

## PROPOSED RULES PREAMBLE

### **Brief explanation of proposed rule**

The Texas Higher Education Coordinating Board proposes amendments to Chapter 17, subchapter B, section 17.13, concerning approval considerations for capital projects. The cost of higher education is a primary concern not only in the State of Texas, but nationally as well. A significant portion of the cost to students is in the form of student fees. Many institutions finance capital projects using student fees, which can remain in place for many years. Therefore, the short and long term impact of the increased cost related to capital construction must be subject to the scrutiny of the Texas Higher Education Coordinating Board to fulfill its role as identified in Chapter 61, Texas Education Code. Specifically, this amendment will facilitate the Board's consideration of direct financial impact to the student in regards to the capital development process. Further, it permits the Board to consider the involvement of the student body when any fee will increase the total cost of education to all students.

### **Fiscal note and estimated cost to state and local government (or estimated reduction in costs to state and local government, and/or estimated loss of increase in revenue to state and local government)**

Susan Brown, Assistant Commissioner for Planning and Accountability, Texas Higher Education Coordinating Board (THECB) has determined that for each year of the first five years the section is in effect, there will not be any fiscal implications to state or local government as a result of enforcing or administering this change to the rules.

### **Public Benefit and local employment impact**

Susan Brown, Assistant Commissioner, Texas Higher Education Coordinating Board (THECB) has determined that for each year of the first five years the section is in effect, the public benefit anticipated as a result of administering the section will be more efficient and effective administration of the capital project approval process. There is no effect on small businesses. There are no anticipated economic costs to persons who are required to comply with the section as proposed, but the proposal has the potential to help contain the costs of higher education. There is no impact on local employment.

### **Request for comments**

Comments on the proposal may be submitted to Gary Johnstone, Deputy Assistant Commissioner for Planning and Accountability, Texas Higher Education Coordinating Board (THECB), 1200 East Anderson Lane, Austin, TX, 78752 [gary.johnstone@theccb.state.tx.us](mailto:gary.johnstone@theccb.state.tx.us) . Comments will be accepted for 30 days following publication of the proposal in the *Texas Register*.

### **Statutory basis for amendment (or new rule)**

The amendment is proposed under the Texas Education Code, Sections §61.0572 and §61.058.

### **Statutes, articles, codes affected by the proposed action**

The amendment affects the following Texas Education Code, Sections §61.0572 and §61.058.

## CHAPTER 17. Resource Planning

### Subchapter B. Board Approval

#### Section

- 17.10. Board Approval
- 17.11 Projects Exempt from Board Approval
- 17.12 Delegation of Approval Authority
- 17.13 Approval Considerations
- 17.14 Re-Approval of Projects
- 17.15 Expedited Process for Certain Projects

17.10 – 17.12 (No change.)

#### 17.13 Approval Considerations

(a) The Board's consideration and determination shall be limited to the purpose for which the new or remodeled buildings are to be used to assure conformity with approved space utilization standards and the institution's approved programs, role, and mission.

(b) The Board shall consider the purpose for which the new or remodeled buildings are to be used, cost factors, and the financial implications of the project to the state.

(c) The Board shall consider the extent to which each of the standards outlined in §§17.30 - 17.51 of this title (relating to Rules Applying to New Construction and Addition Projects, Repair and Renovation Projects, and Real Property Acquisition Projects) have been met.

(d) The Board shall ascertain that standards and specifications for new construction or repair and rehabilitation of all buildings and facilities are in accordance with Texas Government code, §§469.001 - 469.105, concerning the elimination of architectural barriers.

(e) The Board may consider the financial impact of the project on students.

17.14 – 17.15 (No change.)