

(The House considered SB 297 by Van de Putte, the Senate companion bill, in lieu of HB 38, the House version of the bill, which had been set on the daily calendar and was analyzed by the House Research Organization. The bill subsequently was enacted as SB 297.)

HOUSE  
RESEARCH  
ORGANIZATION bill analysis

4/7/2009

HB 38  
Corte, Guillen, Maldonado  
(CSHB 38 by Corte)

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**SUBJECT:** Veterans' eligibility to pay in-state tuition and fees

**COMMITTEE:** Defense and Veterans' Affairs — committee substitute recommended

**VOTE:** 7 ayes — Corte, Vaught, Edwards, Farias, Maldonado, Pickett, C. Turner  
0 nays  
2 absent — Chavez, Ortiz

**WITNESSES:** For — Carlos Higgins; Jerry Patterson, General Land Office, Texas Veterans Land Board; Christopher Schave; (*Registered, but did not testify*: Cindy Segovia, Bexar County Commissioners Court)  
Against — None  
On — Jane Caldwell, Texas Higher Education Coordinating Board; Connie Jacksits, Texas Veterans Commission

**BACKGROUND:** Currently, military veterans and their spouses and dependent children who are not Texas residents must pay non-resident tuition at Texas colleges and universities. Under Education Code, sec. 54.052, to establish status as a Texas resident, a person must have established and maintained a residence in Texas continuously for one year before a semester's final enrollment date.  
Education Code, sec. 54.058(i) allows veterans who have retired or been honorably discharged from service for less than a year, as well as their family members, to pay in-state tuition rates at Texas colleges and universities if the service member meets certain residency requirements.

**DIGEST:** HB 38 would allow veterans who were not Texas residents but who qualified for the federal Post-9/11 Veterans Education Assistance Act of 2008 and other federal veterans education assistance, as well as their spouses and children or step-children under the age of 25, to pay in-state

tuition at Texas colleges and universities without regard to the length of time the person had resided in the state. The person would have to register officially an intent to establish Texas residency and would have to live in Texas while attending the college or university.

The Texas Higher Education Coordinating Board would be required to establish a policy for a qualifying child under the age of 25 who suffered from a severe illness or other condition that prevented the use of this benefit before the age of 25.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009. It would apply to tuition and fees beginning with the fall 2009 semester.

**SUPPORTERS  
SAY:**

Rising college tuition costs may prevent some veterans who want to move to Texas from doing so. By offering in-state tuition rates at Texas colleges and universities, CSHB 38 would provide a “welcome mat” to these veterans and their families in thanks for their service to our country. Asking that they sign a letter of intent to establish Texas residency would help ensure that the Texas economy benefited from a more skilled workforce.

Increasing the number of veterans attending college in Texas also would benefit other students because veterans bring a unique perspective and life experience to the classroom.

Texas colleges would not really be taking on the cost of the difference between resident and non-resident tuition because those who would take advantage of this opportunity likely would not otherwise have enrolled. Also, under the Post-9/11 Veterans Education Assistance Act the federal government provides funding to higher education institutions to help with tuition and fees for veterans covered by the law.

**OPPONENTS  
SAY:**

Offering in-state tuition to non-residents could cause Texas colleges and universities to lose a substantial amount of money they otherwise would have received. The Legislative Budget Board estimates a loss of \$20.3 million in tuition and fees for fiscal 2010-2011, money that the state would not be required to reimburse. At a time when college endowments are down, the state’s higher education institutions should not have to bear an additional fiscal burden no matter how worthy the cause.

NOTES:

The committee substitute differs from the filed bill by adding a new section to the Education Code that would require eligibility for federal veterans education benefits in order to qualify for in-state tuition in Texas, rather than deleting an existing provision that veterans comply with certain residency requirements.

An identical bill, SB 297 by Van de Putte, passed the Senate by 31-0 on March 24 and was reported favorably, without amendment, by the House Defense and Veterans' Affairs Committee on April 1, making it eligible to be considered in lieu of HB 38.