

## **BILL ANALYSIS**

C.S.S.B. 516  
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Defense Affairs & State-Federal Relations  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Current law requires a veteran's federal education benefits to be exhausted before the veteran is eligible to use the benefits granted to the veteran by the state's Hazlewood Act. As a result, veterans may find it difficult to pursue higher education and complete a degree program within a reasonable amount of time because of the cost of the education and the need for employment to support a family.

As proposed, C.S.S.B. 516 authorizes veterans to use their Hazlewood and veteran's federal education benefits concurrently if the value of the federal benefits does not equal or exceed the value of the exemption. When a veteran's federal benefits are combined with the exemption, the total benefit received in a semester or any other term may not exceed the cost of tuition and fees for that semester or other term.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 54.203(e) of the Education Code, entitling a person who is eligible for education benefits under federal legislation to an exemption from tuition and fees, as provided in Section 54.203(a) of the Education Code, if the value of federal benefits does not equal or exceed the value of the exemption for the same semester or other term. Prohibits the federal benefit plus the exemption from exceeding the cost of tuition and fees for a semester or other term. A person is covered by the exemption if the right to federal benefits is extinguished at the time of the person's registration. A person is not eligible for the exemption from fees if the person's right to benefits under federal legislation is extinguished due to a default of repayment of a loan made under a federal program to provide or guarantee loans for education purposes. Adds (e-1), providing that a person is ineligible for an exemption from fees under this section if the person's right to educational benefits under federal law ends due to a default of repayment of a loan under a federal program to provide or guarantee loans for educational purposes.

SECTION 2. Makes application of this Act prospective to the 2007 fall semester.

SECTION 3. Effective date.

### **EFFECTIVE DATE**

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

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The original amends Section 54.203(e) of the Education Code, deleting text making an exception to the exemption of fees in Subsection (a) under certain circumstances. Deletes text specifying that a person is covered by the exemptions if the person's right to benefits under federal legislation is extinguished at the time of the person's registration. Provides that a person is

ineligible for an exemption from fees under this section if the person's right to educational benefits under federal law ends due to a default of repayment of a loan under a federal program to provide or guarantee loans for educational purposes.

The substitute does not delete the text making an exception to the exemption of fees or the text specifying that a person is covered by the exemptions if the person's right to benefits under federal law is extinguished at the time of the person's registration. The substitute provides that a person who is eligible for education benefits under federal legislation is entitled to receive both federal benefits and the exemption, if the value of federal benefits does not equal or exceed the value of the exemption for the same semester or other term. The federal benefit plus the exemption may not exceed the cost of tuition and fees for that semester or other term. The substitute specifies that a person is covered by the exemption if the right to federal benefits is extinguished at the time of the person's registration. A person is not eligible for the exemption from fees if the person's right to benefits under federal legislation is extinguished due to a default of repayment of a loan made under a federal program to provide or guarantee loans for education purposes.