

Amend CSHB 3900 (house committee report) on page 19, between lines 14 and 15, by inserting the following:

Sec. 54.7671. TRANSFERS AMONG 529 PLANS. (a) The board by rule shall provide for a purchaser to transfer money between an account under this subchapter and an account under another plan established by this state or by another state or other authorized entity in accordance with Section 529, Internal Revenue Code of 1986, to the extent and in the manner authorized by that section.

(b) For purposes of a transfer of money from an account under this subchapter, the value of the account at the time of transfer is the lesser of:

(1) an amount equal to the cost, at the time of the transfer, of the tuition and required fees that would be covered by redemption of the number and type of tuition units to be transferred from the account if the beneficiary were redeeming the units at a general academic teaching institution or two-year institution of higher education as follows:

(A) for a Type I unit, at the general academic teaching institution that, in the sales year in which the unit was purchased, had the highest tuition and required fee cost;

(B) for a Type II unit, at a general academic teaching institution that, in the sales year in which the unit was purchased, had tuition and required fee cost at the weighted average; and

(C) for a Type III unit, at a two-year institution of higher education that, in the sales year in which the unit was purchased, had tuition and required fee cost at the weighted average; or

(2) an amount equal to the total purchase price of the tuition units to be transferred from the account, plus the portion of the total return on assets of the fund attributable to that amount.