## **BILL ANALYSIS**

Senate Research Center 79R10524 JRJ-D

H.B. 994 By: Gonzales (West) S/C on Higher Education 5/14/2005 Engrossed

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

The 78th Legislature, Regular Session, 2003, approved Rider 50 to the General Appropriations Act to control costs and limit General Revenue formula appropriations by excluding contract hours or semester credit hours related to a course from which a student is generating formula funding for the third time from being counted for formula funding.

Due to community colleges' and technical colleges' missions of serving the most academically under-prepared Texans, last biennium community colleges across the state offered hundreds of thousands of contact hours for which they were not reimbursed, resulting in millions of dollars in losses.

By allowing community colleges and technical colleges to charge a higher rate of tuition for repeated courses, community colleges can encourage completion by continuing to offer students the opportunity to re-attempt courses if they are willing to pay the cost of instruction.

Thus, students would continue to have access to the courses they need, and community colleges and technical colleges would be able to recover the cost of instruction. The extra costs of taking a course more than twice would serve as an incentive to finish a course on the first or second attempt, ultimately improving retention and lowering costs to the state and community colleges.

H.B. 994 allows community colleges to charge a student a higher rate of tuition than would otherwise be charged for a course in which a student enrolls if the student has previously enrolled in the same course or a course of substantially similar content and level two times or more.

## **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 Subchapter A, Chapter 130, Education Code, by adding Section 130.0034, as follows:

Sec. 130.0034. TUITION FOR REPEATED COURSES. (a) Authorizes the governing body of a public junior college district to charge a student a higher rate of tuition than the tuition that would otherwise be charged for a course in which the student enrolls under certain conditions.

- (b) Provides that this section does not apply to a non-degree-credit developmental course.
- (c) Prohibits the total amount of tuition charged to the student under this section for the repeated course from exceeding the full cost of instruction for the course with respect to the student.

SECTION 2. Amends Section 135.52, Education Code, as follows:

Sec. 135.52. FEES AND TUITION. (a) Creates this subsection from existing text.

- (b) Authorizes the board of regents of the Texas State Technical College System to charge a student a higher rate of tuition than the tuition that would otherwise be charged for a course in which the student enrolls under certain conditions.
- (c) Provides that Subsection (b) does not apply to a non-degree-credit developmental course.
- (d) Prohibits the total amount of tuition charged to the student under Subsection
- (b) for the repeated course from exceeding the full cost of instruction for the course with respect to the student.

SECTION 3. Provides that the change in law made by this Act applies to a student who, beginning with the 2005-2006 academic year, enrolls for at least the third time in the same or substantially similar courses as described by Sections 130.0034 and 135.52, Education Code, as added by this Act.

SECTION 4. Effective date: upon passage or September 1, 2005.