

BILL ANALYSIS

Senate Research Center

S.B. 1231
By: Zaffirini
Education
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law does not provide a refund process for academic terms that are shorter than regular academic semesters or sessions. A number of institutions offer these shorter academic terms, and they have developed their own procedures for issuing refunds of tuition and fees.

S.B. 1231 sets forth the procedure, timeline, and amount of refunds to be issued by an institution for tuition and fees and applies these requirements to shorter academic terms.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 51.907, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter Z, Chapter 51, Education Code, by adding Section 51.907, as follows:

Sec. 51.907. LIMITATIONS ON NUMBER OF COURSES THAT MAY BE DROPPED UNDER CERTAIN CIRCUMSTANCES. (a) Defines "governing board" and "institution of higher education."

(b) Provides that this section only applies to an undergraduate student who drops a course at an institution of higher education under certain conditions.

(c) Prohibits an institution of higher education, except as provided under rules adopted under Subsection (d), from permitting a student to drop more than six courses, including a course a transfer student has dropped at another institution of higher education, under circumstances described by Subsection (b).

(d) Authorizes the governing board of an institution of higher education to adopt a policy under which the maximum number of courses a student is permitted to drop under circumstances described by Subsection (b) is less than the maximum number of courses that a student is authorized to drop under Subsection (c).

(e) Requires the Texas Higher Education Coordinating Board (THECB) to adopt rules under which an institution of higher education is required to permit a student to drop more courses under circumstances described by Subsection (b) than the number of courses permitted to be dropped under Subsection (c) or under a policy adopted under Subsection (d) if the student shows good cause for dropping more than that number, including certain showings of good cause.

(f) Provides that under certain circumstances a course in which a student is enrolled concurrently with a lecture course is not considered to be a course separate from the lecture course in determining the number of courses dropped by a student for purposes of this section.

SECTION 2. Amends the heading to Section 54.006, Education Code, to read as follows:

Sec. 54.006. REFUND OR ADJUSTMENT OF TUITION AND MANDATORY FEES FOR DROPPED COURSES AND STUDENT WITHDRAWALS.

SECTION 3. Amends Section 54.006, Education Code, by amending Subsections (a), (b), (c), and (e), and adding Subsections (a-1), (b-1), and (b-2), as follows:

(a) Requires a general academic teaching institution or medical and dental unit, as soon as practicable, to refund the amount of tuition and mandatory fees, rather than fees and tuition in excess of the minimum tuition, collected for courses from which students drop within the first 12 days of a fall or spring semester or a summer term of 10 weeks or longer, within the first four days of a term or session of more than five weeks but less than 10 weeks, or within the period specified by the institution for that purpose for a term or session of five weeks or less that is substantially proportional to the period specified by this subsection for a longer term or session.

(a-1) Creates this subsection from existing text.

(b) Requires a general academic teaching institution or medical and dental unit, except as provided by Subsections (b-1) and (b-2), to refund from the amount paid by, rather than to refund to, a student withdrawing from the institution or unit an amount equal to the product of the amount of tuition and mandatory fees charged, rather than collected, for each course in which the student is enrolled on the date the student withdraws multiplied by the applicable percentage derived from certain tables. Sets forth the tables determining the amount required to be refunded based on the term, number of class days before the student withdrew, and percentage of tuition to be refunded. Updates the existing table to provide for a summer term of 10 weeks or longer, rather than comparable trimester, a session of more than five weeks but less than 10 weeks, and the amount refunded if the student withdraws from a term or session of five weeks or less.

(b-1) Authorizes an institution or unit to credit the amount to be refunded toward the payment of the outstanding tuition and mandatory fees owed by the student if a student has not paid the total amount of the tuition and mandatory fees charged to the student by the institution or unit for the courses in which the student is enrolled by the date the student withdraws from the institution or unit, instead of issuing the student a refund in the amount required under Subsection (b). Requires the institution or unit to issue a refund to the student if any portion of the amount to be refunded remains after the outstanding tuition and mandatory fees have been paid.

(b-2) Authorizes a general academic teaching institution or medical and dental unit to provide to a student withdrawing from the institution or unit a refund of a portion of the tuition and mandatory fees charged to the student by the institution or unit for the courses in which the student is enrolled on the date the student withdraws in an amount greater than the amount required by Subsection (b). Authorizes the institution or unit to apply the portion of the refund authorized by this subsection toward the payment of any outstanding tuition and fees as provided by Subsection (b-1), and to refund the remainder of that portion in a certain form as the institution or unit considers appropriate.

(c) Authorizes separate withdrawal refund schedules to be established for optional fees. Deletes intercollegiate athletics, cultural entertainment, parking, and yearbooks, as such optional fees.

(e) Authorizes, rather than requires, a general academic teaching institution or medical and dental unit to terminate a student's student services and privileges, including, rather than such as, health services, library privileges, facilities and technology usage, and athletic and cultural entertainment tickets, when the student withdraws from the institution.

SECTION 4. Repealer: Section 54.006(g), Education Code (relating to the amount of fees or tuition prohibited from being collected by an academic institution if the student has not paid that amount on the date the student drops the course or withdraws from the institution).

SECTION 5. Requires THECB to adopt the rules required by Section 51.907(e), Education Code, as added by this Act, relating to permitting a student who shows good cause to drop more than a specified number of courses, as soon as practicable after this Act takes effect. Authorizes THECB to adopt the initial rules in the manner provided by law for emergency rules.

SECTION 6. Provides that Section 51.907, Education Code, as added by this Act, applies only to the number of courses that may be dropped by a student who beginning with the 2007 fall semester enrolls in a public institution of higher education as a first-time freshman.

SECTION 7. Makes application of this Act prospective to the fall 2007 semester.

SECTION 8. Effective date: upon passage or September 1, 2007.