

By: Hochberg

H.B. No. 1796

A BILL TO BE ENTITLED

AN ACT

relating to the refund of tuition and fees at institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 54, Education Code, is amended by amending Section 54.006(b) to read as follows:

Sec. 54.006. REFUND OF TUITION AND FEES. (b) A general academic teaching institution or medical and dental unit shall refund to a student withdrawing from the institution or unit an amount ~~[equal to]~~ not less than the product of the amount of tuition and mandatory fees collected for each course in which the student is enrolled on the date the student withdraws multiplied by the applicable percentage derived from the following tables:

(1) if the student withdraws during a fall or spring semester or comparable trimester:

- (A) prior to the first class day 100 percent
- (B) during the first five class days 80 percent
- (C) during the second five class days 70 percent
- (D) during the third five class days 50 percent
- (E) during the fourth five class days 25 percent
- (F) after the fourth five class days None; and

(2) if the student withdraws during a summer term:

- (A) prior to the first class day 100 percent
- (B) during the first, second, or third class day

1 80 percent

2 (C) during the fourth, fifth, or sixth class day

3 50 percent

4 (D) seventh day of class and thereafter None.

5 (c) An institution of higher education that provides a
6 refund greater than the minimum provided by Subsection (b) may
7 offer the additional amount as a refund or as credit toward future
8 enrollment at the institution.

9 (d) [~~(c)~~] Separate withdrawal refund schedules may be
10 established for optional fees such as intercollegiate athletics,
11 cultural entertainment, parking, and yearbooks.

12 (e) [~~(d)~~] A general academic teaching institution or
13 medical and dental unit shall refund tuition and fees paid by a
14 sponsor, donor, or scholarship to the source rather than directly
15 to the student who has withdrawn if the funds were made available
16 through the institution.

17 (f) [~~(e)~~] A general academic teaching institution or
18 medical and dental unit shall terminate student services and
19 privileges, such as health services, library privileges,
20 facilities usage, and athletic and cultural entertainment tickets,
21 when a student withdraws from the institution.

22 (g) [~~(f)~~] Beginning with the summer semester of 1990, if a
23 student withdraws from an institution of higher education because
24 the student is called to active military service, the institution,
25 at the student's option, shall:

26 (1) refund the tuition and fees paid by the student for
27 the semester in which the student withdraws;

1 (2) grant a student, who is eligible under the
2 institution's guidelines, an incomplete grade in all courses by
3 designating "withdrawn-military" on the student's transcript; or

4 (3) as determined by the instructor, assign an
5 appropriate final grade or credit to a student who has
6 satisfactorily completed a substantial amount of coursework and who
7 has demonstrated sufficient mastery of the course material.

8 (h) [~~(g)~~] A general academic teaching institution or
9 medical and dental unit may not collect any amount of fees or
10 tuition in excess of the minimum tuition for a course at the
11 institution or unit from a student who is entitled to a refund of
12 that amount under this section if the student has not paid that
13 amount on the date the student drops the course or withdraws from
14 the institution or unit.

15 SECTION 2. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2007.