

**SUBJECT:** One-year tuition exemption AFDC, early graduating students

**COMMITTEE:** Higher Education — favorable, without amendment

**VOTE:** 8 ayes — Rangel, Ogden, Gallego, Goolsby, Harris, Kamel, Reyna, Rodriguez  
0 nays  
1 absent — Moreno

**WITNESSES:** None

**DIGEST:** HB 1479 would exempt from paying tuition and fees at state institutions of higher education persons who were dependent children receiving Aid to Families with Dependent Children in their senior year of high school or in the month when they graduated. Also exempted would be students who finish high school in three years. The students would have to be Texas residents, under the age of 22 and enroll in state institutions of higher education within two years of graduation.

The bill would require the foundation school program to reimburse institutions of higher education for tuition and fees resulting from these exemptions. The bill would require the education commissioner and the foundation school fund budget committee to consider the cost of the exemptions in calculating the funding for the foundation school program.

The bill would apply to students enrolling at institutions of higher education beginning in fall 1995.

**SUPPORTERS SAY:** HB 1479 would continue a program established in 1991 that requires the school foundation program to pay tuition and fees for the first year of college for students who graduate from high school in three years. This program would ultimately save the state money because it costs more for the state to educate a senior in high school — an average of \$4,500 — than it costs to pay tuition and fees for one year of college — on average about \$1,500 per year. The bill would also exempt from paying tuition and fees certain students receiving AFDC payments who graduate from high school.

The savings generated from the three-year students would also be used to support the AFDC supported students.

The three-year early graduate program had 161 student participants in fiscal 1992-93 and 331 students in fiscal 1993-94. The program was not continued because it part of a larger education bill that did not pass last session. It has been a successful program and should be continued. The institutions of higher education would be repaid from the foundation school program for any lost revenue.

HB 1479 would also allow the state to help students from poor families attend college. Although there are a variety of financial aid programs for financially deprived students, this bill would give these students an additional incentive to finish high school and attend college, without a net cost increase to the state. Only a few hundred students would qualify.

**OPPONENTS  
SAY:**

A specific limit of the costs of the program should be defined so that it does not affect the amount pro-rated to school districts from the foundation school program. A number of special programs are funded by the foundation school program, but they have budget parameters.