# **BILL ANALYSIS**

H.B. 120 By: Brown, Fred Higher Education Committee Report (Unamended)

## BACKGROUND AND PURPOSE

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

HB 120 establishes a 2 year pilot program whereby the closed enrollment universities in Texas may offer reduced tuition for courses taken during off-peak hours.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 of this bill.

### ANALYSIS

SECTION 1: Subchapter C, Chapter 61, of the Education Code is amended by adding additional language for the purpose of funding for courses provided during off peak hours at certain institutions. The new language is for the purpose of ensuring that demand for coursework is met and encourages the efficient use of existing instructional facilities while reducing the need for new instructional facilities. The facilities affected by this language are the University of Texas at Austin, Texas A&M University, or Texas Tech University.

To carry out the purposes of the new language, the board shall include in the formulas, a funding amount sufficient to cover the institution's revenue loss resulting from any reduction in tuition rates. As an incentive for the institutions to reduce tuition rates, the board may include additional funding that represents a portion of the savings to the state resulting from the institution's efficient use of resources.

SECTION 2: Subchapter B, Chapter 54 of the Education Code is amended by adding additional language for the purpose of reduced tuition rates for courses provided during off-peak hours at certain institutions. The governing board of an institution of higher education may establish resident and nonresident tuition rates that are lower than the applicable rates otherwise required or authorized for a course offered during the evening, on weekends, or at other times that the institutional facilities would otherwise be underutilized.

SECTION 3: As soon as practicable after the effective date of this Act, the Texas Higher Education Coordinating Board shall adopt rules under which public institutions of higher education may establish lower tuition rates.

SECTION 4: Effective date.

#### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

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