorder.
- (b) For the purpose of this rule, "postsecondary transitional program or postsecondary program for students with IDD" will be defined as a degree, certificate or non-degree program for students with IDD that is offered by an institution of higher education. These programs are designed to support students with IDD who want to continue

academic, career, and independent living instruction following completion of secondary education.

- (c) The Coordinating Board may collect, as part of its ongoing regular data collection process, information about students with IDD for the purpose of analyzing factors affecting the college participation and outcomes of persons with IDD at public institutions of higher education. Institutions may only report students who have been identified through self-identification and/or documented receipt of special services. Students who do not self-identify will not be reflected in the data. Institutions may, but are not required to, collect consent forms regarding reporting of the data outlined in subsection (d) of this section from students who have self-identified with an IDD. In the case where a student has an appointed legal guardian, the guardian will act on behalf of the student for the purposes of this rule.
- (d) All public institutions of higher education shall provide to the Coordinating Board data (as specified in subsection (e) of this section) regarding the enrollment of individuals with IDD in their undergraduate, graduate and technical continuing education programs. Data about these students' participation in postsecondary transitional programs or postsecondary programs for students with IDD will also be collected, but student-level data will not be collected for students enrolled in these programs unless they are also enrolled in credit-bearing college-level coursework or technical continuing education. Institutions of higher education and the Coordinating Board shall follow all federal privacy requirements under the Family Educational Rights and Privacy Act (FERPA) and the Health Insurance Portability and Accountability Act (HIPAA) when collecting and reporting data for the purposes of this rule.
- (e) Two additional items will be added to the CBM Student Reports (CBM001, CBM00A, and CBM0E1) for the purposes of this ongoing study. The definitions in section 4.12(a) and (b) will apply to the data collection for these items.
 - (1) An item with three options in which the student is reported as:
 - (i) not identified as having an IDD;
 - (ii) identified as having an IDD;
 - (iii) identified as having an autism spectrum developmental disorder but not an intellectual disability.
 - (2) An item with three options indicating if:
 - (i) the student never participated in a postsecondary transitional program or postsecondary program for students with IDD;
 - (ii) the student participated in a postsecondary transitional program or postsecondary program for students with IDD;
 - (iii) it is unknown if the student ever participated in a postsecondary transitional program or postsecondary program for students with IDD.
- (f) Access to the identifiers above in the CBM Student Report which indicate if an enrolled student has an IDD as defined will not be made available to the Education Research

Centers, established under Texas Education Code §1.005, as part of regular data requests unless this information is specified and approved by the advisory board established under Texas Education Code §1.006 as relating to the research study proposed.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (3)

Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 21, Subchapter C, Section 21.53 - 21.55 of Board rules, concerning the Hinson-Hazlewood College Student Loan Program

RECOMMENDATION: Approval

Background Information:

Specifically, Section 21.53 is amended to remove the definition for "Career college", which does not meet the definition of an eligible institution as defined in Texas Education Code, Section 61.003. The Section has been renumbered accordingly.

Section 21.54 regarding the eligibility of institutions is amended to align the language in rules with the eligibility provisions in Texas Education Code, Section 61.003 therefore removing career colleges. The previous language has been stricken.

Section 21.55 regarding student eligibility requirements is amended to remove the reference to students attending career colleges, because these institutions are not eligible to participate in the loan program.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: April 25, 2016.

Date published in the *Texas Register*: May 6, 2016.

The 30-day comment period with the *Texas Register* ended on June 6, 2016.

No comments were received regarding the amendments.

CHAPTER 21. STUDENT SERVICES

SUBCHAPTER C HINSON-HAZLEWOOD COLLEGE STUDENT LOAN PROGRAM

Section

- 21.51. Purpose
- 21.52. Authority
- 21.53. Definitions
- 21.54. Eligibility of Institutions
- 21.55. Eligibility of Students
- 21.56. Requirements of Cosigner/Accommodation Party
- 21.57. Notice to Borrowers
- 21.58. Amount of Loan
- 21.59. Loan Origination Fees
- 21.60. Loan Interest
- 21.61. Disbursement to Students
- 21.62. Repayment of Loans
- 21.63. Deceased or Disabled Borrowers and Cosigners
- 21.64. Enforcement of Collection

21.51 – 21.52 No change.

21.53. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) – (4) No change.

~~[(5) Career college -- an educational institution that is not a public or private nonprofit educational institution and is approved by the U.S. Secretary of Education under the Higher Education Act of 1965, as amended, and the regulations found in 34 C.F.R. §600.5.]~~

(5) ~~[(6)]~~ Commissioner – the Commissioner of Higher Education.

(6) ~~[(7)]~~ Cosigner/Accommodation Party – one who signs a student loan promissory note and thereby assumes liability for the debt and all fees and expenses associated with the note, who is not a direct beneficiary of the proceeds of the loan.

(7) ~~[(8)]~~ Cost of Attendance – expenses, including direct educational costs (tuition, fees, books, and supplies) as well as indirect educational costs (room and board, transportation, and personal expenses) incurred by a typical student receiving financial aid in attending a particular college.

(8) ~~[(9)]~~ Default – the failure of a borrower and cosigner, if any, to make loan installment payments when due for a total of 180 days for CAL and HELP loans and 270 days for FFELP and HEAL loans.

(9) ~~[(10)]~~ Deferment – any period during which a borrower, upon adequate showing of entitlement under the terms of the particular lending program, shall be eligible to suspend payments.

(10) ~~[(11)]~~ FFELP – the Federal Family Education Loan Program, formerly the Guaranteed Student Loan Program, authorized by the Higher Education Act of 1965, as amended, 20 U.S.C. §§1071 - 1087-4. Included in the FFELP are Federal Stafford Loans and Federal Supplemental Loans for Students.

(11) ~~[(12)]~~ Forbearance – discretionary permission from the Commissioner or his designees that allows a borrower to cease payments temporarily, or allows an extension of time for making payments, or temporarily reduces the payment amount from the amount that was previously scheduled.

(12) ~~[(13)]~~ FSL – the Robert T. Stafford Federal Student Loan Program to be known as "Federal Stafford Loans," formerly known as Stafford Loans and Guaranteed Student Loans, which included Federal Insured Student Loans. FSLs are made under provisions of the Federal Family Education Loan Program; but, for purposes of this subchapter, the acronym FSL will designate those rules specific to FSL.

(13) ~~[(14)]~~ FSLS – Federal Supplemental Loans for Students, formerly known as Supplemental Loans for Students and Auxiliary Loans for Students. The FSLS are made under provisions of the Federal Family Education Loan Program; but, for purposes of this subchapter, the acronym FSLS will designate those rules specific to FSLS.

(14) ~~[(15)]~~ Fund – the Texas Opportunity Plan Fund as created by the Constitution of the State of Texas, Article III, 50b; the Student Loan Revenue Bond Fund authorized in the Texas Education Code, Chapter 56, Subchapter H; and/or the Student Loan Auxiliary Fund, authorized in the Texas Education Code, Chapter 52, Subchapter F.

(15) ~~[(16)]~~ HEAL or HEALP – Health Education Assistance Loan Program authorized by the Public Health Service Act, as amended, 42 U.S.C. §§292 - 292y.

(16) ~~[(17)]~~ HELP – Health Education Loan Program.

(17) ~~[(18)]~~ Hinson-Hazlewood College Student Loan Program, or Program – the commonly used name for the Board program which provides and administers FFELP, CAL, HEAL, and HELP student loans under the authority of Texas Education Code, §§52.31 - 52.40.

(18) ~~[(19)]~~ Hinson-Hazlewood College Student Loan Program Officer – a full-time administrative official of an institution who will act as the Board's on-campus agent.

(19) ~~[(20)]~~ Regional Education Service Center – a center established and operated by the Commissioner of Education under Texas Education Code, Chapter 8.

(20) ~~[(21)]~~ Resident of Texas – a resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B of this title (relating to Determination of Resident Status). Nonresident students who are eligible to pay resident tuition rates are not residents of Texas.

(21) ~~[(22)]~~ Revenue Bond Fund – the Student Loan Revenue Bond Fund, authorized in the Texas Education Code, Chapter 56, Subchapter H.

21.54. Eligibility of Institutions.

(a) Eligible higher educational institution means a public or private nonprofit institution of higher education, including a junior college, accredited by a recognized accrediting agency as defined by Texas Education Code §61.003, or a regional education service center or other entity that offers an alternative educator certification program approved by the State Board for Educator Certification, Texas Education Code, Chapter 21, §21.049:

(1) is located in this state; and

(2) complies with the rules of the board promulgated in accordance with this subchapter.

~~[(a) The following institutions or entities located in Texas and approved by the U.S. Department of Education for the purpose of guaranteeing the Board against loss due to the death, disability, or default of borrower shall be eligible to participate in the Program:~~

~~(1) Institutions of Higher Education as defined in Texas Education Code, §61.003(8);~~

~~(2) Private or Independent Institutions of Higher Education as defined in Texas Education Code, §61.003(15);~~

~~(3) Career colleges that offer degree programs approved by the Board under §§12.1 -- 12.46 of this title (relating to Career Schools and Colleges); and~~

~~(4) Nonprofit private postsecondary educational institutions accredited by an agency recognized by the Board in §7.4(a) of this title (relating to Exemptions, Revocation of Exemptions, and Certificates of Authorization).]~~

(b) - (d) No change.

21.55. Eligibility of Students.

(a) Subject to the requirement in subsection (b) of this provision, the Commissioner may authorize, or cause to be authorized, Hinson-Hazlewood College Student Loans to students at any eligible institution which certifies that the student meets program qualifications, if the student:

(1) - (8) No change.

~~[(9) enrolled in a degree program approved by the Board under the provisions of §§12.1 - 12.46 of this title (relating to Career Schools and Colleges) and is otherwise eligible under the provisions of this section for a student enrolled in a career college;]~~

(9) ~~[(10)]~~ for FSLP, has been issued or will be issued a student loan under any loan program administered by the Board.

(b) - (c) No change.

21.56 - 21.64 No change.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (4)

Consideration of adopting the Commissioner's recommendation to the Committee relating to amendments to Chapter 21, Subchapter II, Sections 22.1080; 21.1081; 21.1083 – 21.1085; 21.1087 and 21.1088, concerning the Educational Aide Exemption Program

RECOMMENDATION: Approval

Background Information:

Specifically, the amendment to Section 21.1080 of Board rules strikes a reference to the former citation of the Texas Education Code (TEC), Section 54.214, which was re-designated as TEC Section 54.363 in 2011.

Changes to Section 21.1081 regarding Definitions introduce terms relevant to new requirements for students receiving continuation awards, beginning fall 2014 (Senate Bill 1210, 83rd Texas Legislature, Regular Session). Amendments to program rules are just now being made due to the lack of program funding for FY 2014 and FY 2015. The new provisions include a grade point average requirement for graduate and undergraduate students and a loss of eligibility once an undergraduate student reaches the credit hour limit for formula funding. The addition of definitions for "Continuation Award" and "Excessive Hours" caused subsequent definitions to be renumbered. In addition, the definition of "Financial Need" is revised to reflect the common definition found in Chapter 21, Subchapter A, Section 21.8, Student Services, General Provisions (relating to the definition of financial need).

Section 21.1083 is amended to reflect two subsections, (a) and (b), to distinguish between the general eligibility requirements and the provisions for continuation awards. In Subsection (a) (3), the section number for "Hardship Provisions" is updated from 21.1089 to 21.1088. New subsection (b) includes the Senate Bill 1210, 83rd Texas Legislature requirements regarding grade point average and number of completed semester credit hours for continuation awards.

The titles for Sections 21.1084 and 21.1085 have been updated to reflect current rules. The amendments to Section 21.1085 (a) and (b) state that the exemption covers a student's full tuition and mandatory fee charges and only applies to courses for which an institution receives formula funding. Outdated language has been removed.

Section 21.1087 adds the Texas Education Code citation, 21.050(c), which authorizes an exemption from student teaching for Educational Aide award recipients.

Section 21.1088 outlines hardship provisions that institutions must follow to allow an individual, even though he or she failed to meet program grade point average requirements, to

receive an exemption if that failure was due to circumstances outlined in statute as a basis for special consideration. Such circumstances include illness, caring for another person, military deployment or other just causes acceptable to the institution. In addition, in keeping with Senate Bill 1210, the new sections indicate institutions may, on a showing of good cause, allow an undergraduate to receive the exemption although he or she has completed a number of semester credit hours considered excessive under Section 21.1083(b) of this subchapter (relating to Continuation Awards). The former language relating to hardship provisions for recipients who are unable to remain employed for the full term has been stricken.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: April 25, 2016.

Date published in the *Texas Register*: May 6, 2016.

The 30-day comment period with the *Texas Register* ended on June 6, 2016.

No comments were received regarding the amendments.

CHAPTER 21. STUDENT SERVICES

SUBCHAPTER II. EDUCATIONAL AIDE EXEMPTION PROGRAM

Section

- 21.1080. Authority and Purpose.
- 21.1081. Definitions.
- 21.1082. Institutions.
- 21.1083. Eligible Students.
- 21.1084. The Application [~~and Awarding Process~~].
- 21.1085. Award Amounts [~~and Processing Cycle~~].
- 21.1086. Allocations for Institutions.
- 21.1087. Exemption from Student Teaching.
- 21.1088. Hardship Provisions.
- 21.1089. Dissemination of Information and Rules.

21.1080. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Chapter 54, Subchapter B, Tuition Rates. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Section 54.363 [~~(formerly 54.214)~~], relating to an exemption for Educational Aides [~~educational aides~~].

(b) Purpose. The purpose of the Educational Aide Exemption Program is to encourage certain Educational Aides [~~educational aides~~] to complete full teacher certification by providing need-based exemptions from the payment of tuition and certain mandatory fees at Texas public institutions of higher education.

21.1081. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

(1) Board – The Texas Higher Education Coordinating Board.

(2) Commissioner – The Commissioner of Higher Education, the Chief Executive Officer of the Board.

(3) Continuation Award--An exemption from tuition and fees awarded to a student in accordance with this subchapter who has received the exemption in a previous semester, and which is awarded in accordance with this subchapter.

(4) [~~(3)~~] Cost of attendance – A Board-approved estimate of the expenses incurred by a typical financial aid student attending a particular college or university. It includes direct educational costs (tuition, fees, books, and supplies) as well as indirect costs (room and board, transportation, and personal expenses).

(5) ~~[(4)]~~ Educational Aide – A person who has been employed by a public school district in Texas in a teaching capacity working in the classroom directly with the students for at least one year on a full-time basis. It may include substitute teachers who have been employed by a public school district in Texas for 180 or more full days in a teaching capacity working in the classroom directly with students.

(6) Excessive Hours-- in accordance with Texas Education Code Section 54.014, for undergraduates, hours in excess of 30 more than those required for completion of the degree program in which the student is enrolled.

(7) ~~[(5)]~~ Expected family contribution – The amount of discretionary income that should be available to a student from his or her resources and that of his/her family, as determined following the federal methodology.

(8) ~~[(6)]~~ Financial need – The Cost of attendance at a particular public or private institution of higher education less the Expected family contribution. The Cost of attendance and family contribution are to be determined in accordance with Board guidelines. ~~[An indication of a student's inability to meet the full cost of attending a college or university, measured by one of the following methods:]~~

~~[(A) — The cost of attendance at a particular public or private institution of higher education less the expected family contribution. The cost of attendance and family contribution are to be determined in accordance with Board guidelines; or~~

~~(B) — An income methodology, which considers a student to have financial need if his or her adjusted gross annual income is less than income levels set annually by the Commissioner. If the student is a dependent, the family's adjusted gross family income is considered; if the student is independent, only the student's income (and the income of the student's spouse, if he or she is married) is considered.]~~

(9) ~~[(7)]~~ Program Officer – The individual named by each participating institution's chief executive officer to serve as agent for the Board. The Program Officer has primary responsibility for all ministerial acts required by the program, including the determination of student eligibility, maintenance of all records and preparation and submission of reports reflecting program transactions. Unless otherwise indicated by the administration, the director of student financial aid shall serve as Program Officer.

(10) ~~[(8)]~~ Resident of Texas – A resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B of this title (relating to Determination of Resident Status). Nonresident students who are eligible to pay resident tuition rates are not residents of Texas.

21.1082. No Changes.

21.1083. Eligible Students.

(a) To receive an award through the Educational Aide Exemption Program, a student must:

- (1) be a Resident [~~resident~~] of Texas;
- (2) have met the definition of an Educational Aide at some time during the five years preceding the term or semester for which the student is awarded his or her initial exemption;
- (3) be employed in some capacity by a school district in Texas during the full term for which the student receives the award unless granted a hardship waiver as described in Section 21.1088 [~~21.1089~~] of this title (relating to Hardship Provisions);
- (4) show Financial need;
- (5) - (10) No Changes.

(b) if a person receiving a Continuation Award at the beginning of the term or semester in which the award is received must also:

- (1) if classified as an undergraduate or a graduate, be meeting the institution's financial aid grade point average requirement for making satisfactory academic progress towards a degree or certificate in accordance with the institution's policy regarding eligibility for financial aid, unless granted a hardship waiver by the institution in keeping with 21.1088 of this subsection (relating to Hardship Provisions) and,
- (2) if classified as a resident undergraduate, have not completed a number of semester credit hours that is considered to be excessive under Texas Education Code, Section 54.014, unless granted a hardship waiver by the institution in keeping with Section 21.1088 of this title (relating to Hardship Provisions). In determining the number of hours an undergraduate has completed, semester credit hours completed include transfer credit hours that count towards the person's undergraduate degree or certificate requirements, but exclude:
 - (A) hours earned exclusively by examination;
 - (B) hours earned for a course for which the person received credit toward the person's high school academic requirements; and
 - (C) hours earned for developmental courses that the institution required the person to take under Texas Education Code, Section 51.3062 or under the former provisions of Texas Education Code, Section 51.306.

21.1084. The Application [~~and Awarding Process~~].

(a) Institutions are not required to provide exemptions under this subchapter beyond those funded through appropriations specifically designated for this purpose. The Board shall advise institutions of the availability of funds as soon as possible after funding is known.

(b) Application forms and instructions developed by the Board will be distributed through financial aid offices of approved institutions.

(c) If only limited funds are available:

(1) the Board will advise institutions of a deadline for submitting applications and the number of applications each institution may submit to compete for funds;

(2) Institutions will forward to the Board applications for students they have determined to be eligible; and

(3) the Board will then select recipients for the limited funds on a first come/first served basis and announce recipients to institutions.

21.1085. Award Amounts [~~and Processing Cycle~~].

(a) Amounts. Students receiving awards through the Educational Aide Exemption Program shall be exempted from the payment of ~~[(or reimbursed for)]~~ the total resident tuition and required fees, other than laboratory and class fees, for courses taken during the relevant term.

(b) An exemption under this title only applies to courses for which an institution receives formula funding.

~~[(b) Form of Award — Exemption or Reimbursement.~~

~~(1) — If applications are processed and announced in time, institutions should exempt recipients from the payment of such charges and then request reimbursement from the Board.~~

~~(2) — If applications are processed and/or announced too late for the student to be exempted from such payments at registration, the student may be required to pay these charges first, and then be reimbursed by the institution.~~

~~(c) — Unique Requirements for Each Term.~~

~~(1) — Fall awards are made on the basis of the original fall/spring application that will be posted on the Coordinating Board website for institutions to download and provide to students.~~

~~(2) — Spring awards are based on the original fall/spring application. If the student was not a recipient during the fall term, the original application functions as a~~

~~stand-alone spring application. If the applicant also received a fall award, the spring award shall not be granted by the institution until the school or school district confirms to the institution that it will still be employing the applicant in the spring term.~~

~~(3) Summer awards are to be based on a summer application that will be posted on the Coordinating Board website for institutions to download and provide to students. Institutions and school districts will be advised by the Board of the availability of the summer application by March 1 of each year.]~~

21.1086. No Changes.

21.1087. Exemption from Student Teaching.

(a) An individual who receives a bachelor's degree required for a teaching certificate on the basis of higher education coursework completed while receiving an award through this subchapter shall not be required by his or her institution to participate in any field experience or internship consisting of student teaching as a requirement to receive a teaching certificate, in accordance with Section 21.050(c), Texas Education Code.

(b) An individual who receives a bachelor's degree prior to receiving his or her first award under this subchapter is not eligible for a student teaching exemption under Subsection (a) of this Section.

21.1088. Hardship Provisions.

(a) Each institution of higher education is required to adopt a policy to allow a student who fails to maintain a grade point average as required by Section 21.1083(b) of this subchapter to receive an exemption in another semester or term on a showing of hardship or other good cause, including:

(1) a showing of a severe illness or other debilitating condition that could affect the student's academic performance;

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care could affect the student's academic performance;

(3) the student's active duty or other service in the United States armed forces or the student's active duty in the Texas National Guard; or

(4) any other cause considered acceptable by the institution.

(b) An institution may, on a showing of good cause, permit an undergraduate Continuation Award applicant to receive an exemption or waiver although he or she has completed a number of semester credit hours that is considered excessive under Texas Education Code Section 54.014.

~~[An individual is considered to meet the employment requirements listed in Section 21.1083(3) of this title (relating to Eligible Students) if he or she was employed at the beginning of the relevant term but was unable to remain employed throughout the term for reasons beyond his or her control. Such situations include, but are not limited to, the following:~~

~~(1) — a severe illness or other debilitating condition that may affect the individual's ability to continue employment;~~

~~(2) — responsibility for the care of a temporarily disabled dependent that may affect the recipient's ability to continue employment, or~~

~~(3) — performance of active duty military service.]~~

21.1089. No Changes.

Committee on Affordability, Accountability and Planning

AGENDA ITEM V-I (5)

Consideration of adopting the Commissioner's recommendation to the Committee relating to Chapter 21, new Subchapter KK, concerning the Math and Science Scholars Loan Repayment Program (Senate Bill 686, 84th Texas Legislature)

RECOMMENDATION: Approval

Background Information:

Specifically, Senate Bill 1720 of the 83rd Texas Legislature authorized the Math and Science Scholars Loan Repayment Program. However, funds for the program were first appropriated by the 84th Texas Legislature. The statute specifies that awards will first be made based on teaching service during the 2016-2017 school year. Section 61.9840 of the Texas Education Code states that the Coordinating Board shall adopt rules necessary for the administration of this program.

Dr. Charles W. Puls, Deputy Assistant Commissioner for Student Financial Aid Services, will be available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: April 25, 2016.

Date published in the *Texas Register*: May 6, 2016.

The 30-day comment period with the *Texas Register* ended on June 6, 2016.

No comments were received regarding the rules.

CHAPTER 21. STUDENT SERVICESSUBCHAPTER KK. MATH AND SCIENCE SCHOLARS LOAN REPAYMENT PROGRAMSection

- 21.2021. Authority and Purpose.
- 21.2022. Definitions.
- 21.2023. Eligibility for Enrollment in the Program.
- 21.2024. Application Ranking Priorities.
- 21.2025. Exceptions to Consecutive Years of Employment Requirement.
- 21.2026. Eligibility for Disbursement of Award.
- 21.2027. Eligible Lender and Eligible Education Loan.
- 21.2028. Disbursement of Repayment Assistance and Award Amount.
- 21.2029. Limitations.

21.2021. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Subchapter KK, Math and Science Scholars Loan Repayment Program. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.9831 through 61.9841.

(b) Purpose. The purpose of the Math and Science Scholars Loan Repayment Program is to encourage teachers, who demonstrated high academic achievement as math or science majors, to teach math or science in Texas public schools for eight years, the first four of which are at Title I schools.

21.2022. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Board--The Texas Higher Education Coordinating Board.
- (2) Commissioner--The Commissioner of Higher Education, the chief executive officer of the Board.
- (3) Employment Service Period – A period of at least 9 months of a 12-month academic year.
- (4) Program -- The Math and Science Scholars Loan Repayment Program.
- (5) Title I school—Texas public schools that receive federal funding under Title I, Elementary and Secondary Education Act of 1965 (20 U.S.C. Section 6301 et seq.)

21.2023. Eligibility for Enrollment in the Program.

(a) To be eligible for the Board to conditionally approve an application and encumber loan repayment funds, a teacher must:

(1) ensure that the Board has received the completed enrollment application and transcripts of the applicant's postsecondary coursework, and any other requested documents by the established deadline posted on the Program web page;

(2) be a U.S. citizen;

(3) have completed an undergraduate or graduate program in mathematics or science;

(4) have earned a cumulative GPA of at least 3.5 on a four-point scale, or the equivalent, at the institution from which the teacher graduated;

(5) be certified under the Texas Education Code, Subchapter B, Chapter 21, or under a probationary teaching certificate, to teach mathematics or science in a Texas public school,

(6) have secured an employment contract as a full-time classroom teacher to teach mathematics or science in a Title I school at the time of application for enrollment in the Program;

(7) not receive any other state or federal loan repayment assistance, including a Teacher Education Assistance for College and Higher Education (TEACH) Grant or teacher loan forgiveness;

(8) not be in default on any education loan; and

(9) enter into an agreement with the Board that includes the provisions stated in Subsection (b) of this section.

(b) The agreement with the Board must include the following provisions:

(1) the applicant will accept an offer of continued employment to teach mathematics or science, as applicable based on the teacher's certification, for an average of at least four hours each school day in a Title I school, for four consecutive years, beginning with the school year that has recently begun or the upcoming school year at the time of the application for enrollment in the Program;

(2) the applicant will complete four additional consecutive school years teaching mathematics or science, as applicable based on the teacher's certification, for an average of at least four hours each school day in any Texas public school, beginning with the school year immediately following the last of the four consecutive school years described by Subsection (b)(1) of this section; and

(3) the applicant understands that loan repayment awards are contingent on available funding received, the Board may make a financial commitment only based on funds that have been appropriated for each two-year state budget period, and the teacher will be released from the teaching obligation for any year of employment for which funds are not available.

(a) Renewal applicants shall be given priority over first-time applicants unless a break in Employment Service Periods has occurred as a result of the circumstances described in Section 21.2025 of this title (relating to Exceptions to Consecutive Years of Employment Requirement).

(b) If there are not sufficient funds to encumber awards for all eligible applicants for enrollment in the Program, applications shall be ranked according to a cumulative ranking system developed by the Board based on:

- (1) the number of mathematics and science courses completed by the applicants;
- (2) the grade received by each applicant for each of those courses; and
- (3) employment at schools having the highest percentages of students who are eligible for free or reduced cost lunches.

21.2025. Exceptions to Consecutive Years of Employment Requirement.

Although funding limitations may require the Board to exercise the ranking priorities established in Section 21.2024 of this title (relating to Application Ranking Priorities) a teacher who has enrolled in the Program shall not lose Program eligibility due to failure to meet the consecutive years of qualifying employment requirement if the break in employment service is a result of the person's:

- (1) full-time enrollment in a course of study related to the field of teaching that is approved by the State Board for Educator Certification and provided by a Texas institution of higher education, as defined in Texas Education Code 61.003;
- (2) service on active duty as a member of the armed forces of the United States, including as a member of a reserve or National Guard unit called for active duty;
- (3) temporary total disability for a period of not more than 36 months as established by the affidavit of a qualified physician;
- (4) inability to secure employment as required in a Title I school for a period not to exceed 12 months, because of care required by a disabled spouse or child; or
- (5) inability, despite reasonable efforts, to secure, for a single period not to exceed 12 months, employment in a Title I school.

21.2026. Eligibility for Disbursement of Award

To be eligible for disbursement of a loan repayment award, a teacher must:

- (1) for teachers having a probationary teaching certificate during the initial year in the Program, have received a standard teaching certificate by the beginning of the second year of employment, to qualify for a second-year award.
- (2) for the first four years of employment, submit all required end-of-year forms verifying completion of one, two, three, or four consecutive years of employment as a full-time classroom teacher in a Title I school;

(3) following the first four years of employment, submit all required end-of-service period forms verifying completion of five, six, seven, or eight consecutive years of employment as a full-time classroom teacher in any Texas public school.

21.2027. Eligible Lender and Eligible Education Loan.

(a) The Board shall retain the right to determine the eligibility of lenders and holders of education loans to which payments may be made. An eligible lender or holder shall, in general, make or hold education loans made to individuals for purposes of undergraduate, medical and graduate medical education and shall not be any private individual. An eligible lender or holder may be, but is not limited to, a bank, savings and loan association, credit union, institution of higher education, student loans secondary market, governmental agency, or private foundation.

(b) To be eligible for repayment, an education loan must:

(1) be evidenced by a promissory note for loans to pay for the cost of attendance for undergraduate or graduate education;

(2) not be in default at the time of the teacher's application;

(3) not have an existing obligation to provide service for loan forgiveness through another program;

(4) not be subject to repayment through another student loan repayment or loan forgiveness program;

(5) if the loan was consolidated with other loans, the teacher must provide documentation of the portion of the consolidated debt that was originated to pay for the cost of attendance for the teacher's undergraduate or graduate education; and

(6) not be an education loan made to oneself from one's own insurance policy or pension plan or from the insurance policy or pension plan of a spouse or other relative.

21.2028. Disbursement of Repayment Assistance and Award Amount.

(a) The annual repayment(s) shall be in one disbursement made payable to the servicer(s) or holder(s) of the loan upon the teacher's completion of each year of qualifying employment.

(b) The Commissioner or his or her designee shall determine the maximum annual repayment amount in each state fiscal year, taking into consideration the amount of available funding and the number of eligible applicants.

(c) A teacher who transfers to a Texas public school that is not a Title I school after completing four consecutive years of employment at a Title I school may qualify for no more than 75% of the annual award amount established for the fiscal year.

21.2029. Limitations.

(a) no more than 4,000 eligible teachers shall receive loan repayment assistance in any school year;

(b) in the 2016-2017 school year, no more than 1,000 teachers shall receive loan repayment assistance;

(c) in the 2017-2018 school year, no more than 2,000 teachers shall receive loan repayment assistance;

(d) in the 2018-2019 school year, no more than 3,000 teachers shall receive loan repayment assistance; and

(e) failure to meet Program requirements will result in non-payment for the applicable year of employment and removal from the Program.