

## **BILL ANALYSIS**

Senate Research Center  
86R2684 KSD-D

S.B. 1478  
By: Bettencourt  
Higher Education  
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As Filed

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

One of the goals of 60x30 is that by 2030, undergraduate student loan debt will not exceed 60 percent of first-year wages for graduates of Texas public institutions. The student debt goal aims to help students who graduate with debt complete their programs with manageable debt. This goal challenges stakeholders to balance the levels of student loan debt with a graduate's earning potential the first year after college. The intent of this goal is to hold student loan debt in Texas to 60 percent of first-year wages after college—60 percent being the current level of loan debt for students who graduate with debt.

S.B. 1478 applies only to general academic teaching institutions and public state colleges. Tuition for participating students would not increase for the first 18 consecutive semesters after their initial enrollment. Participating students would receive a rebate of tuition charges, in an amount prescribed by the institution, if they receive a baccalaureate degree within four calendar years or a lesser rebate if they receive a baccalaureate degree in five calendar years.

The institution will provide each entering undergraduate the opportunity to participate in fixed rate tuition plan along with detailed information regarding the tuition rebates offered by the institution.

As proposed, S.B. 1478 amends current law relating to the fixed tuition price plan offered by certain general academic teaching institutions.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 54.017, Education Code, by amending Subsection (c) and adding Subsections (c-1) and (c-2), as follows:

(c) Makes nonsubstantive changes throughout this subsection. Requires the governing board of an institution to which this section (Fixed Tuition Price Plan For Undergraduate Students at Certain General Academic Teaching Institutions) applies to offer entering undergraduate students, including undergraduate students who transfer to the institution, the opportunity to participate in a fixed tuition price plan under which the institution, subject to any restrictions or qualifications adopted by the governing board, agrees, rather than under which the institution agrees:

(1) not to increase tuition charges per semester credit hour for a participating student for at least the first 18, rather than the first 12, consecutive semesters that occur after the date of the student's initial enrollment at any public or private institution of higher education, regardless of whether the student enrolls at any institution in those semesters; and

(2) to provide to any student participating in the fixed tuition price plan:

(A) a rebate of tuition charges, in an amount prescribed by the institution, if the student is awarded a baccalaureate degree by the institution within four calendar years after the date of the student's initial enrollment at any public or private institution of higher education; and

(B) a rebate of tuition charges, in an amount prescribed by the institution that is less than the rebate amount prescribed under Paragraph (A), if the student does not qualify for a rebate under Paragraph (A) and is awarded a baccalaureate degree by the institution within five calendar years after the date of the student's initial enrollment at any public or private institution of higher education.

(c-1) Requires an institution to which this section applies to provide to each entering undergraduate student, at the time the student is offered the opportunity to participate in the institution's fixed tuition price plan, detailed information regarding the tuition rebates offered by the institution under Subsection (c)(2), including the amounts of those rebates.

(c-2) Creates this subsection from existing text and makes no further changes to this subsection.

SECTION 2. Makes application of Section 54.017, Education Code, as amended by this Act, prospective to fixed tuition price plans offered to entering students at general academic teaching institutions for the 2020 fall semester.

SECTION 3. Effective date: January 1, 2020.