

By: Tinderholt

H.B. No. 3434

A BILL TO BE ENTITLED

AN ACT

relating to prohibiting public institutions of higher education from setting aside a portion of designated tuition for student financial assistance.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 56, Education Code, is amended by adding Section 56.0093 to read as follows:

Sec. 56.0093. DESIGNATED TUITION SET-ASIDE FOR STUDENT FINANCIAL ASSISTANCE PROHIBITED. An institution of higher education may not cause to be set aside any amount of tuition charged to a resident student under Section 54.0513 to provide financial assistance for students enrolled in the institution under this chapter or other law.

SECTION 2. Subchapter B, Chapter 56, Education Code, is repealed.

SECTION 3. The changes in law made by this Act apply beginning with tuition charged for the 2026 spring semester. Tuition charged for any semester or other academic term before the 2026 spring semester is covered by the applicable law as it existed before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2025.