

BILL ANALYSIS

Senate Research Center
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S.B. 30
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S/C on Higher Education
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

As in most other states, students in Texas public institutions of higher education are taking longer to complete their baccalaureate degree programs. This increases the cost of education, both to students and to the state, and negatively impacts graduation rates.

Extended time-to-degree is not a new phenomenon, and some students have always spread their studies out over longer than normal periods of time. The normal period of time for a baccalaureate degree is considered to be four years. Although some students complete their degrees in as few as three years, many students are taking longer than four years to complete their degrees. The National Center for Educational Statistics reports that the percentage of students who received baccalaureate degrees in four years decreased from 45.4 percent in 1977 to 31.1 percent in 1990.

In Texas, approximately 23 percent of full-time students earn a baccalaureate degree within four years of entering Texas higher education, 23 percent (46 percent in total) within five years and an additional 6.6 percent (52.6 percent in total) within six years, according to the most recent data from the Texas Higher Education Coordinating Board.

A coordinating board analysis of the number of semester credit hours for full-time students who entered Texas higher education in 1998 indicates that students who earned a baccalaureate degree within four years attempted a median of 130 semester credit hours. Students who earned a baccalaureate degree within five years attempted a median of 147 semester credit hours. Students who earned a baccalaureate degree within six years attempted a median of 166 semester credit hours.

Full-time students who took five or six years to graduate attempted a total of 311,202 more hours than full-time students who took only four years to graduate. If these trends continue, the cost to the state, based on an average of general revenue per full-time undergraduate student of \$2,837 for calendar year 2004, will total \$29.4 million over the fifth and sixth years together. Based on average tuition fees for fall 2004 of \$2,214 per 15 undergraduate hours, the total cost to parents/students would be approximately \$45.9 million.

As proposed, S.B. 30 requires institutions of higher education to offer students contracts that establish agreements between the institution and the student to promote timely graduation.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 54.202, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 54, Education Code, by adding Section 54.202, as follows:

Sec. 54.202. STUDENT CONTRACT TO GRADUATE IN A TIMELY MANNER. (a) Requires the governing board of an institution of higher education (institution), on written request of an undergraduate student, to enter into a contract with the student to exempt the student from payment of a portion of tuition provided that the student

graduates in a timely manner and meets other requirements established by the institution under the contract. Provides that a student is not required to enter into the contract.

(b) Prohibits a student from requesting to enter into such a contract after the end of the student's first semester or term at the institution. Requires each institution that offers an undergraduate degree program to notify each undergraduate student of the provisions of this section not later than the sixth week of the student's first semester or term.

(c) Requires the contract to contain certain provisions which a student entering into the contract is required to meet.

(d) Authorizes the institution offering the contract or the Texas Higher Education Coordinating Board (board) to provide for any other reasonable provision to be included in a contract under this section.

(e) Provides that a student who has entered into and satisfies the requirements of a contract under this section and who submits an application that is approved as described by Subsection (g) is exempt from payment of a certain portion of tuition.

(f) Requires that each contract under this section require the institution entering into a contract to exempt a student described by Subsection (e) from the payment of any tuition and fees for a course required for the student's degree program that was unavailable to the student at the appropriate time as specified by the institution in the contract.

(g) Requires a student who enters a contract under this section to apply for an exemption under Subsection (e) or (f) in the manner provided by the governing board of the institution granting the exemption. Requires the governing board to require an applicant for an exemption to submit satisfactory evidence of entitlement to the exemption.

(h) Prohibits an institution to contract under this section with a student who transfers to the institution from another institution. Provides that the student's transfer voids a contract with the prior institution, and provides an exception.

(i) Provides that this section does not apply to a student seeking a certificate at a public junior college.

(j) Requires the board to adopt rules consistent with this section as necessary to implement this section, including rules to allow an otherwise qualified student to receive an exemption if the student is unable to satisfy a requirement solely as a result of hardship or other good cause.

(k) Makes application of this Act prospective to the 2006 fall semester. Provides that this subsection expires January 1, 2008.

SECTION 2. Effective date: upon passage or September 1, 2005.