

Amend SB 1640 by adding the following appropriately numbered SECTIONS to the bill and renumbering the remaining SECTIONS of the bill accordingly:

SECTION _____. Section 54.203, Education Code, is amended by amending Subsection (e) and adding Subsection (e-1) to read as follows:

(e) The exemption from fees provided for in Subsection (a) ~~[of this section]~~ does not apply to a person who ~~[if]~~ at the time of ~~[his]~~ registration ~~[he]~~ is entitled to receive ~~[eligible for]~~ educational benefits under federal legislation ~~[in effect at the time of his registration]~~ if the value of those benefits received in a semester or other term is equal to or exceeds the value of the exemption for the same semester or other term. If the value of federal benefits received in a semester or other term does not equal or exceed the value of the exemption for the same semester or other term, ~~[except that]~~ the person ~~[must first utilize the federal benefit for which he]~~ is entitled to receive both the federal benefit and the exemption in the same semester or other term. The ~~[eligible and the]~~ combined amount of the federal benefit plus the amount of the exemption received in a semester or other term may ~~[this waiver shall]~~ not exceed the cost of tuition and fees for that semester or other term ~~[maximum value of the waiver]~~. A person is covered by the exemption ~~[exemptions]~~ if the person's ~~[his]~~ right to benefits under federal legislation is extinguished at the time of the person's ~~[his]~~ registration, except that a person may ~~[is]~~ not receive ~~[eligible for]~~ an exemption from fees under this section if the person's right to benefits under federal legislation is extinguished because the person is in default of repayment of a loan made to the person under a federal program to provide or guarantee loans for educational purposes.

(e-1) A person may ~~[is]~~ not receive an ~~[eligible for the]~~ exemption under this section if the person is in default on a loan made or guaranteed for educational purposes by the State of Texas.

SECTION _____. Section 54.203(e), as amended by this Act, and Section 54.203(e-1), as added by this Act, apply beginning with tuition and fees for the 2007 fall semester. Tuition and fees for a term or semester before the 2007 fall semester are covered by the

law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.