PROPOSED RULES PREAMBLE

Brief explanation of proposed rule

The Texas Higher Education Coordinating Board (Coordinating Board) proposes amendments to Chapter 13, Subchapter F, sections 13.102 and 13.107 pertaining to limitations on formula funding for remedial and developmental courses.

Specifically, the proposed amendment to 13.107 identifies the limitations on when universities may report, for formula funding, the semester credit hours of students enrolled in approved developmental student success or developmental ESL interventions under Rider 52, General Appropriations Act, 82nd Texas Legislature, Regular Session. Specifically, universities may not report, for funding, students who have already met their institution's readiness standards for college-level work in developmental student success or developmental ESL interventions. Additionally, universities may not report students who are currently enrolled as international study abroad students as defined in 13.102.

A definition of international study abroad students will be added to the definitions in section 13.102.

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)

Ms. Susan Brown, Assistant Commissioner of Planning and Accountability has determined that for each year of the first five years the sections are in effect, there will be a fiscal impact to the state, though it is difficult to estimate. Each fall, approximately 10,000 students enroll at universities as first-time college students who have not met state TSI standards in one or more areas (approximately 14 percent of fall, first-time college students at universities). If all of these students (50,000 for five years) enrolled in a .5 SCH developmental student success or developmental ESL intervention at a cost of $3.71 per SCH, the cost to the state would be $92,750. This is an estimate since it is difficult to know how many students would actually enroll. Some eligible students will not enroll in student success or ESL interventions; others may enroll in several. It should be noted that students who receive appropriate developmental interventions may succeed in college-level courses at higher rates, resulting in a potential savings to the state.

Public Benefit and local employment impact

Ms. Brown has determined that for each year of the first five years the sections are in effect the public will benefit from having limitations on state funding that apply developmental student success or developmental ESL interventions. Defining international study abroad students will ensure consistency in reporting across institutions and ensure the appropriate use of state funds. 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. There is no impact on local employment.

Request for comments

Comments on the proposed amendments may be submitted to Gary W. Johnstone, Deputy Assistant Commissioner, Planning and Accountability, Texas Higher Education Coordinating Board, 1200 East Anderson Lane, Austin, TX 78752, gary.johnstone@thecb.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 amendments are proposed under the Texas Education Code, Section 61.0595 which provides the Coordinating Board with authority to adopt rules relating to funding of excess undergraduate credit hours.

Section of code affected
The proposed amendments affect the Texas Education Code, Section 61.0595.

CHAPTER 13. Financial Planning

Subchapter F. Formula Funding and Tuition Charges for Repeated and Excess Hours of Undergraduate Students

Section
13.100 Purpose
13.101 Authority
13.102 Definitions
13.103 Limitation on Formula Funding for Excess Hours
13.104 Exemptions for Excess Hours
13.105 Limitation on Formula Funding for Repeated Hours for Attempted Courses
13.106 Exemptions for Repeated Hours for Attempted Courses
13.107 Limitation on Formula Funding for Remedial and Developmental Courses and Interventions
13.108 Tuition Rate for Students
13.109 Additional Responsibilities of Institutions

13.100 – 13.101 (No change.)

13.102 Definitions

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

(1) – (3) (No change.)

(4) International Study Abroad Student—A student who is a citizen or permanent resident of a nation other than the United States who resides in the nation of which he or she is a citizen or permanent resident and who is in the United States and enrolled at a Texas public institution of higher education for a limited time as part of an exchange program or other study abroad program and who is not seeking a certificate or degree from a Texas public institution of higher education.

(5) [~~(4)~~] Non-Course-Based Developmental Education Interventions (also known as Non-Semester-Length Interventions and also referred to as interventions)--Interventions that use learning approaches designed to address a student's identified weaknesses and effectively and efficiently prepare the student for college-level work. These interventions must be overseen by an instructor of record, must not fit traditional course frameworks, and cannot include advising or learning support activities already connected to a traditional course; interventions may include, but are not limited to, tutoring, supplemental instruction, or labs.

(6) [~~(5)~~] Remedial and Developmental Courses--Courses designed to correct academic deficiencies and bring students' skills to an appropriate level for entry into college. The term includes English as a Second Language (ESL) courses in which a student is placed as a result of failing the reading or writing portion of a test required by §4.56 of this title (relating to Assessment Instruments).

(7) [~~(6)~~] Repeated Hours for Attempted Course--Hours for a course that is the same or substantially similar to a course that the student previously attempted for two or more times at

the same institution. Previously attempted courses from which the student withdraws before the official census date shall not count as an attempted course.

(8) [~~(7)~~] Repeated Hours for Completed Course--Hours for a course in which a student enrolls for two or more times that is the same as or substantially similar to a course that the student previously completed and received a grade of A, B, C, D, F, or Pass/Fail at the same institution.

(9) [~~(8)~~] Student--For the purposes of this subchapter, a student who has not been awarded a bachelor's degree or the equivalent.

(10) [~~(9)~~] Workforce Education Courses--Courses offered by two-year institutions for the primary purpose of preparing students to enter the workforce rather than academic transfer. The term includes both technical courses and continuing education courses.

13.103 – 13.106 (No change.)

13.107 Limitation on Formula Funding for Remedial and Developmental Courses and Interventions

(a) – (b) (No change.)

(c) General academic teaching institutions may not report students in developmental student success courses or developmental ESL courses as defined in 13.102 (6) of this title (relating to Definitions) for formula funding. General academic teaching institutions may report a student enrolled in a developmental student success intervention or developmental ESL intervention as defined in 13.102 (5) of this title for formula funding only if the following conditions are met:

(1) the student has not met state college readiness standards under TEC Section 51.3062;

(2) the student is not currently an international study abroad student as defined in 13.102, of this title;

(3) the student has not exceeded 18 semester credit hours of remedial and developmental courses and/or interventions related to subsection (a) of this section; and

(4) the intervention meets the course description for a developmental student success or developmental ESOL(English for Speakers of Other Languages) intervention in the Lower Division Academic Course Guide Manual (ACGM).

13.108 – 13.109 (No change.)