Amend CSHB 1172 (House committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering existing SECTIONS of the bill accordingly:

SECTION____. Sections 54.0513(a) and (b), Education Code, are amended to read as follows:

- (a) In addition to amounts that a governing board of an institution of higher education is authorized to charge as tuition under the other provisions of this chapter, the governing board [7] under the terms the governing board considers appropriate, may charge any student for an academic period an amount designated as tuition not to exceed the amount charged to the student under Section 54.051 or 54.0512, as applicable, for that academic period [that the governing board considers necessary for the effective operation of the institution].
- (b) Subject to the limit provided by Subsection (a) on the amount designated as tuition charged under this section, a [A] governing board may set a different tuition rate under this section for each program and course level offered by each institution of higher education [A] governing board may set a different tuition rate as the governing board considers appropriate to increase graduation rates, encourage efficient use of facilities, [A] enhance employee performance, or further another legitimate purpose of the institution.

SECTION ____. Sections 54.0515 (e) and (f), Education Code, are amended to read as follows:

- (e) It is the legislature's intent that each institution of higher education [, as a condition to tuition deregulation under Section 54.0513,] reasonably implement the following:
- (1) each institution shall make satisfactory progress towards the goals provided in its master plan for higher education and in "Closing the Gaps," the state's master plan for higher education; and
- (2) each institution shall meet acceptable performance criteria, including measures such as graduation rates, retention rates, enrollment growth, educational quality, efforts to enhance minority participation, opportunities for financial aid, and affordablility.

- (f) The committee shall:
 - (1) meet at the call of either chair;
- (2) monitor and regularly report to the legislature on each institution of higher education's compliance with the requirements of Subsection (e); and
- (3) receive and review information concerning the affordability and accessibility of higher education [, including the impact of tuition deregulation].

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

SECTION _____. (a) The changes in law made by this Act in amending Sections 54.0513 and 54.0515, Education Code, apply beginning with tuition charged by an institution of higher education for the 2005-2006 academic year. Tuition charged by an institution of higher education in an academic year before that academic year is covered by the law in effect before the effective date of this Act, and the former law is continued in effect for that purpose.

(b) Tuition set aside under Subchapter B, Chapter 56, Education Code, before the 2005-2006 academic year that was not used as provided by that subchapter before that academic year shall be used as provided by that subchapter as it existed immediately before the effective date of this Act, and that subchapter is continued in effect for that purpose.