BILL ANALYSIS

Senate Research Center 79R1057 CAS-D

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Rising enrollment and the increasing cost of college tuition at Texas universities create the need for more support of financial aid programs to keep education affordable for Texas students. Currently, the required financial set asides are not less than 20 percent of any amount of tuition charged to a resident undergraduate student and 15 percent of any amount of tuition charged to a resident graduate or professional student in excess of \$46 per semester credit hour.

As proposed, S.B. 80 requires universities to increase the percentage of certain tuition set aside to fund financial assistance for resident undergraduate and graduate students at public institutions of higher education. Universities that charge over \$46 per semester credit hour to resident undergraduates will be required to set aside at least 40 percent of tuition collected in excess of \$46 per semester hour to provide financial assistance to resident undergraduate students at that university. Likewise, universities that charge in excess of \$46 per semester credit hour for students enrolled in a graduate or professional program will be required to set aside not less than 20 percent of tuition collected in excess of \$46 per semester hour to fund financial assistance to students enrolled in graduate or professional degree programs at that university.

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 56.011(a), Education Code, to require the governing board of each institution of higher education to cause to be set aside not less than 40, rather than 20, percent of any amount of tuition charged to a resident undergraduate student under Section 54.0513 in excess of \$46 per semester credit hour.

SECTION 2. Amends Section 56.012(a), Education Code, to require the governing board of each institution of higher education to cause to be set aside not less than 20, rather than 15, percent of any amount of tuition charged to a resident student enrolled in a graduate or professional degree program under Section 54.0513.

SECTION 3. Make application of this Act prospective to the fall semester of 2005.

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