

Rider Comparison Packet

Conference Committee on Senate Bill 1

2026-27 General Appropriations Bill

Article III - Higher Education

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital

Senate

House

10. Tuition Equalization Grants. The Coordinating Board shall present the result of its most recent annual need survey for Tuition Equalization Grant (TEG) funds as part of its biennial appropriations request to the Legislative Budget Board and the Governor. The request shall include the number of eligible students and an estimate of the amount needed to fund fully the TEG program in the coming biennium. Each institution receiving tuition equalization grants shall furnish to the Coordinating Board any financial information requested.

Independent colleges and universities that enroll students receiving Tuition Equalization Grant funds appropriated by this Act shall provide reports to the Higher Education Coordinating Board regarding the diversity of their student body and faculty. The reports for headcount enrollment shall be submitted annually in a form and at a time consistent with the Board's reporting schedule. The faculty data shall be submitted to the Integrated Postsecondary Educational Data System (IPEDS) and accessed by the Board when available from IPEDS.

For all funds appropriated above in Strategy B.1.2, Tuition Equalization Grant Program, and funds transferred into the TEG Program, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for fiscal year 2027 for the same purpose.

24. Toward EXcellence, Access and Success (TEXAS) Grant Program. For all funds appropriated in Strategy B.1.1, TEXAS Grant Program, and funds transferred into the TEXAS Grant Program, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purposes.

The Higher Education Coordinating Board shall coordinate with eligible institutions to distribute funds appropriated above for Strategy B.1.1, TEXAS Grant Program, to those institutions in a manner that ensures that each eligible student who graduates in the top 10 percent of the student’s high school graduating class receives an initial grant for the 2025-2026 academic year. Notwithstanding any other provision of this Act, the Higher Education Coordinating Board may transfer not more than five percent of the total funds appropriated for Strategy B.1.1, TEXAS Grant Program, for the state fiscal year ending August 31, 2027, to that strategy for the state fiscal year ending August 31, 2026, to the extent necessary to implement this rider.

Any amounts received by the Higher Education Coordinating Board as donations under Education

10. Tuition Equalization Grants. The Coordinating Board shall present the result of its most recent annual need survey for Tuition Equalization Grant (TEG) funds as part of its biennial appropriations request to the Legislative Budget Board and the Governor. The request shall include the number of eligible students and an estimate of the amount needed to fund fully the TEG program in the coming biennium. Each institution receiving tuition equalization grants shall furnish to the Coordinating Board any financial information requested.

The reports for headcount enrollment shall be submitted annually in a form and at a time consistent with the Board's reporting schedule. The faculty data shall be submitted to the Integrated Postsecondary Educational Data System (IPEDS) and accessed by the Board when available from IPEDS.

For all funds appropriated above in Strategy B.1.2, Tuition Equalization Grant Program, and funds transferred into the TEG Program, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for fiscal year 2027 for the same purpose.

24. Toward EXcellence, Access and Success (TEXAS) Grant Program. For all funds appropriated in Strategy B.1.1, TEXAS Grant Program, and funds transferred into the TEXAS Grant Program, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purposes.

The Higher Education Coordinating Board shall coordinate with eligible institutions to distribute funds appropriated above for Strategy B.1.1, TEXAS Grant Program, to those institutions in a manner that ensures that each eligible student who graduates in the top 10 percent of the student’s high school graduating class for the 2025-26 academic year and in the top 25 percent of the student’s high school graduating class for the 2026-27 academic year receives an initial grant. Notwithstanding any other provision of this Act, the Higher Education Coordinating Board may transfer not more than five percent of the total funds appropriated for Strategy B.1.1, TEXAS Grant Program, for the state fiscal year ending August 31, 2027, to that strategy for the state fiscal year ending August 31, 2026, to the extent necessary to implement this rider.

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
(Continued)

Senate

Code, Section 56.310, during the biennium beginning September 1, 2025, are hereby appropriated for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2025.

Any amounts transferred to the Higher Education Coordinating Board by the Comptroller of Public Accounts in accordance with Property Code, Section 72.1016(e), which provides that five percent of the money collected from stored value cards presumed to be abandoned are to be used as grants under Education Code, Chapter 56, Subchapter M, are hereby appropriated for the biennium beginning September 1, 2025, for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2025.

25. Texas Educational Opportunity Grant (TEOG) Program-Public Community Colleges. Out of the funds appropriated above in Strategy B.1.3, Texas Educational Opportunity Grant Public Community Colleges, the Higher Education Coordinating Board shall distribute funding to Public Community Colleges for the Texas Educational Opportunity Grant Program. For all funds appropriated above in Strategy B.1.3, Texas Educational Opportunity Grant Public Community Colleges, and funds transferred into the Texas Educational Opportunity Grant Program Public Community Colleges, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purpose.

26. Texas Educational Opportunity Grant (TEOG) Program-Public State and Technical Colleges. Out of the funds appropriated above in Strategy B.1.4, Texas Educational Opportunity Grant Public State and Technical Colleges, the Higher Education Coordinating Board shall distribute funding to Public State and Technical Colleges for the Texas Educational Opportunity

House

Any amounts received by the Higher Education Coordinating Board as donations under Education Code, Section 56.310, during the biennium beginning September 1, 2025, are hereby appropriated for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2025.

Any amounts transferred to the Higher Education Coordinating Board by the Comptroller of Public Accounts in accordance with Texas Property Code, Section 72.1016(e), which provides that five percent of the money collected from stored value cards presumed to be abandoned are to be used as grants under Education Code, Chapter 56, Subchapter M, are hereby appropriated for the biennium beginning September 1, 2025, for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2025.

25. Texas Educational Opportunity Grant (TEOG) Program-Public Community Colleges. Out of the funds appropriated above in Strategy B.1.3, Texas Educational Opportunity Grant Public Community Colleges, the Higher Education Coordinating Board shall distribute funding to Public Community Colleges for the Texas Educational Opportunity Grant Program. The Higher Education Coordinating Board shall coordinate with eligible institutions to distribute funds appropriated for Strategy B.1.3, Texas Educational Opportunity Grant Public Community Colleges, to those institutions in a manner that ensures that each eligible student who graduates in the top 25 percent of the student’s high school graduating class receives an initial grant for the 2026-2027 academic year.

For all funds appropriated above in Strategy B.1.3, Texas Educational Opportunity Grant Public Community Colleges, and funds transferred into the Texas Educational Opportunity Grant Program Public Community Colleges, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purpose

26. Texas Educational Opportunity Grant (TEOG) Program-Public State and Technical Colleges. Out of the funds appropriated above in Strategy B.1.4, Texas Educational Opportunity Grant Public State and Technical Colleges, the Higher Education Coordinating Board shall distribute funding to Public State and Technical Colleges for the Texas Educational Opportunity

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
(Continued)

Senate

Grant Program. For all funds appropriated above in Strategy B.1.4, Texas Educational Opportunity Grant-Public State and Technical Colleges, and funds transferred into the Texas Educational Opportunity Grant Program Public State and Technical Colleges, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purpose.

51. Computer Science Pipeline Initiative. Out of funds appropriated above in Strategy A.1.4, Computer Science Pipeline Initiative, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 is to be used to consolidate and streamline computer science education by establishing a statewide Computer Science Pipeline Initiative administered and operated by the Texas Advanced Computing Center.

In addition to amounts appropriated above in Strategy A.1.4, Computer Science Pipeline Initiative, \$2,000,000 from the General Revenue Fund in fiscal year 2026 and \$2,000,000 from the General Revenue Fund in fiscal year 2027 is hereby appropriated to the Higher Education Coordinating Board, contingent upon the Higher Education Coordinating Board demonstrating to the Comptroller of Public Accounts that the Computer Science Pipeline Initiative has raised at least \$2,000,000 in gifts and donations, including those offered in-kind, in fiscal year 2026 and at least \$2,000,000 in gifts and donations, including those offered in-kind, in fiscal year 2027. These funds shall be used for the Computer Science Pipeline Initiative. The Higher Education Coordinating Board shall furnish information supporting the amounts of gifts and donations for the program to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose. In the event the Comptroller determines that gifts and donations, including

House

Grant Program. The Higher Education Coordinating Board shall coordinate with eligible institutions to distribute funds appropriated for Strategy B.1.4, Texas Educational Opportunity Grant Public State and Technical Colleges, to those institutions in a manner that ensures that each eligible student who graduates in the top 25 percent of the student’s high school graduating class receives an initial grant for the 2026-2027 academic year.

For all funds appropriated above in Strategy B.1.4, Texas Educational Opportunity Grant Public State and Technical Colleges, and funds transferred into the Texas Educational Opportunity Grant Program Public State and Technical Colleges, any unexpended balances on hand at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purpose

51. Computer Science Pipeline Initiative. Out of funds appropriated above in Strategy A.1.4, Computer Science Pipeline Initiative, \$7,000,000 from the General Revenue Fund in fiscal year 2026 and \$7,000,000 from the General Revenue Fund in fiscal year 2027 is to be used to consolidate and streamline computer science education by establishing a statewide Computer Science Pipeline Initiative administered and operated by WeTeach CS at the Texas Advanced Computing Center.

Any unexpended balances of funds remaining as of August 31, 2026, are appropriated for the fiscal year beginning September 1, 2026, for the same purpose.

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
(Continued)

Senate

House

those offered in-kind, do not meet \$2,000,000 within a fiscal year, the Comptroller shall issue a finding of fact and the contingency appropriation shall be reduced to match the amount of gifts and donations, including those offered in-kind, as determined by the Comptroller. Any unexpended balances of funds remaining as of August 31, 2026, are appropriated for the fiscal year beginning September 1, 2026, for the same purpose.

59. Texas Transfer Grant Program. Any unexpended balances for Strategy B.1.11, Texas Transfer Grants Program, at the end of fiscal year 2026 may be carried over to fiscal year 2027 and are appropriated for the same purpose.

62. Reporting by the Texas Higher Education Coordinating Board. It is the intent of the Legislature that the Texas Higher Education Coordinating Board include in its Legislative Appropriations Request for the 2028-29 biennium, information on actual expenditures and budgeted expenditures by awardees of the Graduate Medical Education Expansion Program and other relevant information or data on all awardees to examine how those funds are spent.

59. Texas Transfer Grant Program. Any unexpended balances for Strategy B.1.11, Texas Transfer Grants Program, at the end of fiscal year 2026 may be carried over to fiscal year 2027 and transferred into strategy B.1.1, Texas Grant Program.

62. TEXAS Grants for TEOG Transfer Students. Out of funds appropriated above in Strategy B.1.1, TEXAS Grant Program, \$27,376,008 in fiscal year 2027 will be used to provide TEXAS Grants for eligible students who meet the criteria established in Education Code, Section 56.3041(a)(2)(c).

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
(Continued)

Senate

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63. Contingency Funding for Texas Educational Opportunity Grants (TEOG) for Baccalaureate Degrees. Included in the amounts appropriated above in Strategy B.1.3, TEOG Public Community Colleges, \$3,418,363 out of the General Revenue Fund in fiscal year 2027 is contingent on the enactment of legislation by the Eighty-ninth Legislature relating to the expansion of the Texas Educational Opportunity Grant Program to provide grants for students seeking bachelor’s degrees at community colleges.

64. Contingency Funding for Texas Armed Services Scholarship Program. Included in amounts appropriated above in Strategy B.1.8, Texas Armed Services, \$3,035,315 out of the General Revenue Fund in fiscal year 2026 and \$3,035,315 out of the General Revenue Fund in fiscal year 2027 is contingent on the enactment of legislation by the Eighty-ninth Legislature relating to increasing the maximum award amount for the Texas Armed Services Scholarship Program. Any unexpended balances at the end of fiscal year 2026 are appropriated for the same purpose for fiscal year 2027.

65. Rural Veterinary Incentive Program. Out of funds appropriated above in Strategy C.1.4, Rural Veterinary Incentive Program, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 shall be deposited to the credit of General Revenue Account 5191, Rural Veterinary Incentive, to support the Rural Veterinary Incentive Program established under Education Code Chapter 56, Subchapter G. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

66. Education and Retention Study. Out of funds appropriated above in Strategy D.1.12, Education and Retention Study, to the Higher Education Coordinating Board, is \$200,000 from the General Revenue Fund in fiscal year 2026 to conduct a study on the education and retention of

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
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Senate

House

obstetricians and gynecologists in Texas. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

67. Veterinary Medicine Workforce Study. Out of funds appropriated above in Strategy C.1.6, Veterinary Medicine Study, \$200,000 from the General Revenue Fund in fiscal year 2026 shall be used by the Higher Education Coordinating Board to conduct a comprehensive workforce study on veterinary medicine in Texas.

The study shall assess whether the state’s veterinary workforce needs are being met and analyze workforce trends, with particular attention to the following:

- (a) The impact of the Texas Tech University School of Veterinary Medicine (TTU-SVM) on veterinary shortages in underserved areas, including rural communities, regions with a high volume of large and food animal practice, and the U.S./Mexico border.
- (b) The effects of TTU-SVM’s applicant selection and distributed education model on the retention and placement of veterinarians in areas of need.
- (c) The role of Texas A&M College of Veterinary Medicine’s expanded class size and Veterinary Education, Research, and Outreach (VERO) program in addressing workforce shortages.
- (d) The influence of increased veterinary school enrollments in neighboring states on the availability of veterinarians in Texas.
- (e) The effectiveness and future potential of the Rural Veterinarian Incentive Program (RVIP) in alleviating shortages, given its recent funding and active participants.

The THECB shall submit a report detailing the findings of this study, including recommendations for future workforce planning, to the Governor, the Lieutenant Governor, the Speaker of the House, and the Legislative Budget Board no later than December 1, 2026.

Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
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Senate

House

fiscal year beginning September 1, 2026.

- 68. Behavioral Health Innovation Grant Program.** Out of funds appropriated above in Strategy D.1.13, Behavioral Health Innovation, the Higher Education Coordinating Board shall allocate \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 to the Behavioral Health Innovation Grant Program to support recruitment, training, and retention programs in behavioral health fields through the solicitation of grant applications from public community colleges. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.
- 69. Family Medicine-Obstetrics Postgraduate Training Grant Program.** Out of funds appropriated above for Strategy D.1.14, Family Medicine-Obstetrics Postgraduate Training Grant Program, the Higher Education Coordinating Board shall use \$2,500,000 for each state fiscal year of the state fiscal biennium ending August 31, 2027, to support the development or expansion and administration of family medicine-obstetrics postgraduate training grant programs and to support the salaries and benefits of the training physicians. Any unexpended balances remaining as of August 31, 2026, are appropriated to the Higher Education Coordinating Board for the same purpose for the state fiscal year ending August 31, 2027.
- 70. Joint Admission Medical Program: Funding and Report.** It is the intent of the legislature that, out of funds appropriated above, the Joint Admission Medical Program (JAMP) Council shall compile and submit a report to the Texas Higher Education Coordinating Board and other parties, pursuant to Section 51.834(a), Education Code, on December 31 of each even-numbered year.

The report shall be in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), any provisions of Chapter 551, Government Code, and detail program activities, including:

HIGHER EDUCATION COORDINATING BOARD

Differences Only - Excludes Capital
(Continued)

Senate

House

- (a) expenditure of appropriated program funding with a statement of any ending balance and monies that remain unobligated and unexpended for each fiscal year;
- (b) the number of students admitted, enrolled, withdrawn, or subject to disciplinary actions, with analysis of council or voluntary initiation, and the reasons provided for such actions in the program;
- (c) graduate medical scholarship expenditure awarded to participating medical students, with justifications for retaining any ending balance, including unobligated and unexpended balances, at the end of a state fiscal year in lieu of expending the excess funds to increase the medical scholarship amount;
- (d) actions taken to allocate, at a minimum, thirty percent of program appropriation expenditure to graduate medical scholarships with prioritization over other scholarships;
- (e) JAMP council meeting information, including dates, times, agendas, and public notices provided to students in the program; and
- (f) provisions and means implemented for students in the program to provide online anonymous and identified feedback and options for participation in JAMP Council meetings.

THE UNIVERSITY OF TEXAS AT ARLINGTON

Differences Only - Excludes Capital

Senate

House

9. **North Texas Water Institute.** Out of funds appropriated above in Strategy C.1.3, North Texas Water Institute, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 shall be used for the North Texas Water Institute. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

Senate

House

12. Texas Archeological Research Laboratory Database. Out of funds appropriated above in Strategy C.2.8, Archeological Research Laboratory, \$300,000 from the General Revenue Fund in fiscal year 2026 shall be used to modernize the Texas Archeological Research Laboratory’s database. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

This appropriation is contingent on approval by a two-thirds majority in each chamber of the legislature. In accordance with Texas Constitution, Article VII, Section 18(i), the legislature finds that there is a demonstrated need for modernizing the Texas Archeological Research Laboratory database at The University of Texas at Austin, and that such appropriation may be used for such improvements.

13. Institute on Domestic Violence and Sexual Assault. Out of funds appropriated above in Strategy C.2.9, Institute on Domestic Violence and Sexual Assault, \$650,000 in General Revenue in fiscal year 2026 is to be used by the Institute on Domestic Violence and Sexual Assault at The University of Texas at Austin to conduct a statewide survey on the prevalence of sexual assault in Texas. The study is to ensure that survivors, policy makers, advocates, law enforcement, and Texans have up-to-date statistics on sexual assault and its impact. The Institute shall release its final report by August 31, 2027. Any unexpended balances of funds remaining as of August 31, 2026, are hereby appropriated to The University of Texas at Austin for the fiscal year beginning September 1, 2026, for the same purpose.

14. Seismic-Resistant Infrastructure Study. Out of funds appropriated above in Strategy C.2.3, Bureau of Economic Geology, the Department shall conduct a study on Seismic-Resistant Infrastructure, and report it's findings to the legislature no later than December 31, 2026.

THE UNIVERSITY OF TEXAS AT EL PASO

Differences Only - Excludes Capital

Senate

House

4. **Mining Engineering Program.** Out of funds appropriated above in Strategy C.1.4, Mining Engineering Program, \$10,000,000 from the General Revenue Fund in fiscal year 2026 and \$10,000,000 from the General Revenue Fund in fiscal year 2027 shall be used for the development of a Mining Engineering Program. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY

Differences Only - Excludes Capital

Senate

House

3. **School of Optometry.** Out of funds appropriated above in Strategy C.1.5, School of Optometry, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 shall be used for the School of Optometry. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES

Differences Only - Excludes Capital

Senate

House

2. Advanced Technologies.

- (a) All unexpended and unobligated balances remaining as of August 31, 2025, from appropriations made by Section 4.34, Chapter 458 (S.B. 30) Acts of the 88th Legislature, Regular Session, 2023 (the Supplemental Appropriations Act), from the General Revenue Fund to the Texas A&M University System for quantum and artificial intelligence chip fabrication and the Center for Microdevices and Systems (estimated to be \$0) are appropriated for the same purpose for the biennium beginning September 1, 2025. All unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.
- (b) The legislature finds that there is a demonstrated need for the appropriation of General Revenue Funds for the purpose described by Subsection (a) of this section. The appropriation made by this section is contingent on approval by two thirds of each chamber of the legislature, as required under Section 18(i), Article VII, Texas Constitution.

- 2. **Low-Enrollment Population Recruitment and Retention.** Out of funds appropriated above in Strategy B.1.2, Targeted College Visit Program, \$1,000,000 from the General Revenue Fund in fiscal year 2026 and \$1,000,000 from the General Revenue Fund in fiscal year 2027 will be used to support the Targeted College Visit Pilot Program within the Texas A&M University System at the main campus, Prairie View A&M University, and other regional campuses. Texas A&M University System shall submit a report to the Legislative Budget Board no later than October 1 of each even fiscal year on the activities of the program, including information on number of campus visits and number of students matriculated. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

Senate

House

4.

Hollingsworth Center for Ethical Leadership. Out of the funds appropriated above in Strategy C.1.2, Hollingsworth Center, \$617,500 from the General Revenue Fund in fiscal year 2026 and \$617,500 from the General Revenue Fund in fiscal year 2027 will be used to support program development, curricular alignment and faculty hires to support the mission of developing well educated citizens of character. Any unexpended balances remaining as of August 31, 2026, are appropriated to the institution for the same purpose in the fiscal year beginning September 1, 2026.
5.

Veterinary Emergency Response Team. Out of the funds appropriated above in Strategy C.1.3, Veterinary Emergency Team, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 will be used to support veterinary disaster response and emergency planning. Any unexpended balances remaining as of August 31, 2026, are appropriated to the institution for the same purpose in the fiscal year beginning September 1, 2026.
6.

Corps of Cadets Uniform Allowance. Out of the funds appropriated above in Strategy C.1.4, Corps of Cadets Uniforms, \$3,000,000 from the General Revenue Fund in fiscal Year 2026 and \$3,000,000 from the General Revenue Fund in fiscal year 2027 will be used to offset uniform usage fees for drill and ceremony cadets to remain in the Corps of Cadets at Texas A&M. Any unexpended balances remaining as of August 31, 2026, are appropriated to the institution for the same purpose in the fiscal year beginning September 1, 2026.

4. Maritime Infrastructure Project.

- (a) All unexpended and unobligated balances remaining as of August 31, 2025, from appropriations made by Section 8.51, Chapter 458 (S.B. 30), Acts of the 88th Legislature, Regular Session, 2023 (the Supplemental Appropriations Act), from the General Revenue Fund to Texas A&M University at Galveston for dock and other infrastructure improvements needed to accept new and larger vessels from the United States Department of Transportation and the United States Maritime Administration (MARAD) (estimated to be \$0) are appropriated for the same purpose for the biennium beginning September 1, 2025. All unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.
- (b) The legislature finds that there is a demonstrated need for the appropriation of General Revenue Funds for the purpose described by Subsection (a) of this section. The appropriation made by this section is contingent on approval by two-thirds of each chamber of the legislature, as required by Section 18(i), Article VII, Texas Constitution.

- 4. **Institute for a Disaster Resilient Texas.** Out of funds appropriated to Texas A&M University at Galveston in Strategy C.2.1, Disaster Resilient Texas, \$3,500,000 from the General Revenue Fund in fiscal year 2026 and \$3,500,000 from the General Revenue Fund in fiscal year 2027 shall be used to support the Institute for a Disaster Resilient Texas. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

TEXAS A&M UNIVERSITY - KINGSVILLE

Differences Only - Excludes Capital

Senate

House

3.

Citrus Center Budwood Program. Out of funds appropriated to Texas A&M University - Kingsville in Strategy C.2.1, Citrus Center, \$1,515,781 in General Revenue in fiscal year 2026 and \$1,515,781 in General Revenue in fiscal year 2027 shall be used for the Citrus Center. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for fiscal year 2027.
4.

Rural Nursing and Health Professions Program. Out of funds appropriated above to Texas A&M University at Kingsville in Strategy C.1.3, Rural Nursing and Health Professions, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 will be used to support the Rural Nursing and Health Professions Program. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

Senate

House

5. Multicultural Success. Out of funds appropriated above to Strategy C.3.4, Multicultural Success, \$1,250,000 from the General Revenue Fund in fiscal year 2026 and \$1,250,000 from the General Revenue Fund in fiscal year 2027 will be used for Multicultural Success.

5. Study on the Effects of Perfluoroalkyl and Polyfluoroalkyl Chemicals on Public Health.

- (a) Out of funds appropriated above, the University of Houston shall designate a department or entity at the university to conduct, in collaboration with the Railroad Commission of Texas and the Texas Commission on Environmental Quality, a study on the effects of perfluoroalkyl and polyfluoroalkyl chemicals found in:
 - (1) Produce, meat, and other food and beverage products, including their packaging;
 - (2) Groundwater, rivers, lakes, reservoirs, and other water sources used to supply the public with drinking water; and
 - (3) Equipment or materials that:
 - (A) Likely contain perfluoroalkyl and polyfluoroalkyl chemicals; and
 - (B) Regularly come into contact with professionals, including firefighters and chemical manufacturing workers.
- (b) Not later than December 1, 2026, the University of Houston shall prepare a report with the conclusions of the study and submit the report to the legislature.

Senate

House

5. Tiger Fleet Modernization. Out of funds appropriated above in Strategy C.1.5, Tiger Fleet Modernization, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 will be used to support aircraft fleet modernization. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

This appropriation is contingent on approval by a two-thirds majority in each chamber of the legislature. In accordance with Texas Constitution, Article VII, Section 17(j), the legislature finds that there is a demonstrated need for the Tiger Fleet Modernization at Texas Southern University and that such appropriation may be used for the construction of such facilities.

6. Tiger Success Unlimited. Out of funds appropriated above in Strategy C.1.6, Tiger Success Unlimited, \$2,250,000 from the General Revenue Fund in fiscal year 2026 and \$2,250,000 from the General Revenue Fund in fiscal year 2027 shall be used to support the Tiger Success Unlimited Texas Educator Excellence program. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

7. Center for Nursing Education, Research, and Maternal-infant Health. Out of funds appropriated above in Strategy C.1.7, Nursing & Maternal-Infant Health, \$1,500,000 from the General Revenue Fund in fiscal year 2026 and \$1,500,000 from the General Revenue Fund in fiscal year 2027 shall be used to support the Center for Nursing Education, Research, and Maternal-Infant Health program. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

8. PharmD Satellite Campuses. Out of funds appropriated above in Strategy C.1.8, PharmD Satellite Campuses, \$4,537,050 from the General Revenue Fund in fiscal year 2026 and \$4,537,050 from the General Revenue Fund in fiscal year 2027 shall be used to enhance pharmacy programs at satellite campuses to address the need for healthcare professionals in Texas. Any

TEXAS SOUTHERN UNIVERSITY
Differences Only - Excludes Capital
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Senate

House

unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

9. Tiger Online Learning Expansion. Out of funds appropriated above in Strategy C.1.9, Tiger Online Learning Expansion, \$1,500,000 from the General Revenue Fund in fiscal year 2026 and \$1,500,000 from the General Revenue Fund in fiscal year 2027 shall be used to support online learning expansion. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

Senate

House

4. **West Texas Agricultural and Urban Water Sustainability Initiative.** Out of funds appropriated above in Strategy C.3.6, West Texas Agricultural and Urban Water Sustainability Initiative, \$3,000,000 from the General Revenue Fund in fiscal year 2026 and \$3,000,000 from the General Revenue Fund in fiscal year 2027 shall be used for the West Texas Agricultural and Urban Water Sustainability Initiative. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

ANGELO STATE UNIVERSITY

Differences Only - Excludes Capital

Senate

House

5. **Center of Excellence for Artificial Intelligence.** Out of funds appropriated above in Strategy C.1.4, Center of Excellence for Artificial Intelligence, \$7,000,000 from the General Revenue Fund in fiscal year 2026 and \$7,140,000 from the General Revenue Fund in fiscal year 2027 shall be used for the Center of Excellence for Artificial Intelligence. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

MIDWESTERN STATE UNIVERSITY

Differences Only - Excludes Capital

Senate

House

4. **Student Success and Military Education Center.** Out of funds appropriated above in Strategy C.1.2, Student Success and Military Education Support Center, \$2,839,839 from the General Revenue Fund in fiscal year 2026 and \$2,839,839 from the General Revenue Fund in fiscal year 2027 shall be used for the Student Success and Military Education Support Center. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

Differences Only - Excludes Capital

Senate

House

10. **Texas Firefighter Cancer Study.** Out of funds appropriated above in Strategy E.3.3, Firefighter Cancer Study, \$1,250,000 from the General Revenue Fund in fiscal year 2026 and \$1,250,000 from the General Revenue Fund in fiscal year 2027 shall be used to provide Texas firefighters with annual physical examinations to diagnose cancer. The University of Texas Health Science Center at Houston Southwest Center for Occupational and Environmental Health is required to conduct a study including the work history of new, active, and retired firefighters, air samples from fires to measure exposure to cancer-causing chemicals, and cancer data from the Texas Cancer Registry and other sources. The study shall identify which groups of firefighters are most at risk and recommend policies and programs that will protect their health. The Center for Occupational and Environmental Health shall report its interim findings to the Legislature no later than December 31, 2027. Any unexpended balances as of August 31, 2026, are appropriated for the same purposes for the fiscal year beginning on September 1, 2026.
11. **Texas All-Payor Claims Database.** Out of funds appropriated above in Strategy E.4.4, Texas All-Payor Claims Database, \$4,500,000 from the General Revenue Fund in fiscal year 2026 and \$4,500,000 from the General Revenue Fund in fiscal year 2027 may be used to ensure inclusion in the Texas All-Payor Claims Database a disaggregation of demographic, diagnostic, client medical condition data pertaining to identification of opportunities for integration and standardization of best practices, minimum standards of care for high utilization populations, and measures of healthcare quality, including but not limited to identification of cost-effective practices leading to decrease of potentially preventable emergency department and other high-cost resource utilization.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Differences Only - Excludes Capital

Senate

House

- 5. Opioid Abuse Prevention and Treatment.** Out of funds appropriated above in Strategy E.2.1, Opioid Abuse Prevention, \$9,100,000 in fiscal year 2026 and \$9,100,000 in fiscal year 2027 from GR-Dedicated Account No. 5189 shall be used to support efforts that include, but are not limited to, funding for overdose reversal medication access for law enforcement, distribution through health care providers, educational programming and distribution through schools, and distribution through community organizations. It is the intent of the Legislature that his funding stream be considered to supplement opioid abuse prevention activities for subsequent biennia.

By November 1, 2026, The University of Texas Health Science Center at San Antonio shall submit a report to the Legislative Budget Board, the Office of the Governor, the Senate Finance Committee, and the House Appropriations Committee detailing the expenditure of funds appropriated in Strategy E.2.1, Opioid Abuse Prevention, during fiscal year 2026. The report shall contain, at a minimum, metrics that mirror information contractually required to be submitted to the Health and Human Services Commission in order to inform of any future appropriations.

Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning on September 1, 2026.

- 6. The University of Texas School of Public Health San Antonio.** Out of funds appropriated above in strategy E.1.2, School of Public Health, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 shall be used for The University of Texas School of Public Health San Antonio. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning on September 1, 2026.

THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY SCHOOL OF MEDICINE

Differences Only - Excludes Capital

Senate

House

6.

Limb Preservation Program. Out of funds appropriated above in Strategy D.1.4, Limb Preservation Program, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 shall be used for the Limb Preservation Program. All unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning on September 1, 2026.
7.

Cancer Immunology Center. Out of funds appropriated above in Strategy D.1.2, Cancer Center/Cancer Research, \$2,500,000 from the General Revenue Fund in fiscal year 2026 and \$2,500,000 from the General Revenue Fund in fiscal year 2027 shall be used for the Cancer Immunology Center. All unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning on September 1, 2026.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Differences Only - Excludes Capital

Senate

House

5. **School of Population and Public Health.** Out of funds appropriated to Texas Tech University Health Sciences Center in Strategy D.1.4, School of Population and Public Health, \$956,708 from the General Revenue Fund in fiscal year 2026 and \$956,708 from the General Revenue Fund in fiscal year 2027 will be used for the School of Population and Public Health.

7. **Institute for Telehealth Technology and Innovation.** Out of funds appropriated above in Strategy D.1.5, Institute for Telehealth Technology and Innovation, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 shall be used to support the Institute for Telehealth Technology and Innovation.

6. **Institute for Telehealth Technology and Innovation.** Out of funds appropriated above in Strategy D.1.2, Institute for Telehealth Technology and Innovation, \$5,000,000 from the General Revenue Fund in fiscal year 2026 and \$5,000,000 from the General Revenue Fund in fiscal year 2027 shall be used to support the Institute for Telehealth Technology and Innovation.

**SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE
TECHNICAL COLLEGE**

Differences Only - Excludes Capital

Senate

10. Returned Value Funding Model for Texas State Technical Colleges. Funding is recommended for and allocated among Texas State Technical Colleges (TSTCs) based on the additional direct and indirect state tax revenues generated as a result of the education provided to students by the TSTCs. The funding methodology is based on the following components:

- a. The model includes the cohort of TSTC graduates (earning an associate's degrees or certificate), transfers, and leavers (students who were not found in Texas higher education for two years following the last time they were enrolled in the TSTC) with a minimum completion of nine semester credit hours from 2017 and 2018.
- b. The cohorts were matched with Unemployment Insurance wage records for employment and wage information for five years after the students graduated from or left the TSTC to establish annual wages for each student. Direct value-added was defined as the incremental state tax revenue attributable to former TSTC students' jobs, based on the difference between former TSTC students' annual wages and a base wage representing a person working full-time (40 hours per week for 52 weeks or 2080 hours) at \$12.74/hr (or \$26,494 annually). Wages were inflation-adjusted to the current year. Indirect value-added was defined as the direct value-added multiplied by 1.5, an economic multiplier derived from a U.S. Bureau of Economic Analysis study. Total direct and indirect values-added were summed for each group of students by campus across five years.
- c. Values-added were reduced by a certain percentage, based on the assumption that the benefits would accrue both to the state and TSTCs but with only a portion of the added value included in the formula calculations.
- d. Values-added by campus were divided into the total TSTC value added to define each institution's proportional share of overall formula funding.

The Texas State Technical College System shall continue to work with the Texas Higher Education Coordinating Board, the Legislative Budget Board and other relevant agencies to refine the new Returned Value Funding Formula for the TSTCs. It is the intent of the Legislature that recommended adjustments to the formula shall be ready for implementation in the 2028-29 biennium and shall further the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours.

House

10. Returned Value Funding Model for Texas State Technical Colleges. Funding is recommended for and allocated among Texas State Technical Colleges (TSTCs) based on the additional direct and indirect state tax revenues generated as a result of the education provided to students by the TSTCs. The funding methodology is based on the following components:

- a. The model includes the cohort of TSTC graduates (earning an associate's degrees or certificate), transfers, and leavers (students who were not found in Texas higher education for two years following the last time they were enrolled in the TSTC) with a minimum completion of nine semester credit hours from 2017 and 2018.
- b. The cohorts were matched with Unemployment Insurance wage records for employment and wage information for five years after the students graduated from or left the TSTC to establish annual wages for each student. Direct value-added was defined as the incremental state tax revenue attributable to former TSTC students' jobs, based on the difference between former TSTC students' annual wages and a base wage representing a full-time employee earning minimum wage (7 percent of the wage delta) a person working full-time (40 hours per week for 52 weeks or 2080 hours) at \$12.74/hr (or \$26,494 annually). Wages were inflation-adjusted to the current year. Indirect value-added was defined as the direct value-added multiplied by 1.5, an economic multiplier derived from a U.S. Bureau of Economic Analysis study. Total direct and indirect values-added were summed for each group of students by campus across five years.
- c. Values-added were reduced by a certain percentage, based on the assumption that the benefits would accrue both to the state and TSTCs but with only a portion of the added value included in the formula calculations.
- d. Values-added by campus were divided into the total TSTC value added to define each institution's proportional share of overall formula funding.

The Texas State Technical College System shall continue to work with the Texas Higher Education Coordinating Board, the Legislative Budget Board and other relevant agencies to refine the new Returned Value Funding Formula for the TSTCs. It is the intent of the Legislature that recommended adjustments to the formula shall be ready for implementation in the 2028-29 biennium and shall further the goal of rewarding job placement and graduate earnings projections, not time in training or contact hours.

TEXAS A&M AGRILIFE EXTENSION SERVICE

Differences Only - Excludes Capital

Senate

House

12. **Rural Student Success Initiative.**

Out of funds appropriated above in Strategy C.1.1, Leadership Development, \$1,250,000 out of the General Revenue Fund in fiscal year 2026 and \$1,250,000 out of the General Revenue Fund in fiscal year 2027 shall be used to support the Rural Student Success Initiative. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning on September 1, 2026.
13. **Study on the Impact of Debris on Livestock.**

(a)

Out of the amounts appropriated above out of the General Revenue Fund in Strategy B.1.1, Agriculture and Natural Resources, the Texas A&M AgriLife Extension Service shall use not more than \$25,000 each state fiscal year to conduct a study to evaluate the impact of debris on livestock.

(b)

Not later than December 1, 2026, the Texas A&M AgriLife Extension Service shall submit to the governor, lieutenant governor, and speaker of the house of representatives a report that includes the findings of the study and any recommendations for legislative or other action.

TEXAS A&M TRANSPORTATION INSTITUTE

Differences Only - Excludes Capital

Senate

House

4. Study on Vehicle Emergency Occupant Egress Technology.

- (a) Out of funds appropriated above, it is the intent of the Legislature that the Texas A&M Transportation Institute shall conduct a study to compile and analyze Texas-wide fatality data related to vehicle entrapment over the past 10 years, identifying key trends and gaps in current reporting. The study shall aggregate fatality and sustained injury data from vehicle immersion/submersion and fire-related incidents, ensuring a comprehensive dataset. Data categories shall include:
 - (1) motor vehicle crashes and non-crash incidents leading to water or fire entrapment, both on public roads and private properties;
 - (2) cataclysmic events such as hurricanes, floods, sinkholes, and wildfires, which are currently underreported;
 - (3) spontaneous vehicle fires, including those involving electrical or lithium-ion battery-related accidents not linked to crashes;
 - (4) fatalities occurring beyond 30 days after the incident, if linked to sustained injuries; and
 - (5) collection of demographic data, including age, to assess vulnerable populations (e.g. children, elderly, individuals with disabilities) who may face unique escape challenges.
- (b) Out of funds appropriated above, it is the intent of the Legislature that the Texas A&M Transportation Institute shall conduct a study to evaluate the practicality, effectiveness, and cost considerations of integrating automated occupant egress technology in vehicles. The study shall include:
 - (1) assessing the cost, benefits, and feasibility of integrating automated window-opening technology to facilitate rapid occupant egress;
 - (2) identifying potential manufacturers and suppliers for cost-effective adoption of emergency egress systems in vehicles;
 - (3) analyzing survival rates, and the severity of sustained injury by comparing current

TEXAS A&M TRANSPORTATION INSTITUTE
Differences Only - Excludes Capital
(Continued)

Senate

House

- escape success rates against projected outcomes with enhanced technology;
- (4) assessing implications for vehicle design and regulatory considerations for implementing these systems in standard vehicles; and
- (5) evaluating the effectiveness of automated occupant egress technologies that open vehicle windows, compared to manual window breaking tools (like hammers and center punches as per AAA July 2019 study on Vehicle Escape Tool Evaluation) and assessing its applicability across all windows and vehicle types.
- (c) It is the intent of the Legislature that the Texas A&M Transportation Institute shall submit a report to the Legislature and the Office of the Governor no later than September 1, 2026, on the results of the studies.

TEXAS A&M ENGINEERING EXTENSION SERVICE

Differences Only - Excludes Capital

Senate

3. **Ensuring Texas Task Force 1 and 2 Operational Readiness.** Out of the monies from the General Revenue Fund appropriated above, \$1,506,375 per fiscal year shall be used to support the operational readiness of Texas Task Force 1, and \$1,000,000 per fiscal year shall be used to support the operational readiness of Texas Task Force 2.

House

3. **Ensuring Texas Task Force 1, 2, and 3 Operational Readiness.** Out of the monies from the General Revenue Fund appropriated above, \$1,506,375 per fiscal year shall be used to support the operational readiness of Texas Task Force 1, \$1,000,000 per fiscal year shall be used to support the operational readiness of Texas Task Force 2, and \$1,000,000 per fiscal year shall be used to support the operational readiness of Texas Task Force 3.

TEXAS A&M FOREST SERVICE

Differences Only - Excludes Capital

Senate

House

9. Firefighting Equipment Database. Out of funds appropriated above in Strategy B.1.1, KTP - TFS Operations, \$500,000 from the General Revenue Fund in each fiscal year of the biennium shall be used to create and maintain a comprehensive database of statewide inventory of firefighting equipment available for use in responding to wildfires.

10. Camera-Based Wildfire Detection System. Out of funds appropriated above in Strategy B.1.1, KTP - TFS Operations, \$5,000,000 out of the General Revenue Fund in fiscal year 2026 and \$5,000,000 out of the General Revenue Fund in fiscal year 2027 shall be used by the Texas A&M Forest Service to employ a network of high-resolution cameras backed by best available computer vision technology, whereby the cameras can be affixed, deployed, and maintained, and associated software can provide monitoring continuously and identify potential fire threats such as but not limited to smoke plumes. Furthermore, the detection and monitoring solution shall rapidly notify state, local, and federal fire management agencies of fire detection in real time and be capable of providing precise triangulated coordinates for the location of fire. In selecting vendors, the Texas A&M Forest Service shall consider:

- (a) the quality of hardware solutions, including camera resolution, optical zoom magnification, redundant 360-degree view capability, and pan-tilt capability;
- (b) the services delivered to the state as part of the solution, including deployment, maintenance, and outreach and training for fire agency users;
- (c) the quality, reliability, and speed of software detection and precision and reliability of fire location mapping;
- (d) the quality of the solution's user interface for fire agency users; and
- (e) the overall cost of the components and services provided as part of the solution.

11. Report on Wildfires and Electrical Infrastructure.

TEXAS A&M FOREST SERVICE
Differences Only - Excludes Capital
(Continued)

Senate

House

- (a) The Texas A&M Forest Service, using money appropriated above for Strategy A.1.1, Forestry Leadership, shall prepare a report on the connection between wildfires and electrical infrastructure in this state.
- (b) The report described by Subsection (a) of this rider must:
 - (1) identify the areas in this state at highest risk for wildfires;
 - (2) recommend strategies to lessen the risk and cost of wildfires resulting from electrical infrastructure;
 - (3) include the total damage to this state’s infrastructure resulting from wildfires;
 - (4) include the total costs to this state of personnel and equipment used to prevent and respond to wildfires;
 - (5) include the costs to this state of repairing electrical infrastructure following a wildfire; and
 - (6) include any other information on the impact of wildfires in this state the Texas A&M Forest Service considers necessary for the report.
- (c) Not later than August 31, 2026, the Texas A&M Forest Service shall submit the report described by this rider to the governor, the lieutenant governor, and each member of the legislature.

TEXAS DIVISION OF EMERGENCY MANAGEMENT

Differences Only - Excludes Capital

Senate

House

9. **Camera-Based Wildfire Detection System.** Out of funds appropriated above in Strategy A.1.2, Response Coordination, the Texas Division of Emergency Management may employ a network of high-resolution cameras backed by best available computer vision technology, whereby the cameras can be affixed, deployed, and maintained, and associated software can provide monitoring continuously and identify potential fire threats such as but not limited to smoke plumes. Furthermore, the detection and monitoring solution shall rapidly notify state, local, and federal fire management agencies of fire detection in real time and be capable of providing precise triangulated coordinates for the location of fire. In selecting vendors, the division shall consider:

- (a) the quality of hardware solutions, including camera resolution, optical zoom magnification, redundant 360-degree view capability, and pan-tilt capability;
- (b) the services delivered to the state as part of the solution, including deployment, maintenance, and outreach and training for fire agency users;
- (c) the quality, reliability, and speed of software detection and precision and reliability of fire location mapping;
- (d) the quality of the solution's user interface for fire agency users; and
- (e) the overall cost of the components and services provided as part of the solution.

9. **Appropriation for Flood Mitigation in City of Mercedes, Hidalgo County.** Out of funds appropriated above in Strategy A.1.3, Recovery and Mitigation, \$1,500,000 out of the General Revenue Fund in fiscal year 2026 shall be used for flood mitigation in the City of Mercedes in Hidalgo County in order to prevent flooding around the evacuation shelter, which was built for emergency management and shelters.

10. **Potter County Emergency Operations Center.** Out of funds appropriated above in Strategy A.1.4, State Operations Center, \$5,000,000 from the General Revenue Fund in fiscal year 2026 of the biennium shall be used to support the Potter County Emergency Operations Center.

TEXAS DIVISION OF EMERGENCY MANAGEMENT

Differences Only - Excludes Capital

(Continued)

Senate

House

10. State Operations Center. All unexpended and unobligated balances remaining as of August 31, 2025, from money received by this state from the Coronavirus State Fiscal Recovery Fund (42 U.S.C. Section 802) established under the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) and deposited to the credit of the coronavirus relief fund number 325 to the Texas Division of Emergency Management for the purpose of the acquisition of land for, and construction of, a state operations center (estimated to be \$0) are appropriated for the same purpose for the biennium beginning September 1, 2025. All unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

**SPECIAL PROVISIONS RELATING ONLY TO
STATE AGENCIES OF HIGHER EDUCATION**

Differences Only - Excludes Capital

Senate

House

Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.

1. None of the funds appropriated by this Act may be expended for the establishment, operation, or maintenance, or for the payment of any salaries to the employees in, any wholly or partially state-supported medical, dental, or law school which: (a) imposes a limitation on the number of students that it admits, (b) in an academic semester denies admission to one or more Texas residents who apply for admission and who reasonably demonstrate that they are probably capable of doing the quality of work that is necessary to obtain the usual degree awarded by such school, and (c) in the same academic semester admits, as either class, nonresidents of the State of Texas in a number greater than 10 percent of the class of which such nonresidents are a part. Limitation of nonresident enrollment at The University of Texas Law School, Texas Tech University School of Law, and the University of Houston Law Center may be increased to 35 percent of the class of which nonresidents are a part provided that the admission of such nonresident students is on the basis of academic merit alone. By the provisions of this paragraph it is intended to withhold funds appropriated by this Act from state-supported medical, dental, and law schools which limit their enrollments and which fill more than 10 percent of their classes with non-resident students in the case of medical and dental schools, and 35 percent in the case of The University of Texas Law School, Texas Tech University Law School, and the University of Houston Law Center, when the result of admitting a nonresident denies admission to a qualified Texas applicant. This provision shall not apply to the funds appropriated to the Coordinating Board for the funding of Baylor College of Medicine or to funds appropriated for tuition equalization grants for students attending private colleges.
2. In addition, The University of Texas Southwestern Medical Center may admit up to 25 competitively recruited medical students in each entering class for a specialized six-year program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.
3. Texas medical schools may enroll up to 6 competitively recruited medical students, who already possess the DDS degree, in each second year medical school class for a specialized six-year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students are Texas residents.
4. The University of Texas Health Science Center at Houston may admit up to 25 competitively recruited medical students in each entering class for a specialized program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are

Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.

1. None of the funds appropriated by this Act may be expended for the establishment, operation, or maintenance, or for the payment of any salaries to the employees in, any wholly or partially state-supported medical, dental, or law school which: (a) imposes a limitation on the number of students that it admits, (b) in an academic semester denies admission to one or more Texas residents who apply for admission and who reasonably demonstrate that they are probably capable of doing the quality of work that is necessary to obtain the usual degree awarded by such school, and (c) in the same academic semester admits, as either class, nonresidents of the State of Texas in a number greater than 10 percent of the class of which such nonresidents are a part. Limitation of nonresident enrollment at The University of Texas Law School, Texas Tech University School of Law, and the University of Houston Law Center may be increased to 35 percent of the class of which nonresidents are a part provided that the admission of such nonresident students is on the basis of academic merit alone. By the provisions of this paragraph it is intended to withhold funds appropriated by this Act from state-supported medical, dental, and law schools which limit their enrollments and which fill more than 10 percent of their classes with non-resident students in the case of medical and dental schools, and 35 percent in the case of The University of Texas Law School, Texas Tech University Law School, and the University of Houston Law Center, when the result of admitting a nonresident denies admission to a qualified Texas applicant. This provision shall not apply to the funds appropriated to the Coordinating Board for the funding of Baylor College of Medicine or to funds appropriated for tuition equalization grants for students attending private colleges.
2. In addition, The University of Texas Southwestern Medical Center may admit up to 25 competitively recruited medical students in each entering class for a specialized six-year program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.
3. Texas medical schools may enroll up to 6 competitively recruited medical students, who already possess the DDS degree, in each second year medical school class for a specialized six-year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students are Texas residents.
4. The University of Texas Health Science Center at Houston may admit up to 25 competitively recruited medical students in each entering class for a specialized program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are

SPECIAL PROVISIONS RELATING ONLY TO
STATE AGENCIES OF HIGHER EDUCATION

Differences Only - Excludes Capital
(Continued)

Senate

House

- Texas residents.
- The Texas A&M University System Health Science Center may admit up to 25 competitively recruited nonresident medical students in each entering class for specialized programs of clinical and research training designed to lead to the MD and MS in Engineering degrees or MD degrees for students from military academies or recipients of military health professions scholarships.
 - The Texas A&M University System Health Science Center may admit up to 20 competitively recruited nonresident dental students each year into the International Advanced Standing Program (IASP) designed to allow graduates sit for dental board examinations to secure licensure to practice dentistry in the United States.
 - The University of Texas at Austin Dell Medical School may admit up to 25 competitively recruited medical students in each entering class for a specialized program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.

Sec. 23. Driscoll Children's Hospital. No funds appropriated to a health-related institution of higher education shall be used to replace or duplicate the Driscoll Children's Hospital located in Corpus Christi in caring for children with special health-care needs, including pediatric cardiovascular diseases, or in assuming the direct care of those children. This rider language shall not restrict the traditional referral patterns utilized by physicians to refer patients to health related institutions.

- Texas residents.
- The Texas A&M University System Health Science Center may admit up to 25 competitively recruited nonresident medical students in each entering class for specialized programs of clinical and research training designed to lead to the MD and MS in Engineering degrees or MD degrees for students from military academies or recipients of military health professions scholarships.
 - The Texas A&M University System Health Science Center may admit up to 20 competitively recruited nonresident dental students each year into the International Advanced Standing Program (IASP) designed to allow graduates sit for dental board examinations to secure licensure to practice dentistry in the United States.
 - The University of Texas at Austin Dell Medical School may admit up to 25 competitively recruited medical students in each entering class for a specialized program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.
 - The University of Texas Rio Grande Valley School of Medicine may admit up to 30 percent of its competitively recruited podiatry students in each entering class for its specialized program of clinical and research training designed to lead to the Doctor of Podiatric Medicine (DPM) degree irrespective of whether those students are Texas residents.

Sec. 23. Driscoll Children's Hospital. No funds appropriated to a health-related institution of higher education shall be used to replace or duplicate the Driscoll Children's Hospital in caring for children with special health-care needs, including pediatric cardiovascular diseases, or in assuming the direct care of those children. This rider language shall not restrict the traditional referral patterns utilized by physicians to refer patients to health related institutions.

SPECIAL PROVISIONS RELATING ONLY TO
STATE AGENCIES OF HIGHER EDUCATION

Differences Only - Excludes Capital
(Continued)

Senate

academic institutions will consist of four formulas and supplemental items.

1. **Instruction and Operation Formula.** The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2026-27 biennium is \$60.67 in fiscal year 2026 and fiscal year 2027.

Weighting is determined by the following matrix:

	Lower Div	Upper Div	Masters	Doctoral	Special Professional
Liberal Arts	1.00	1.85	4.36	14.53	-
Science	1.34	2.61	6.04	21.64	-
Fine Arts	1.37	2.63	7.49	10.75	-
Teacher Ed	1.22	1.90	2.26	7.52	-
Agriculture	1.41	2.21	9.07	14.21	-
Engineering	1.73	2.77	5.92	18.76	-
Home Economics	0.92	1.78	3.16	14.31	-
Law	-	-	-	-	5.22
Social Services	1.55	1.89	2.50	27.99	-
Library Science	2.64	1.67	3.51	25.57	-
Vet Med	-	-	-	-	20.71
Vocational Training	1.45	3.18	-	-	-
Physical Training	3.65	8.36	-	-	-
Health Services	0.97	1.59	2.59	8.12	3.31
Pharmacy	11.28	4.25	41.02	48.77	4.66
Business Admin	1.08	1.87	2.99	38.13	-
Optometry	-	-	-	-	5.19
Teacher Ed Practice	1.30	2.28	-	-	-
Technology	1.61	2.26	5.04	8.00	-
Nursing	1.58	2.05	2.71	9.33	-
Development Ed	1.00	-	-	-	-

2. **Teaching Experience Supplement.** For the 2026-27 biennium, an additional weight of 10 percent is added to lower division and upper division semester credit hours taught by tenured and

House

academic institutions will consist of four formulas and supplemental items.

1. **Instruction and Operation Formula.** The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2026-27 biennium is \$55.15 in fiscal year 2026 and fiscal year 2027.

Weighting is determined by the following matrix:

	Lower Div	Upper Div	Masters	Doctoral	Special Professional
Liberal Arts	1.10	2.03	4.79	15.95	-
Science	1.47	2.86	6.63	23.74	-
Fine Arts	1.51	2.89	8.22	11.79	-
Teacher Ed	1.34	2.08	2.48	8.25	-
Agriculture	1.55	2.42	9.96	15.59	-
Engineering	1.90	3.04	6.49	20.59	-
Home Economics	1.01	1.95	3.47	15.70	-
Law	-	-	-	-	5.73
Social Services	1.71	2.07	2.75	30.72	-
Library Science	2.89	1.83	3.85	28.06	-
Vet Med	-	-	-	-	22.73
Vocational Training	1.59	3.49	-	-	-
Physical Training	4.01	9.18	-	-	-
Health Services	1.07	1.75	2.84	8.91	3.63
Pharmacy	12.38	4.67	45.01	53.52	5.12
Business Admin	1.19	2.05	3.28	41.85	-
Optometry	-	-	-	-	5.70
Teacher Ed Practice	1.43	2.51	-	-	-
Technology	1.76	2.48	5.53	8.78	-
Nursing	1.73	2.25	2.97	10.23	-
Development Ed	1.10	-	-	-	-

2. **Teaching Experience Supplement.** For the 2026-27 biennium, an additional weight of 10 percent is added to lower division and upper division semester credit hours taught by tenured and

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tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

3. **Infrastructure Support.** Funding associated with plant-related formulas and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater, and thermal energy. The average rate per square foot is \$5.94 in fiscal year 2026 and fiscal year 2027.
4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, organized activities, scholarships, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.
- a. The General Academic Instruction and Operations and Infrastructure formulas shall incorporate the Higher Education Coordinating Board's October 2006 recommendations for mission-specific formula funding for Texas A&M University at Galveston.
5. **Small Institution Supplement.** The Small Institution Supplement, as a set-aside within the General Academic Institution Infrastructure Formula, shall provide supplemental funding to general academic institutions with headcounts of fewer than 10,000 students. For the 2026-27 biennium, general academic institutions with a headcount of fewer than 5,000 students shall receive a small institution supplement of \$2,633,133. The small institution supplement shall decrease proportionate to the increase in headcount above 5,000 until the institution reaches 10,000 headcount. Once an institution reaches 10,000 headcount, it shall no longer be eligible for this supplement.

These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2026.

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tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

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4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, organized activities, scholarships, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.
- a. The General Academic Instruction and Operations and Infrastructure formulas shall incorporate the Higher Education Coordinating Board's October 2006 recommendations for mission-specific formula funding for Texas A&M University at Galveston.
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These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2026.

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Sec. 27. Health Related Institutions Funding. Appropriations made in this Act for formula funding for health related institutions shall consist of four formulas plus supplemental non-formula items.

1. **Instruction and Operations Support Formula.** The Instruction and Operations Support Formula shall provide funding on a per student or full-time equivalent basis. Funding for each instructional program is based on the following funding weights per student, with a base value per weighted student of \$9,689 in fiscal year 2026 and fiscal year 2027:

<u>Program</u>	<u>Weight Per Student</u>
Allied Health	1.000
Biomedical Science	1.018
Nursing	1.138
Pharmacy	1.670
Public Health	1.721
Biomedical Informatics	1.750
Dental	4.601
Medical	4.753
Podiatry	4.753

Instructional programs at remote locations and the main campus at The University of Texas Health Science Center at Tyler with enrollments of less than 200 students at individual campuses shall receive additional funding to compensate for the diseconomies of scale. The minimum formula shall generate additional funding per student, on a sliding scale, with programs with small enrollments receiving more additional funding per student.

2. **Infrastructure Support Formula.** Funding to the health related institutions for plant support and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for the health related institutions produced by the Space Projection Model developed by the Texas Higher Education Coordinating Board. The rate per square foot is \$6.14 in fiscal year 2026 and fiscal year 2027 for all health related institutions.

Sec. 27. Health Related Institutions Funding. Appropriations made in this Act for formula funding for health related institutions shall consist of four formulas plus supplemental non-formula items.

1. **Instruction and Operations Support Formula.** The Instruction and Operations Support Formula shall provide funding on a per student or full-time equivalent basis. Funding for each instructional program is based on the following funding weights per student, with a base value per weighted student of \$9,689 in fiscal year 2026 and fiscal year 2027:

<u>Program</u>	<u>Weight Per Student</u>
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Podiatry	4.753

Instructional programs at remote locations and the main campus at The University of Texas Health Science Center at Tyler with enrollments of less than 200 students at individual campuses shall receive additional funding to compensate for the diseconomies of scale. The minimum formula shall generate additional funding per student, on a sliding scale, with programs with small enrollments receiving more additional funding per student.

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Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Science Center at Tyler shall be included in the total funding for hospital and center operations.

- 3. **Research Funding.** The health related institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also receives research enhancement funding of \$1,412,500 plus 1.17 percent in fiscal year 2026 and fiscal year 2027 of its research expenditures as reported to the Texas Higher Education Coordinating Board.

- 4. **Research at Clinical Partners.** Research conducted by faculty of a health related institution under a contract with a clinical partner shall be considered in the formula calculations for the Research Enhancement and E&G Space Support strategies as defined under Article III, Special Provisions Relating Only To State Agencies of Higher Education, Section 27, Subsection 2, Infrastructure Support Formula and Section 27, Subsection 3, Research Funding.

- 5. **Graduate Medical Education Formula.** The Graduate Medical Education Formulas shall provide funding on a per medical resident basis. Funding is based on a base value of \$11,940 per medical resident in an accredited program. Appropriations for Graduate Medical Education for fiscal year 2026 and fiscal year 2027 are \$5,970 per resident.

- 6. **Health Related Institution Graduate Medical Education.** The funds appropriated above in each of the health related institutions bill pattern titled Graduate Medical Education (GME) shall be spent to increase the number of resident slots in the State of Texas as well as faculty costs relating to GME. In addition, each health related institution shall work with the Higher Education Coordinating Board to develop new performance measures relating to increasing the number of resident slots in the State of Texas.

- 7. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items and hospital and clinic operations.

Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Science Center at Tyler shall be included in the total funding for hospital and center operations.

- 3. **Research Funding.** The health related institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also receives research enhancement funding of \$1,412,500 plus 1.17 percent in fiscal year 2026 and fiscal year 2027 of its research expenditures as reported to the Texas Higher Education Coordinating Board.

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- 7. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items and hospital and clinic operations.

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8. **Formula Study Committees.** These formulas shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2026.
9. **Mission Specific Support - Cancer Center Operations.** The University of Texas M.D. Anderson Cancer Center does not provide formal medical education which qualifies for instruction support under Subsection 1 above. Therefore, funding allocated to this institution shall be based on the following criteria:
- a. The General Revenue Operations formula funding provided to The University of Texas M.D. Anderson Cancer Center in Strategy A.2.1, Cancer Center Operations, shall be based on the total number of Texas cancer patients served at The University of Texas M. D. Anderson Cancer Center. Monies appropriated from the General Revenue Fund for fiscal year 2026 and 2027 shall be based on the number of total Texas cancer patients served in 2024. The rate per patient shall be \$1,514 in fiscal year 2026 and fiscal year 2027 for Strategy A.2.1, Cancer Center Operations. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
 - b. The University of Texas M.D. Anderson Cancer Center shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation which provides the necessary information to calculate the formula allocations in Subsection (a) above.
10. **Mission Specific Support - Performance Based Research Operations Formula.** The University of Texas Southwestern Medical Center has a mission that is research intensive. To enhance research capacity, assist the institution in leveraging research grants and gifts, and support expansion of the institution’s research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Southwestern Medical Center in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.

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8. **Formula Study Committees.** These formulas shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2026.
9. **Mission Specific Support - Cancer Center Operations.** The University of Texas M.D. Anderson Cancer Center does not provide formal medical education which qualifies for instruction support under Subsection 1 above. Therefore, funding allocated to this institution shall be based on the following criteria:
- a. The General Revenue Operations formula funding provided to The University of Texas M.D. Anderson Cancer Center in Strategy A.2.1, Cancer Center Operations, shall be based on the total number of Texas cancer patients served at The University of Texas M. D. Anderson Cancer Center. Monies appropriated from the General Revenue Fund for fiscal year 2026 and 2027 shall be based on the number of total Texas cancer patients served in 2024. The rate per patient shall be \$1,514 in fiscal year 2026 and fiscal year 2027 for Strategy A.2.1, Cancer Center Operations. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
 - b. The University of Texas M.D. Anderson Cancer Center shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation which provides the necessary information to calculate the formula allocations in Subsection (a) above.
10. **Mission Specific Support - Performance Based Research Operations Formula.** The University of Texas Southwestern Medical Center has a mission that is research intensive. To enhance research capacity, assist the institution in leveraging research grants and gifts, and support expansion of the institution’s research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Southwestern Medical Center in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.

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- 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 14.25 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium's three-year base average.
- 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$10,000,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution's average annual research expenditures between \$10,000,000 and \$20,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution's average annual research expenditures greater than \$20,000,000.

The institution's Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$163,609,158 from the General Revenue Fund is provided.

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- 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 14.25 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium's three-year base average.
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The institution's Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$163,609,158 from the General Revenue Fund is provided.

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11. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at The University of Texas Health Science Center at Houston, assist the institution in leveraging research grants and gifts, and support expansion of the institution’s research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Health Science Center at Houston in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.
- 1) Base Match allocations shall be based on the institution’s average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 6.93 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium’s three-year base average.
- 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution’s average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution’s average annual research expenditures between \$0 and \$10,000,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution’s average annual research expenditures between \$10,000,000 and \$20,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution’s average annual research expenditures greater than \$20,000,000.

The institution’s Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its

11. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at The University of Texas Health Science Center at Houston, assist the institution in leveraging research grants and gifts, and support expansion of the institution’s research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Health Science Center at Houston in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.
- 1) Base Match allocations shall be based on the institution’s average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 6.93 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium’s three-year base average.
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The institution’s Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its

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research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$69,712,340 from the General Revenue Fund is provided.

12. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at The University of Texas Health Science Center at San Antonio, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Health Science Center at San Antonio in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution's performance.
 - 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 9.24 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium's three-year base average.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education

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research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$69,712,340 from the General Revenue Fund is provided.

12. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at The University of Texas Health Science Center at San Antonio, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to The University of Texas Health Science Center at San Antonio in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution's performance.
 - 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 9.24 percent for each fiscal year of the 2026-27 biennium. The Base Match rate shall be adjusted based on the average annualized increase or decrease in research expenditures from the prior biennium's three-year base average.
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Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution’s average annual research expenditures between \$0 and \$10,000,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution’s average annual research expenditures between \$10,000,000 and \$20,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution’s average annual research expenditures greater than \$20,000,000.

The institution’s Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution’s total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution’s performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the General Revenue provided. In the 2026-27 biennium, \$61,029,080 from the General Revenue Fund is provided.

13. **Mission Specific Support - Multicategorical Teaching Hospital Support.** The University of Texas Medical Branch at Galveston operates a state owned hospital with a statutorily-based mission to operate a hospital and health system. Funding allocated to The University of Texas Medical Branch at Galveston for its hospitals and health system shall be based on the following criteria:
- a. General Revenue formula funding provided to The University of Texas Medical Branch at Galveston in Strategy A.1.7, Health System Operations, shall be based on the total number of Texas patient encounters in 2024 in trauma, primary care, diabetes, heart, psychiatry, and telemedicine. The rate per patient for each fiscal year of the 2026-27 biennium shall be

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Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution’s average annual research expenditures between \$0 and \$10,000,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution’s average annual research expenditures between \$10,000,000 and \$20,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution’s average annual research expenditures greater than \$20,000,000.

The institution’s Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution’s total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution’s performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the General Revenue provided. In the 2026-27 biennium, \$61,029,080 from the General Revenue Fund is provided.

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- a. General Revenue formula funding provided to The University of Texas Medical Branch at Galveston in Strategy A.1.7, Health System Operations, shall be based on the total number of Texas patient encounters in 2024 in trauma, primary care, diabetes, heart, psychiatry, and telemedicine. The rate per patient for each fiscal year of the 2026-27 biennium shall be

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\$153.34. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.

\$153.34. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.

- b. The University of Texas Medical Branch at Galveston shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in Subsection (a) above.

- b. The University of Texas Medical Branch at Galveston shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in Subsection (a) above.

14. **Mission Specific Support - Border Health Operations.** Texas Tech University Health Sciences Center at El Paso serves border and rural communities through health care programs and operations. Funding allocated to Texas Tech University Health Sciences Center at El Paso for its border health operations shall be based on the following criteria:

14. **Mission Specific Support - Border Health Operations.** Texas Tech University Health Sciences Center at El Paso serves border and rural communities through health care programs and operations. Funding allocated to Texas Tech University Health Sciences Center at El Paso for its border health operations shall be based on the following criteria:

- a. General Revenue formula funding provided to Texas Tech University Health Sciences Center at El Paso in Strategy A.1.6, Performance Based Border Health Operations, shall be based on the total number of Texas patient encounters in 2024. The rate per patient for each fiscal year of the 2026-27 biennium shall be \$21.31. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
- b. Texas Tech University Health Sciences Center at El Paso shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in Subsection (a) above.

- a. General Revenue formula funding provided to Texas Tech University Health Sciences Center at El Paso in Strategy A.1.6, Performance Based Border Health Operations, shall be based on the total number of Texas patient encounters in 2024. The rate per patient for each fiscal year of the 2026-27 biennium shall be \$21.31. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
- b. Texas Tech University Health Sciences Center at El Paso shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in Subsection (a) above.

15. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at Texas A&M University System Health Science Center, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:

15. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance research capacity at Texas A&M University System Health Science Center, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:

- a. General Revenue Research Operations Formula funding allocated to Texas A&M University System Health Science Center in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the

- a. General Revenue Research Operations Formula funding allocated to Texas A&M University System Health Science Center in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the

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institution's performance.

- 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 12.17 percent for each fiscal year of the 2026-27 biennium.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 20.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$2,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 40.0 percent for any increase in the institution's average annual research expenditures between \$2,500,000 and \$5,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 60.0 percent for any increase in the institution's average annual research expenditures greater than \$5,000,000.
- b. For purposes of calculating the base match rate for institution's Performance Based Research Operations Formula for the 2026-27 biennium, the amounts associated with the Biomedical Advanced Research and Development Authority (BARDA) contract shall be excluded from the research expenditures used for the calculations.

The institution's Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The

institution's performance.

- 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 12.17 percent for each fiscal year of the 2026-27 biennium.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 20.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$2,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 40.0 percent for any increase in the institution's average annual research expenditures between \$2,500,000 and \$5,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 60.0 percent for any increase in the institution's average annual research expenditures greater than \$5,000,000.
- b. For purposes of calculating the base match rate for institution's Performance Based Research Operations Formula for the 2026-27 biennium, the amounts associated with the Biomedical Advanced Research and Development Authority (BARDA) contract shall be excluded from the research expenditures used for the calculations.

The institution's Performance Based Research Operations Formula shall be expended for the purpose of research operations, expanding research capacity, and pursuing excellence in its research mission. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The

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Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$52,077,548 from the General Revenue Fund is provided.

16. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance the Center for Human Identification at the University of North Texas Health Science Center at Fort Worth, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:

- a. General Revenue Research Operations Formula funding allocated to University of North Texas Health Science Center at Fort Worth in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution's performance.
 - 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 28.58 percent for each fiscal year of the 2026-27 biennium.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 20.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$1,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 40.0 percent for any increase in the institution's average annual research expenditures between \$1,500,000 and \$3,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 60.0 percent for any increase in the institution's average annual research expenditures greater than \$3,000,000.

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Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$52,077,548 in from the General Revenue Fund is provided.

16. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance the Center for Human Identification at the University of North Texas Health Science Center at Fort Worth, assist the institution in leveraging research grants and gifts, and support expansion of the institution's research operations, additional research formula funding shall be provided based on the following criteria:

- a. General Revenue Research Operations Formula funding allocated to University of North Texas Health Science Center at Fort Worth in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution's performance.
 - 1) Base Match allocations shall be based on the institution's average annual research expenditures for the previous three-year period as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Base Match rate shall be 28.58 percent for each fiscal year of the 2026-27 biennium.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board, excluding research expenditures from state appropriations. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 20.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$1,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 40.0 percent for any increase in the institution's average annual research expenditures between \$1,500,000 and \$3,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 60.0 percent for any increase in the institution's average annual research expenditures greater than \$3,000,000.

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The institution’s Performance Based Research Operations Formula shall be expended for the purpose of supporting the Center for Human Identification, the institution’s research operations, and expanding research capacity. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution’s total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution’s performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue to be provided. In the 2026-27 biennium, \$39,247,092 from the General Revenue Fund is provided.

17. **Mission Specific Support - Performance Based Research Operations Formula.** To enhance cancer research at the Texas Tech University Health Sciences Center, assist the institution in leveraging research grants and gifts, and support expansion of the institution’s research operations, additional research formula funding shall be provided based on the following criteria:
- a. General Revenue Research Operations Formula funding allocated to Texas Tech University Health Sciences Center in Strategy B.1.2, Performance Based Research Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.
 - 1) Base Match allocations shall be based on the institution’s average annual research expenditures from federal and private sources for the previous three-year period as reported to the Higher Education Coordinating Board. The Base Match rate shall be 10.00 percent for each fiscal year of the 2026-27 biennium.
 - 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution’s average annual research expenditures since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures

The institution’s Performance Based Research Operations Formula shall be expended for the purpose of supporting the Center for Human Identification, the institution’s research operations, and expanding research capacity. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution’s total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution’s performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue to be provided. In the 2026-27 biennium, \$39,247,092 from the General Revenue Fund is provided.

17. **Mission Specific Support - Performance Based Rural Operations Formula.** To enhance rural health care access, support health care workforce development, and expand research capacity at the Texas Tech University Health Sciences Center by leveraging research and public service grants and gifts, additional formula funding shall be provided based on the following criteria:
- a. General Revenue Rural Operations Formula funding allocated to Texas Tech University Health Sciences Center in Strategy B.1.2, Performance Based Rural Operations Formula, shall be guided to the institution through two mechanisms that measure the institution’s performance.
 - 1) Base Match allocations shall be based on the institution’s average annual expenditures from federal and private sources. This includes research expenditures as reported to the Texas Higher Education Coordinating Board and public service expenditures from federal and private sources for the previous three-year period. The Base Match rate shall be 59.48 percent for each fiscal year of the 2026-27 biennium. For purposes of calculating the base match rate for the institution’s Performance Based Rural Operations Formula for the 2026-27 biennium, the federal amounts associated with the Texas Child Mental Health Consortium shall be excluded from the public service expenditures used

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from federal and private sources for the two-year base period preceding each biennium, as reported to the Higher Education Coordinating Board. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution's average annual research expenditures between \$0 and \$2,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution's average annual research expenditures between \$2,500,000 and \$5,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution's average annual research expenditures greater than \$5,000,000.

The institution's Performance Based Research Operations Formula shall be expended for the purpose of supporting cancer research, the institution's research operations, and expanding research capacity. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Research Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$5,415,905 from the General Revenue Fund is provided.

House

for the calculations.

- 2) Performance Incentive Tiered Match allocations shall be based on the increase of the institution's average annual expenditures from federal and private sources since the prior biennium. The calculation of this increase shall be based on the average annual research expenditures from federal and private sources, as reported to the Texas Higher Education Coordinating Board, and public service expenditures from federal and private sources for the two-year base period preceding each biennium. The Tiered Match shall allocate funding in three tiers that increase on a sliding scale. Tier 1 shall provide matching monies from the General Revenue Fund at a rate of 25.0 percent for any increase in the institution's average annual research and public service expenditures between \$0 and \$2,500,000. Tier 2 shall provide matching monies from the General Revenue Fund at a rate of 50.0 percent for any increase in the institution's average annual research and public service expenditures between \$2,500,000 and \$5,000,000. Tier 3 shall provide matching monies from the General Revenue Fund at a rate of 75.0 percent for any increase in the institution's average annual research and public service expenditures greater than \$5,000,000.

The institution's Performance Based Rural Operations Formula shall be expended for the purpose of enhancing rural health care access, supporting health care workforce development, and expanding the institution's research capacity. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2026.

For formula funding purposes, the amount of growth in total funding for the Performance Based Rural Operations Formula from one biennium to another may not exceed 5.0 percent of the institution's total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service. The Legislative Budget Board shall implement the funding in accordance with this limitation. In a biennium in which funding is not available to meet the institution's performance-driven target, the formula mechanisms and performance-calculated match rates remain while the Legislature determines the monies from the General Revenue Fund to be provided. In the 2026-27 biennium, \$41,375,459 from the General Revenue Fund is provided.

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18. **Mission Specific Support - Chest Disease Center Operations.** The University of Texas Health Science Center at Tyler has a statutory mission to conduct research, develop diagnostic and treatment techniques, provide training and teaching programs, and provide diagnosis and treatment of inpatients and outpatients with pulmonary, respiratory and other diseases of the chest. Funding allocated to the institution shall be based on the following criteria:
- a. General Revenue Operations formula funding appropriated to The University of Texas Health Science Center at Tyler in Strategy A.1.5, Chest Disease Center Operations, shall be based on the number of cases in which disease diagnoses are treated by The University of Texas Health Science Center at Tyler. Monies appropriated from the General Revenue Fund for fiscal year 2026 and 2027 shall be based on the number of such cases treated in fiscal year 2024. The rate per case for fiscal year 2026 and 2027 shall be \$96. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
 - b. The University of Texas Health Science Center at Tyler shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate report discussed above and supporting documentation which provides the necessary information to calculate the formula allocation in Subsection (a).

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18. **Mission Specific Support - Chest Disease Center Operations.** The University of Texas Health Science Center at Tyler has a statutory mission to conduct research, develop diagnostic and treatment techniques, provide training and teaching programs, and provide diagnosis and treatment of inpatients and outpatients with pulmonary, respiratory and other diseases of the chest. Funding allocated to the institution shall be based on the following criteria:
- a. General Revenue Operations formula funding appropriated to The University of Texas Health Science Center at Tyler in Strategy A.1.5, Chest Disease Center Operations, shall be based on the number of cases in which disease diagnoses are treated by The University of Texas Health Science Center at Tyler. Monies appropriated from the General Revenue Fund for fiscal year 2026 and 2027 shall be based on the number of such cases treated in fiscal year 2024. The rate per case for fiscal year 2026 and 2027 shall be \$96. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.
 - b. The University of Texas Health Science Center at Tyler shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate report discussed above and supporting documentation which provides the necessary information to calculate the formula allocation in Subsection (a).
19. **Mission Specific Support - Sam Houston Regional Education Consortium.** The Sam Houston State University College of Osteopathic Medicine operates the Sam Houston Regional Education Consortium for Graduate Medical Education to address the shortage of physicians in rural areas by placing residents in rural and underserved areas. Funding allocated to Sam Houston State University College of Osteopathic Medicine for the consortium shall be based on the following criteria of patient care:
- a. General Revenue formula funding provided to Sam Houston State University College of Osteopathic Medicine in Strategy A.1.3, Sam Houston Regional Consortium, shall be based on the total number of Texas patient encounters in 2024. The rate per patient for each fiscal year of the 2026-27 biennium shall be \$150.00. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health-Related Institutions in the Instructions and Operations Support formula for the current biennium.

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- b. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning on September 1, 2026.
- c. The Sam Houston State University College of Osteopathic Medicine shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in subsection (a) above.

20. **Mission Specific Support - The University of Texas Academic Medical Center.** The University of Texas at Austin Dell Medical School operates and is establishing Texas’ newest academic medical center providing patient-centered care headquartered at a world class research university. Funding allocated to The University of Texas at Austin Dell Medical School for the academic medical center shall be based on the following criteria of patient care and research:
- a. General Revenue formula funding provided to The University of Texas at Austin Dell Medical School in Strategy A.1.3, Academic Medical Center Support, shall be based in part on the total number of Texas patient encounters in 2024. The rate per patient for each fiscal year of the 2026-27 biennium shall be \$150.00. For formula funding purposes, the amount of growth in funding provided by subsection (a) from one biennium to another may not exceed the average growth in funding for Health-Related Institutions in the Instructions and Operations Support formula for the current biennium.
 - b. Formula support from General Revenue to The University of Texas at Austin Dell Medical School in Strategy A.1.3, Academic Medical Center Support, shall be based in part on The University of Texas at Austin Dell Medical School’s average research expenditures for the previous three-year period as reported to the Texas Higher Education Coordinating Board. For each fiscal year of the 2026-27 biennium, the institution receives 10 percent of its three-year average of total research expenditures as reported to the Texas Higher Education Coordinating Board. For formula funding purposes, the amount of growth in funding provided by subsection (b) from one biennium to another may not exceed 5.0 percent of the institution’s total General Revenue appropriations in the prior biennium, excluding appropriations for capital construction assistance project bond debt service.

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19. **Dental Clinical Education Support.** In addition to other appropriations made by this act, the University of Texas Health Science Center at Houston, the University of Texas Health Science Center at San Antonio, the Texas A&M University System Health Science Center, and the Texas Tech University Health Sciences Center at El Paso shall each be appropriated \$3,000,000 from the General Revenue Fund for each fiscal year of the 2026-27 biennium to support dental clinics operated by the institution and provide clinical experience to students of the dental school. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

It is the intent of the Legislature that following the 2026-27 biennium, funding to support dental clinics operated by the institution and provide clinical experience to students of the dental school shall be allocated to each health related institution listed above based on the following criteria:

- a. Monies from the General Revenue Fund provided to each of the health related institutions listed above for Dental Clinical Education shall be based on the average annual number of patient visits to a dental clinic operated by the institution in the previous three-year period as reported to the Texas Higher Education Coordinating Board. The rate per patient for each fiscal year of the biennium shall be the average financial loss to the institution per patient visit in the previous three-year period. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for health related institutions in the Instruction and Operations formula for the current biennium. The Legislative Budget Board shall implement the funding in accordance with this limitation
- b. It is the intent of the Legislature that monies from the General Revenue Fund provided to Texas Tech University Health Sciences Center at El Paso for Dental Clinical Education shall be \$3,000,000 in each fiscal year of the biennium until funding provided by subsection (a)

- c. Any unexpended balances as of August 31, 2026, are hereby appropriated for the same purpose for the fiscal year beginning on September 1, 2026.
- d. The University of Texas at Austin Dell Medical School shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation, which provides the necessary information to calculate the formula allocations in subsection (a) above.

21. **Dental Clinical Education Support.** In addition to other appropriations made by this act, the University of Texas Health Science Center at Houston, the University of Texas Health Science Center at San Antonio, the Texas A&M University System Health Science Center, and the Texas Tech University Health Sciences Center at El Paso shall each be appropriated \$3,000,000 from the General Revenue Fund for each fiscal year of the 2026-27 biennium to support dental clinics operated by the institution and provide clinical experience to students of the dental school. Any unexpended balances as of August 31, 2026, are appropriated for the same purpose for the fiscal year beginning September 1, 2026.

It is the intent of the Legislature that following the 2026-27 biennium, funding to support dental clinics operated by the institution and provide clinical experience to students of the dental school shall be allocated to each health related institution listed above based on the following criteria:

- a. Monies from the General Revenue Fund provided to each of the health related institutions listed above for Dental Clinical Education shall be based on the average annual number of patient visits to a dental clinic operated by the institution in the previous three-year period as reported to the Texas Higher Education Coordinating Board. The rate per patient for each fiscal year of the biennium shall be the average financial loss to the institution per patient visit in the previous three-year period. For formula funding purposes, the amount of growth in total funding from one biennium to another may not exceed the average growth in funding for health related institutions in the Instruction and Operations formula for the current biennium. The Legislative Budget Board shall implement the funding in accordance with this limitation
- b. It is the intent of the Legislature that monies from the General Revenue Fund provided to Texas Tech University Health Sciences Center at El Paso for Dental Clinical Education shall be \$3,000,000 in each fiscal year of the biennium until funding provided by subsection (a)

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exceeds \$3,000,000 in each fiscal year.

- c. The health related institutions listed above shall submit to the Legislative Budget Board and the Texas Higher Education Coordinating Board a copy of supporting documentation which provides the necessary information to calculate the formula allocations in subsection (a) above.

In a biennium in which funding is not available to meet the institution’s funding determined in subsection (a), the formula mechanisms remain while the Legislature determines the General Revenue provided.

Sec. 47. State Two Year Institution Funding. The Instruction and Administration Formula for the 2026-27 biennium provides funding for Lamar State Colleges at an annual rate of \$8.16 per contact hour.

1. **Small Institution Supplement.** The Small Institution Supplement, as a set-aside within the General Academic Institution Infrastructure Formula, shall provide supplemental funding to the Lamar State Colleges with headcounts of fewer than 10,000 students. For the 2026-27 biennium, Lamar State Colleges with a headcount of fewer than 5,000 students shall receive a small institution supplement of \$2,633,133. The small institution supplement shall decrease proportionate to the increase in headcount above 5,000 until the institution reaches 10,000 headcount. Once an institution reaches 10,000 headcount, it shall no longer be eligible for this supplement.

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exceeds \$3,000,000 in each fiscal year.

- c. The health related institutions listed above shall submit to the Legislative Budget Board and the Texas Higher Education Coordinating Board a copy of supporting documentation which provides the necessary information to calculate the formula allocations in subsection (a) above.

In a biennium in which funding is not available to meet the institution’s funding determined in subsection (a), the formula mechanisms remain while the Legislature determines the General Revenue provided.

Sec. 47. State Two Year Institution Funding. The Instruction and Administration Formula for the 2026-27 biennium provides funding for Lamar State Colleges at an annual rate of \$9.16 per contact hour.

1. **Small Institution Supplement.** The Small Institution Supplement, as a set-aside within the General Academic Institution Infrastructure Formula, shall provide supplemental funding to the Lamar State Colleges with headcounts of fewer than 10,000 students. For the 2026-27 biennium, Lamar State Colleges with a headcount of fewer than 5,000 students shall receive a small institution supplement of \$2,633,133. The small institution supplement shall decrease proportionate to the increase in headcount above 5,000 until the institution reaches 10,000 headcount. Once an institution reaches 10,000 headcount, it shall no longer be eligible for this supplement.