

## **BILL ANALYSIS**

Senate Research Center  
80R303 CAS-D

H.B. 120  
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S/C on Higher Education  
5/12/2007  
Engrossed

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

Increases in attendance during off-peak hours and enhanced utilization of university facilities could contribute to students graduating within the time allotted for their degree plan. As a result, overcrowding within degree programs could decrease and the institution would enable to offer the available positions to other qualified students.

H.B. 120 establishes a two-year pilot program that authorizes closed enrollment universities in Texas to offer reduced tuition for courses taken during off-peak hours.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0592, as follows:

Sec. 61.0592. FUNDING FOR COURSES PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. (a) Provides that the purposes of this section are to ensure that student demand for courses is met, and to encourage the efficient use of existing instructional facilities while reducing the need for new instructional facilities.

(b) Provides that this section applies only to funding for a course provided by The University of Texas at Austin, Texas A&M University, or Texas Tech University (institutions).

(c) Requires the Texas Higher Education Coordinating Board (THECB) to include in the formulas established under Section 61.059 (Appropriations) funding in amounts sufficient to cover the institution's revenue loss resulting from any reduction in tuition rates under Section 54.061 to carry out the purposes of this section, for each institution of higher education listed under Subsection (b).

(d) Authorizes THECB to include additional funding that represents a portion of the savings to the state resulting from the institution's efficient use of resources, in addition to the funding included under Subsection (c), in the formulas established under Section 61.059, as an incentive for the institutions to reduce tuition rates under Section 54.061.

SECTION 2. Amends Subchapter B, Chapter 54, Education Code, by adding Section 54.061, as follows:

Sec. 54.061. REDUCED TUITION RATES FOR COURSES PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. Authorizes the governing board of an institution, in accordance with THECB rules and for the purposes stated in Section 61.0592, to establish resident and nonresident tuition rates that are lower than the applicable rates otherwise required or authorized by this chapter for a course offered during the evening, on weekends, or at other times that the institution's instructional facilities would otherwise be underutilized, as determined by the board.

SECTION 3. Requires THECB, as soon as practicable after the effective date of this Act, to adopt rules under which public institutions of higher education may establish lower tuition rates in accordance with Section 54.061, Education Code, as added by this Act.

SECTION 4. Effective date: upon passage or September 1, 2007.