

BILL ANALYSIS

Senate Research Center
76R6066 AJA-D

S.B. 1527
By: Carona
Higher Education
4/6/1999
As Filed

DIGEST

The Texas Tomorrow Fund was created by the legislature in 1995 to allow Texas families to prepay tuition for students attending public and private institutions of higher education. S.B. 1527 would authorize the inclusion of prepaid tuition contracts for proprietary schools under the prepaid higher education tuition program.

PURPOSE

As proposed, S.B. 1527 establishes provisions regarding the authorization of prepaid tuition contracts for proprietary schools under the prepaid higher education tuition program.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.6001, Education Code, to increase opportunities for young Texans to take advantage of a wide variety of higher education opportunities in order to preserve the partnership between the state and private or independent institutions of higher education and proprietary schools.

SECTION 2. Amends Section 54.601, Education Code, to define “proprietary schools.” Makes conforming changes.

SECTION 3. Amends Section 54.605(a), Education Code, to make conforming changes.

SECTION 4. Amends Section 54.618(b), Education Code, to make conforming changes.

SECTION 5. Amends Section 54.619, Education Code, to provide that if the beneficiary of a plan described by certain sections enrolls in a private or public institution of higher education, the board is required to pay certain funds regarding tuition. Provide that if the beneficiary of a plan described by certain sections enrolls in a private or public institution of higher education, the beneficiary is required to pay certain fees exceeding the amount paid by the board. Sets forth fees that the board shall pay, if the beneficiary of a plan described by, certain sections including, Section 54.6253 enrolls in a proprietary school. If the beneficiary of a plan described by certain sections enrolls in a private or independent institution of higher education, the board shall pay certain educational fees. Provides that if the beneficiary of plan described by certain sections enrolls in proprietary school, the beneficiary is responsible for certain payments to the school that exceed the amount paid by the board. Sets forth fees the board shall pay if the beneficiary of a plan enrolls in an institution of higher education. Provides that the beneficiary is responsible for paying certain balances exceeding the amount paid by the board. Make conforming changes.

SECTION 6. Amends Sections 54.620(a), (b), and (d), Education Code, to make conforming changes.

SECTION 7. Amends Section 54.622, Education Code, to make a conforming change.

SECTION 8. Amends Chapter 54F, Education Code, by adding Section 54.6253, as follows:

Sec. 54.6253. PROPRIETARY SCHOOL PLAN. Requires a prepaid tuition contract to provide prepaid tuition and required fees for the beneficiary to attend a proprietary school for a specified

number of credit hours not to exceed the typical number of hours required for a degree approved by the Texas Higher Education Board and awarded by a proprietary school.

SECTION 9. Amends Section 54.630, Education Code, to make conforming changes.

SECTION 10. Amends Section 54.637, Education Code, to make conforming and nonsubstantive changes.

SECTION 11. Amends Sections 54.639(b) and (c), Education Code, to make conforming and nonsubstantive changes.

SECTION 12. Effective date: September 1, 1999.

SECTION 13. Emergency clause.