# **BILL ANALYSIS**

Senate Research Center 80R6043 KEL-D S.B. 1052 By: Zaffirini S/C on Higher Education 3/30/2007 As Filed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Demographic changes and the state's goal of enrolling an additional 600,000 students in higher education present significant space challenges for higher education institutions. In particular, the Texas Higher Education Coordinating Board projects that there will be a statewide space deficit of more than 10 million square feet by 2010, primarily in the Central Texas, Gulf Coast, and South Texas regions. The other significant challenge facing the state in achieving its goal is in making higher education more affordable. A program to encourage students to complete the core curriculum at a community college and to then transfer to a four-year institution may address both issues of space and cost in higher education.

As proposed, S.B. 1052 provides a financial incentive for high school students to take the core curriculum at community colleges and to transfer to a four-year institution in a timely manner.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 56.901, Education Code) of this bill.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 56, Education Code, by adding Subchapter Z, as follows:

#### SUBCHAPTER Z. OTHER STUDENT FINANCIAL ASSISTANCE PROGRAMS

Sec. 56.901. TUITION CREDITS FOR STUDENT COMPLETING CORE CURRICULUM AT TWO-YEAR INSTITUTION OF HIGHER EDUCATION. (a) Defines "coordinating board," "general academic teaching institution," "public junior college," "public state college," and "public technical institute."

(b) Requires the Texas Higher Education Coordinating Board (THECB) to establish a program under which an eligible student is entitled to receive credit against a portion of the tuition charged by a general academic teaching institution to the student during the student's enrollment at that institution.

(c) Sets forth eligibility criteria for a student to be eligible to receive tuition credit under this section.

(d) Entitles an eligible student to a tuition credit in an amount equal to one-fourth of the total amount of tuition charged for each semester or other academic term in which the student is enrolled at the general academic teaching institution, excluding tuition charged under Section 54.0513 or another provision authorizing the institution to establish tuition rates, except as otherwise provided by Subsection (e). Authorizes a student to use a tuition credit only for the semester or term for which it is awarded.

(e) Provides that a student is not eligible for a tuition credit under this section for a semester or other term that begins after the second anniversary of the date the student first enrolled at the general academic teaching institution, except as provided by Subsection (k). (f) Requires a general academic teaching institution to apply to a student's tuition charges the amount of the tuition credit to which the student is entitled, for the applicable enrollment period.

(g) Requires the general academic teaching institution to report to THECB the name of the student using the credit and the amount of credit used, as soon as practicable after a tuition credit is used under this section.

(h) Entitles a general academic teaching institution to reimbursement for the cost of providing a tuition credit to an eligible student under this section. Requires THECB to reimburse the institution in the appropriate amount from appropriations available for that purpose.

(i) Requires each public high school in this state, at the beginning of each school year, to provide information regarding the requirements of the program under this section to each senior student enrolled at the high school and to a parent, conservator, or guardian of the student. Requires each public junior college, public state college, or public technical institute to notify each entering undergraduate student of the program requirements not later than the sixth week of the student's first semester or term.

(j) Requires the Texas Education Agency (TEA) and THECB to jointly prepare a publication that includes the information required to be provided under Subsection (i) and requires TEA and THECB to post that publication on the website of each in a form that enables a public high school, public junior college, public state college, or public technical institute to reproduce the information for distribution to students, parents, and other person as required by this section.

(k) Requires THECB to adopt rules to administer this section, including rules requiring an eligible student to apply for a tuition credit under this section and to provide the information required to verify the student's eligibility. Requires that the rules provide procedures by which an otherwise eligible student may be granted additional time to receive or use tuition credits under this section if the student shows hardship or other good cause that prevented the student from successfully completing the core curriculum, using the tuition credits, or enrolling in an institution within the applicable period prescribed by this section. Provides that, for purposes of this subsection, hardship or other good cause includes:

(1) a severe illness or other debilitating condition;

(2) responsibility for the care of a sick or injured person or person otherwise in need of assistance; or

(3) active duty or other service in the United States armed forces.

(1) Prohibits a student from receiving a tuition credit under this section for a semester or term before the 2009 fall semester, and prohibits that student from establishing eligibility for a credit based in any part on higher education coursework completed before the 2007 fall semester. Provides that this subsection expires January 1, 2011.

SECTION 2. Requires THECB, as soon as practicable after the effective date of this Act, to adopt rules for the administration of Section 56.901, Education Code, as added by this Act. Authorizes THECB to adopt the initial rules in the manner provided by law for emergency rules.

SECTION 3. Effective date: upon passage or September 1, 2007.