

- SUBJECT:** Reduced college tuition and prorated fees for faster graduations
- COMMITTEE:** Higher Education — favorable, without amendment
- VOTE:** 7 ayes — Rangel, Cuellar, F. Brown, Farabee, J. Jones, Morrison, E. Reyna  
1 nay — Wohlgemuth  
1 absent — Goolsby
- WITNESSES:** None
- BACKGROUND:** According to the Texas Higher Education Coordination Board, only 48 percent of students graduate from public institutions of higher education within six years.
- DIGEST:** HB 3138 would allow the governing board of an institution of higher education to reduce the amount of tuition charged to a student as part of an overall institutional policy to increase the average course load per student per semester, and improve retention of students and graduation rates.
- The governing board could reduce a student's semester tuition up to the tuition charged for three semester credit hours during that semester if:
- ! the student was making satisfactory progress toward completing a degree;
  - and
  - ! the student was enrolled in at least 15 semester credit hours.
- The tuition reduction could be offered in a fixed amount, a percentage amount, or any other manner the governing board considered appropriate. The board could prorate reduction offers based upon the number of semester hours undertaken by the student or the length of the semester or term. The governing board also could to prorate any fee based upon the length of the term or semester. The board would not have to offer a tuition reduction to all institutions or all degree programs.
- The bill would take effect beginning with the fall semester 1999 and take immediate effect if finally passed by a two-thirds record vote of the membership of each house.

**SUPPORTERS  
SAY:**

HB 3318 would offer positive incentives for students to graduate within four to six years, lowering costs of fees and tuition to encourage students to take more courses per semester and complete their degree programs more quickly. By reducing the number of years students remain in school, this incentive plan could reduce state appropriations through formula funding.

In the past, the Legislature tried to encourage more rapid graduation through penalizing students, as in last session's "slacker" law cutting off in-state tuition rates for students going past 170 hours. HB 3138 would take the positive approach of providing incentives for students to take a larger course load and graduate early.

This bill could help address two major obstacles to full participation and full success in higher education: cost and preparedness for college-level work. Student with lower tuition could afford to take heavier course loads instead of working full time or part time to pay for tuition. Tuition reduction programs could reduce the debt burden on such full-time students. The bill also could encourage high school students to take college preparatory classes so they would be better prepared to take a full course load in college.

HB 3318 is a permissive bill giving universities flexibility in offering financial incentives for students to make better progress toward finishing degrees. It would cost the state nothing. It only would cost universities that choose to reduce tuition.

**OPPONENTS  
SAY:**

HB 3318 would discriminate against economically disadvantaged and academically unprepared students. There are two major obstacles for full participation and full success in higher education: cost and preparedness for college-level work. Many part-time students only take as many hours as they can afford at the time. Other students attend part-time because of the time commitment required to perform at the college level. These are the students whom it is difficult for colleges to retain and graduate.

The bill would do nothing to address needs of these students. In effect, HB 3318 would allow financial breaks only to the students who do not need the help, those who can afford and are best prepared to go to school full time.