

By: Morrison

H.B. No. 3830

A BILL TO BE ENTITLED

AN ACT

relating to exemptions from payment of tuition and mandatory fees and waivers from payment of nonresident tuition at public institutions of higher education.

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

SECTION 1. Chapter 54, Education Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. MANDATORY TUITION AND FEE EXEMPTIONS

Sec. 54.101. DEFINITIONS. In this subchapter:

(1) "Child" means a person who is 25 years of age or younger.

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

(3) "Graduate professional nursing program" means an educational program of a public or private institution of higher education that prepares students for a master's or doctoral degree in nursing.

(4) "Undergraduate professional nursing program" means a public or private educational program for preparing students for initial licensure as registered nurses.

Sec. 54.102. ELIGIBLE PERSONS. The governing board of each institution of higher education shall exempt from the payment of tuition and mandatory fees, other than property deposit fees and charges for room and board, a person:

1 (1) who satisfies the general eligibility
2 requirements prescribed by Section 54.113; and

3 (2) to whom this subchapter applies according to
4 another provision of this subchapter.

5 Sec. 54.103. MILITARY VETERAN; CHILD OF VETERAN. (a)
6 Subject to Subsection (c), this subchapter applies to an honorably
7 discharged veteran who served in the armed forces of the United
8 States, the Texas National Guard, or the Texas Air National Guard
9 and who:

10 (1) entered the service in this state or was a resident
11 of this state at the time of entry into the service; and

12 (2) served on active duty for at least 180 days or, on
13 or after January 1, 1999, was classified by the United States
14 Department of Defense as a prisoner of war for any period of time.

15 (b) Subject to Subsection (c), this subchapter applies to a
16 child of a person described by Subsection (a)(1) if that person:

17 (1) dies or is killed in a manner that is documented to
18 be directly caused by an illness or injury related to service in the
19 armed forces, the Texas National Guard, or the Texas Air National
20 Guard; or

21 (2) at the beginning of the semester or other term for
22 which the exemption is claimed, is classified by the United States
23 Department of Defense as:

24 (A) missing in action; or

25 (B) a prisoner of war.

26 (c) A person described by Subsection (a) or (b):

27 (1) may be exempted under this subchapter only from

1 the amount of tuition and mandatory fee costs remaining after the
2 person has used for the payment of tuition and mandatory fees any
3 federal veterans benefits available to the person for that purpose;
4 and

5 (2) may not receive an exemption under this subchapter
6 if the person is in default on any educational loan made or
7 guaranteed by the federal government or this state.

8 Sec. 54.104. CHILD AND SURVIVING SPOUSE OF PUBLIC OFFICIAL
9 IN LAW ENFORCEMENT, CORRECTIONS, FIREFIGHTING, OR OTHER AT-RISK
10 POSITION. This subchapter applies to:

11 (1) a child of an individual listed by Section
12 615.003, Government Code, if that individual, while performing the
13 duties of the office or employment described by Section 615.003,
14 has been disabled by injury or killed; and

15 (2) the surviving spouse of an individual listed by
16 Section 615.003, Government Code, if that individual has been
17 killed while performing the duties of the office or employment
18 described by Section 615.003.

19 Sec. 54.105. DEAF OR BLIND PERSON. This subchapter applies
20 to a person who is a deaf or blind person, as defined by rules
21 adopted by the executive commissioner of the Health and Human
22 Services Commission.

23 Sec. 54.106. PERSON IN RESIDENTIAL OR FOSTER CARE. (a)
24 This subchapter applies to a child who:

25 (1) was in foster or other residential care under the
26 conservatorship of a state agency in this state on:

27 (A) the child's 18th birthday;

1 (B) the date the child graduated from high school
2 or earned a high school equivalency certificate; or

3 (C) the child's 14th birthday, if the child was
4 eligible for adoption on or after that date; and

5 (2) enrolls in an institution of higher education
6 before the child's 21st birthday.

7 (b) This subchapter applies to a person who:

8 (1) was in foster or other residential care under the
9 conservatorship of a state agency in this state; and

10 (2) was adopted and was the subject of an adoption
11 assistance agreement under Subchapter D, Chapter 162, Family Code.

12 Sec. 54.107. DEPENDENT CHILD RECEIVING PUBLIC ASSISTANCE.

13 This subchapter applies to a person who:

14 (1) during the person's last year of high school
15 attendance was a dependent child receiving financial assistance for
16 not less than six months under Chapter 31, Human Resources Code; and

17 (2) graduated from a public high school in this state.

18 Sec. 54.108. FIREFIGHTER. This subchapter applies to a
19 person who:

20 (1) is employed as a firefighter by any political
21 subdivision of this state; and

22 (2) enrolls in one or more courses considered to be
23 part of a fire science curriculum at the institution at which the
24 person is enrolled.

25 Sec. 54.109. EDUCATIONAL AIDE. This subchapter applies to
26 a person who:

27 (1) is a public school employee;

1 (2) has worked as an educational aide for at least one
2 complete school year during the five-year period preceding the
3 first day of the semester or other term for which the exemption is
4 claimed; and

5 (3) is enrolled in courses required for initial
6 certification as a public school teacher in an educator preparation
7 program at the institution of higher education granting the
8 exemption.

9 Sec. 54.110. CHILD OF FACULTY MEMBER OR TEACHING ASSISTANT.
10 This subchapter applies to a child of a person employed as a faculty
11 member or teaching assistant in a graduate or undergraduate
12 professional nursing program at an institution of higher education.

13 Sec. 54.111. CLINICAL PRECEPTOR AND CHILD. (a) To the
14 extent provided by Subsection (b), this subchapter applies to:

15 (1) a person who:

16 (A) is a registered nurse; and

17 (B) is serving in an undergraduate professional
18 nursing program as a clinical preceptor; and

19 (2) the child of a person described by Subdivision
20 (1).

21 (b) A person described by Subsection (a) is entitled to an
22 exemption under this subchapter only for a semester or other term
23 during which the person described by Subsection (a)(1) is serving
24 as a preceptor.

25 (c) The amount of the exemption provided to a person
26 described by Subsection (a) in a semester or other term is the
27 lesser of:

1 (1) \$500; or

2 (2) the amount of tuition and mandatory fees the
3 person owes.

4 Sec. 54.112. HIGHEST RANKING HIGH SCHOOL GRADUATE. This
5 subchapter applies to the highest ranking graduate of an accredited
6 high school in this state in each school year, according to rankings
7 determined as prescribed by the Texas Education Agency.

8 Sec. 54.113. GENERAL ELIGIBILITY REQUIREMENTS. (a) To be
9 eligible for an exemption under this subchapter, a person to whom
10 this subchapter applies must:

11 (1) be a resident of this state for the semester or
12 other term for which the person claims the exemption;

13 (2) be enrolled in a certificate or degree program at
14 an institution of higher education in this state;

15 (3) provide to the institution at which the person
16 claims the exemption, in the time and manner required by
17 coordinating board rule, proof of eligibility for the exemption;
18 and

19 (4) meet the standards for satisfactory progress that
20 the institution uses for determining eligibility for financial aid.

21 (b) For purposes of Subsection (a)(1), a person described by
22 Section 54.103(a) or (b) is considered to be a resident of this
23 state.

24 Sec. 54.114. HOLDER OF BACCALAUREATE DEGREE INELIGIBLE;
25 EXCEPTIONS. (a) Except as provided by Subsection (b), a person who
26 has earned a baccalaureate degree is not eligible for an exemption
27 under this subchapter.

1 (b) Subsection (a) does not apply to a person who:

2 (1) is described by Section 54.103(a) or (b), 54.109,
3 or 54.111(a)(1); or

4 (2) to the extent authorized by Subsection (c), is
5 enrolled in a program of study in a field in which the coordinating
6 board by rule has determined there is an acute shortage of qualified
7 workers in this state.

8 (c) The exception provided by Subsection (b)(2) expires on
9 the third anniversary of the date a person earns a baccalaureate
10 degree.

11 Sec. 54.115. LIMITATIONS: TYPES OF COURSES; AMOUNTS. An
12 exemption provided by this subchapter:

13 (1) applies only to a course for which an institution
14 of higher education receives formula funding; and

15 (2) does not apply to tuition and mandatory fee
16 charges in amounts greater than 200 percent of the average amount of
17 tuition and fees charged at the institution providing the
18 exemption.

19 Sec. 54.116. PUBLICIZING EXEMPTIONS. (a) Each institution
20 of higher education shall publicize the availability of the
21 exemptions provided by this subchapter by:

22 (1) listing and explaining the exemptions:

23 (A) in each student course catalog;

24 (B) on the institution's Internet website; and

25 (C) in student recruitment literature; and

26 (2) explaining the exemptions at student recruitment
27 events.

1 (b) In explaining the exemptions for purposes of this
2 section, the institution shall provide information concerning:

3 (1) eligibility requirements;

4 (2) an e-mail or Internet address, physical address,
5 or telephone number at which a person may obtain more information;

6 (3) the e-mail, Internet, or physical address to which
7 the person may submit an application; and

8 (4) the deadline for submitting an application.

9 Sec. 54.117. COORDINATION WITH FINANCIAL AID OFFICE. To
10 avoid granting aid to which a student is not entitled, the financial
11 aid office of each institution of higher education shall maintain a
12 record of tuition and fee exemptions granted under this subchapter
13 to a student enrolled at the institution.

14 Sec. 54.118. CONSIDERATION OF EXEMPTION ELIGIBILITY IN
15 ADMISSIONS PROHIBITED. In determining whether to admit a person to
16 an academic program for which the institution receives formula
17 funding, an institution of higher education may not consider the
18 fact that the person is eligible for an exemption under this
19 subchapter.

20 Sec. 54.119. RULES. The coordinating board shall adopt
21 rules to administer this subchapter.

22 SECTION 2. Section 54.2155, Education Code, is transferred
23 to Subchapter C, Chapter 54, Education Code, redesignated as
24 Section 54.120, Education Code, and amended to read as follows:

25 Sec. 54.120 [54.2155]. PAYMENT OF TUITION ASSISTANCE FOR
26 MEMBERS OF STATE MILITARY FORCES. (a) For each semester, the
27 adjutant general of the state military forces shall certify to

1 institutions of higher education as described by Section 431.090,
2 Government Code, information identifying the persons to whom the
3 adjutant general has awarded tuition assistance under that section.

4 (b) An institution of higher education shall exempt a person
5 certified by the adjutant general as described by Subsection (a)
6 from the payment of tuition for the semester credit hours for which
7 the person enrolls, not to exceed 12 semester credit hours. If the
8 person is not charged tuition at the rate provided for other Texas
9 residents, the amount of the exemption may not exceed the amount of
10 tuition the person would be charged as a Texas resident for the
11 number of semester credit hours for which the person enrolls, not to
12 exceed 12 semester credit hours.

13 (c) Sections 54.113, 54.114, and 54.115 do not apply to an
14 exemption provided by this section.

15 SECTION 3. Section 54.213, Education Code, is transferred
16 to Subchapter C, Chapter 54, Education Code, redesignated as
17 Section 54.121, Education Code, and amended to read as follows:

18 Sec. 54.121 [~~54.213~~]. FUNDING OF CERTAIN EXEMPTIONS. (a) An
19 institution of higher education may fund tuition exemptions under
20 Section 54.107 or 54.109 [~~54.212 or 54.214~~] from local funds or from
21 funds appropriated to the institution. An institution of higher
22 education is not required to provide tuition exemptions beyond
23 those funded through appropriations specifically designated for
24 this purpose.

25 (b) Savings to the foundation school fund that occur as a
26 result of the Early High School Graduation Scholarship program
27 created in Subchapter K, Chapter 56, and that are not required for

1 the funding of state credits for tuition and mandatory fees under
2 Section 56.204 or school district credits under Section 56.2075
3 shall be used first to provide tuition exemptions under Section
4 54.107 [~~54.212~~]. Any of those savings remaining after providing
5 tuition exemptions under Section 54.107 [~~54.212~~] shall be used to
6 provide tuition exemptions under Section 54.109 [~~54.214~~]. The
7 Texas Education Agency shall also accept and make available to
8 provide tuition exemptions under Section 54.109 [~~54.214~~] gifts,
9 grants, and donations made to the agency for that purpose. Payment
10 of funds under this subsection shall be made in the manner provided
11 by Section 56.207 for state credits under Subchapter K, Chapter 56.

12 SECTION 4. Chapter 54, Education Code, is amended by adding
13 Subchapter C-1 to read as follows:

14 SUBCHAPTER C-1. MANDATORY WAIVERS OF NONRESIDENT TUITION

15 Sec. 54.151. DEFINITIONS. In this subchapter:

16 (1) "Child" means a person who is 25 years of age or
17 younger.

18 (2) "Coordinating board" means the Texas Higher
19 Education Coordinating Board.

20 (3) "Faculty member" means a person employed by an
21 institution of higher education who:

22 (A) has tenure or is in a tenure track position;
23 or

24 (B) is a research professional.

25 (4) "General academic teaching institution," "public
26 junior college," and "public technical institute" have the meanings
27 assigned by Section 61.003.

1 (5) "Waiver of nonresident tuition" means a grant of
2 entitlement to pay tuition and mandatory fees at the rate provided
3 by this chapter for residents of this state to a person who would
4 otherwise be required to pay tuition and fees at the rate provided
5 by this chapter for nonresidents.

6 Sec. 54.152. PERSONS ELIGIBLE. Notwithstanding any other
7 provision of this chapter, a person is entitled to a waiver of
8 nonresident tuition if:

9 (1) the person satisfies the general eligibility
10 requirements prescribed by Section 54.159; and

11 (2) this subchapter applies to the person according to
12 another provision of this subchapter.

13 Sec. 54.153. MEMBER OF ARMED FORCES; SPOUSE; CHILD. (a)
14 Subject to Subsection (b), this subchapter applies to:

15 (1) a member of the United States armed forces who is
16 stationed in this state and the person's spouse and child;

17 (2) the spouse and child of a member of the armed
18 forces of the United States stationed outside of this state, or a
19 retired or honorably discharged member of the armed forces of the
20 United States residing in this state and that member's spouse and
21 child residing in this state, if the person applying for the waiver
22 of nonresident tuition:

23 (A) files with the institution of higher
24 education at which the person enrolls a statement declaring the
25 person's intention to be a permanent resident of this state; or

26 (B) continuously resides in this state after the
27 member of the armed forces was stationed in this state; and

1 (3) the spouse or a child of a member of the armed
2 forces of the United States if:

3 (A) the member of the armed forces dies or is
4 killed in a manner that is documented to be directly caused by
5 illness or injury connected to service in the armed forces; and

6 (B) the spouse or child becomes a resident of
7 this state not later than the 60th day after the date of the
8 member's death.

9 (b) Subsection (a)(1), (2), or (3) applies to a person only
10 during a semester or other academic term in which the person is
11 enrolled in the same degree or certificate program in which the
12 person was enrolled at the time of initial eligibility under that
13 subsection.

14 Sec. 54.154. NONIMMIGRANT ALIEN. This subchapter applies
15 to a nonimmigrant alien who resides in this state in accordance with
16 the Agreement Between the Parties in the North Atlantic Treaty
17 Regarding the Status of Their Forces (4 U.S.T. 1792) and the alien's
18 spouse and child.

19 Sec. 54.155. PART-TIME FACULTY MEMBER OR TEACHING
20 ASSISTANT; SPOUSE AND CHILD. (a) This subchapter applies to a
21 faculty member who is employed at least one-half time at an
22 institution of higher education and the faculty member's spouse and
23 child.

24 (b) This subchapter applies to a teaching or research
25 assistant who is employed at least one-half time at an institution
26 of higher education in a teaching or research position that relates
27 to the person's degree program and the person's spouse and child.

1 Sec. 54.156. SCHOLARSHIP STUDENT. (a) Subject to
2 Subsection (c), this subchapter applies to a student who holds for
3 the academic year or summer term for which the student is enrolled
4 one or more competitive scholarships in a total amount of at least
5 \$1,000.

6 (b) This subchapter applies to a student who:

7 (1) holds a competitive academic scholarship or
8 receives a stipend awarded on a competitive academic basis; and

9 (2) is enrolled in an institution of higher
10 education's clinical or biomedical research training program that
11 offers both Doctor of Medicine and Doctor of Philosophy degrees.

12 (c) Subsection (a) applies to a student only if each
13 scholarship:

14 (1) is awarded by an entity recognized for the purpose
15 of awarding competitive scholarships by the governing board of the
16 institution of higher education in which the student is enrolled;
17 and

18 (2) is awarded and maintained in a manner that
19 complies with applicable coordinating board rules.

20 Sec. 54.157. EMPLOYEE IN STATE AS RESULT OF ECONOMIC
21 DEVELOPMENT PROGRAM; CHILD. This subchapter applies to:

22 (1) a person who by the date the person enrolls in the
23 institution of higher education granting the waiver of nonresident
24 tuition establishes residence in this state in connection with the
25 person's employment by a business or organization that became
26 established in this state as part of the state program of economic
27 development and diversification authorized by the law of this

1 state; and

2 (2) the child of a person described by Subdivision (1)
3 if the person described by Subdivision (1) serves as the child's
4 primary adult caretaker.

5 Sec. 54.158. RESIDENT OF UNITED MEXICAN STATES. This
6 subchapter applies to a resident of the United Mexican States who
7 demonstrates financial need as determined under coordinating board
8 rule and who enrolls in:

9 (1) any general academic teaching institution,
10 component of the Texas State Technical College System, or public
11 junior college located in a county bordering the United Mexican
12 States;

13 (2) courses that are part of a graduate degree program
14 in public health and that are conducted in a county bordering the
15 United Mexican States; or

16 (3) Texas A&M University--Kingsville, Texas A&M
17 University--Corpus Christi, or The University of Texas at San
18 Antonio.

19 Sec. 54.159. GENERAL ELIGIBILITY REQUIREMENTS. To be
20 eligible for a waiver of nonresident tuition under this subchapter,
21 a person to whom this subchapter applies must:

22 (1) be enrolled in a certificate or degree program at
23 an institution of higher education in this state;

24 (2) provide to the institution at which the person
25 claims the waiver, in the time and manner required by coordinating
26 board rule, proof of eligibility for the exemption; and

27 (3) meet the standards for satisfactory progress that

1 the institution uses for determining eligibility for financial aid.

2 Sec. 54.160. LIMITATION: TYPES OF COURSES. A waiver of
3 nonresident tuition provided by this subchapter applies only to a
4 course for which an institution of higher education receives
5 formula funding.

6 Sec. 54.161. PUBLICIZING WAIVERS. Each institution of
7 higher education shall publicize and explain the waivers of
8 nonresident tuition available under this subchapter in the same
9 manner as is required by Section 54.116 for publicizing and
10 explaining tuition exemptions.

11 Sec. 54.162. COORDINATION WITH FINANCIAL AID OFFICE. To
12 avoid granting aid to which a student is not entitled, the financial
13 aid office of each institution of higher education shall maintain a
14 record of waivers of nonresident tuition granted under this
15 subchapter to a student enrolled at the institution.

16 Sec. 54.163. CONSIDERATION OF WAIVER ELIGIBILITY IN
17 ADMISSIONS PROHIBITED. In determining whether to admit a person to
18 an academic program for which the institution receives formula
19 funding, an institution of higher education may not consider the
20 fact that the person is eligible for a waiver of nonresident tuition
21 under this subchapter.

22 Sec. 54.164. RULES. The coordinating board shall adopt
23 rules to administer this subchapter.

24 SECTION 5. Section 54.060, Education Code, is transferred
25 to Subchapter C-1, Chapter 54, Education Code, as added by this Act,
26 redesignated as Section 54.165, Education Code, and amended to read
27 as follows:

1 Sec. 54.165 [~~54.060~~]. RESIDENT OF BORDERING STATE OR NATION
2 OR PARTICIPANT IN STUDENT EXCHANGE PROGRAM: TUITION. (a) The
3 nonresident tuition fee prescribed by this chapter does not apply
4 to a nonresident student who is a resident of Arkansas, Louisiana,
5 New Mexico, or Oklahoma and who registers in a public upper-level
6 institution of higher education, Lamar State College--Orange,
7 Lamar State College--Port Arthur, a [~~Texas~~] public junior college,
8 or a public technical institute that is situated in a county
9 immediately adjacent to the state in which the nonresident student
10 resides. The nonresident tuition fee prescribed by this chapter
11 does not apply to a nonresident student who is a resident of New
12 Mexico or Oklahoma and who registers in a public technical
13 institute that is situated in a county that is within 100 miles of
14 the state in which the nonresident student resides and who is
15 admitted for the purpose of utilizing available instructional
16 facilities. The nonresident student described in this subsection
17 shall pay an amount equivalent to the amount charged a Texas student
18 registered at a similar school in the state in which the nonresident
19 student resides. For purposes of this subsection, "public
20 upper-level institution of higher education" means an institution
21 of higher education that offers only junior-level and senior-level
22 courses or only junior-level, senior-level, and graduate-level
23 courses.

24 (b) [~~The foreign student tuition fee prescribed in this~~
25 ~~chapter does not apply to a foreign student who is a resident of a~~
26 ~~nation situated adjacent to Texas, demonstrates financial need as~~
27 ~~provided by Subsection (c), and registers in:~~

1 ~~[(1) any general academic teaching institution or~~
2 ~~component of the Texas State Technical College System located in a~~
3 ~~county immediately adjacent to the nation in which the foreign~~
4 ~~student resides;~~

5 ~~[(2) lower division courses at a community or junior~~
6 ~~college having a partnership agreement pursuant to Subchapter N,~~
7 ~~Chapter 51, with an upper-level university and both institutions~~
8 ~~are located in the county immediately adjacent to the nation in~~
9 ~~which the foreign student resides;~~

10 ~~[(3) Texas A&M University--Kingsville, Texas A&M~~
11 ~~University--Corpus Christi, or The University of Texas at San~~
12 ~~Antonio; or~~

13 ~~[(4) courses that are part of a graduate degree~~
14 ~~program in public health and are conducted in a county immediately~~
15 ~~adjacent to the nation in which the foreign student resides.~~

16 ~~[(c) A foreign student to whom Subsection (b) applies shall~~
17 ~~pay tuition equal to that charged Texas residents under Sections~~
18 ~~54.051 and 54.0512. The coordinating board shall adopt rules~~
19 ~~governing the determination of financial need of students to whom~~
20 ~~Subsection (b) applies and rules governing a pilot project to be~~
21 ~~established at general academic teaching institutions and at~~
22 ~~components of the Texas State Technical College System in counties~~
23 ~~that are not immediately adjacent to the nation in which the foreign~~
24 ~~student resides.~~

25 ~~[(d)]~~ The coordinating board by rule shall establish a
26 program with the United Mexican States and with Canada for the
27 exchange of students and shall establish programs with other

1 nations for the exchange of students to the extent practicable. The
2 foreign student tuition fee prescribed in this chapter does not
3 apply to a foreign student participating in an exchange program
4 established under this section.

5 (c) [~~(e)~~] The coordinating board shall adopt rules to
6 determine the number of students who may participate in the program
7 [~~programs~~] provided by Subsection [~~Subsections~~] (b) [~~and (d) and~~
8 ~~the students who may transfer from any general academic teaching~~
9 ~~institution or component of the Texas State Technical College~~
10 ~~System in a county immediately adjacent to the nation in which the~~
11 ~~foreign student resides to attend another general academic teaching~~
12 ~~institution or component of the Texas State Technical College~~
13 ~~System to complete a degree, certificate, or diploma or attend~~
14 ~~graduate school~~].

15 (d) [~~(f)~~] The payment of resident tuition at Lamar State
16 College--Orange, Lamar State College--Port Arthur, or a public
17 technical institute as authorized by Subsection (a) or at an
18 institution of higher education as authorized by Subsection (e)
19 [~~(g)~~] does not affect the constitutionally dedicated funding to
20 which institutions of higher education are entitled under Article
21 VII, Section 17, of the Texas Constitution.

22 (e) [~~(g)~~] The nonresident tuition fee prescribed by this
23 chapter does not apply to a nonresident student who is a resident of
24 a county or parish of Arkansas, Louisiana, New Mexico, or Oklahoma
25 that is adjacent to this state and who registers in an institution
26 of higher education, the governing board of which has agreed to
27 admit the student at the resident tuition fee prescribed by this

1 chapter. The state in which the student resides must allow a
2 resident of a county of this state that is adjacent to that state to
3 register in a public institution of higher education in that state
4 at the tuition fee charged residents of that state. The student
5 shall pay tuition equal to that charged residents of this state at
6 the institution.

7 (f) Sections 54.159 and 54.160 do not apply to this section.

8 [~~(h) In this section:~~

9 ~~(1) "Coordinating board" means the Texas Higher~~
10 ~~Education Coordinating Board.~~

11 ~~(2) "General academic teaching institution" and~~
12 ~~"public technical institute" have the meanings assigned by Section~~
13 ~~61.003.]~~

14 SECTION 6. Section 54.073, Education Code, as added by
15 Chapter 865, Acts of the 79th Legislature, Regular Session, 2005,
16 is transferred to Subchapter C-1, Education Code, as added by this
17 Act, redesignated as Section 54.166, Education Code, and amended to
18 read as follows:

19 Sec. 54.166 [~~54.073~~]. TUITION RATES FOR OLYMPIC ATHLETES.

20 (a) A person enrolled in The University of Texas at Brownsville and
21 Texas Southmost College is entitled to pay tuition and fees at the
22 rates provided for Texas residents if the person:

23 (1) is in residence and in training as a participating
24 athlete in a Community Olympic Development Program or at a United
25 States Olympic training center located in this state;

26 (2) is residing permanently or temporarily in this
27 state while in training as a participating athlete:

1 (A) in a Community Olympic Development Program
2 located in this state; or

3 (B) at a United States Olympic training center
4 located in this state in a program approved by the governing body
5 for the athlete's Olympic sport; or

6 (3) is residing permanently or temporarily in this
7 state while in training as a participating athlete at a facility in
8 this state approved by the governing body for the athlete's Olympic
9 sport, in a program approved by that body.

10 (b) Notwithstanding any other law, a person who is entitled
11 to pay resident tuition and fees only as permitted by this section
12 is not considered a Texas resident under this subchapter for
13 purposes of a financial aid program offered by this state.

14 (c) Sections 54.159 and 54.160 do not apply to this section.

15 SECTION 7. Section 21.050(c), Education Code, is amended to
16 read as follows:

17 (c) A person who receives a bachelor's degree required for a
18 teaching certificate on the basis of higher education coursework
19 completed while receiving an exemption from tuition and fees under
20 Section 54.109 [~~54.214~~] may not be required to participate in any
21 field experience or internship consisting of student teaching to
22 receive a teaching certificate.

23 SECTION 8. Section 51.803(a), Education Code, is amended to
24 read as follows:

25 (a) Each general academic teaching institution shall admit
26 an applicant for admission to the institution as an undergraduate
27 student if the applicant graduated with a grade point average in the

1 top 10 percent of the student's high school graduating class in one
2 of the two school years preceding the academic year for which the
3 applicant is applying for admission and the applicant graduated
4 from a public or private high school in this state accredited by a
5 generally recognized accrediting organization or from a high school
6 operated by the United States Department of Defense. To qualify for
7 admission under this section, an applicant must submit an
8 application before the expiration of any application filing
9 deadline established by the institution and, if the applicant
10 graduated from a high school operated by the United States
11 Department of Defense, must be a Texas resident under Section
12 54.052 or be entitled to pay tuition fees at the rate provided for
13 Texas residents under Section 54.153 [~~54.058(d)~~] for the term or
14 semester to which admitted.

15 SECTION 9. Section 54.011, Education Code, is amended to
16 read as follows:

17 Sec. 54.011. TUITION LIMIT IN CASES OF CONCURRENT
18 ENROLLMENT. (a) When a student registers at more than one public
19 institution of higher education at the same time, the student's
20 [~~his~~] tuition charges shall be determined in the following manner:

21 (1) the [~~The~~] student shall pay the full tuition
22 charge to the first institution at which the student [~~he~~] is
23 registered, [~~+~~] and in any event the student [~~he~~] shall pay an
24 amount at least equal to the minimum tuition specified in this code;
25 [~~-~~]

26 (2) if [~~if~~] the minimum tuition specified in this code
27 for the first institution at which the student is registered is

1 equal to or greater than the minimum tuition specified in this code
2 for the second institution at which the student is registered
3 concurrently, the student shall not be required to pay the
4 specified minimum tuition charge to the second institution in
5 addition to the tuition charge paid to the first institution, but
6 shall pay only the hourly rates, as provided in this code, to the
7 second institution; ~~[-]~~

8 (3) if ~~[If]~~ the minimum tuition specified in this code
9 for the first institution at which the student is registered is less
10 than the specified minimum tuition charge at the second institution
11 (that is, if the second institution has a higher minimum tuition
12 charge specified in this code), then the student shall first
13 register at the institution having the lower minimum tuition and
14 shall pay to the second institution only the amount equal to the
15 difference between the student's ~~[his]~~ total tuition charge at the
16 second institution and the student's ~~[his]~~ total tuition charge at
17 the first institution, but in no case shall the student pay to the
18 second institution less than the hourly rates as provided in this
19 code; and ~~[-]~~

20 (4) if ~~[If]~~ a student is considered to be a Texas
21 resident and therefore qualified to pay Texas resident tuition
22 rates by one institution at which the student ~~[he]~~ is registered,
23 that student shall be considered a Texas resident at each of the
24 institutions at which the student ~~[he]~~ is concurrently registered
25 for the purposes of determining the proper tuition charges.

26 (b) Nothing in Subsection (a)(4) ~~[this subdivision]~~ shall
27 be ~~[so]~~ construed ~~[as]~~ to allow a nonresident to pay resident

1 tuition except at institutions covered by Section 54.158 or 54.165
2 [~~54.060 of this code~~].

3 SECTION 10. The heading to Subchapter D, Chapter 54,
4 Education Code, is amended to read as follows:

5 SUBCHAPTER D. PERMISSIVE EXEMPTIONS FROM TUITION

6 SECTION 11. Section 54.545(c), Education Code, is amended
7 to read as follows:

8 (c) Subchapters B, C, C-1, and D do not apply to a fee
9 charged under this section[~~, except to a fee for a correspondence~~
10 ~~course taken by a student who would qualify for an exemption from~~
11 ~~tuition under Section 54.203 if the correspondence course applies~~
12 ~~towards the student's degree plan. The governing board of an~~
13 ~~institution of higher education may grant an exemption provided by~~
14 ~~Section 54.203 for continuing education courses].~~

15 SECTION 12. Section 56.455, Education Code, is amended to
16 read as follows:

17 Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible
18 initially for a Texas B-On-time loan, a person must:

19 (1) be a resident of this state under Section 54.052 or
20 be entitled, as a child of a member of the armed forces of the United
21 States, to pay tuition at the rate provided for residents of this
22 state under Section 54.153(a)(2) or (3) [~~54.058~~];

23 (2) meet one of the following academic requirements:

24 (A) be a graduate of a public or accredited
25 private high school in this state who graduated not earlier than the
26 2002-2003 school year under the recommended or advanced high school
27 program established under Section 28.025(a);

1 (B) be a graduate of a high school operated by the
2 United States Department of Defense who:

3 (i) graduated from that school not earlier
4 than the 2002-2003 school year; and

5 (ii) at the time of graduation from that
6 school was a dependent child of a member of the armed forces of the
7 United States; or

8 (C) have received an associate degree from an
9 eligible institution not earlier than May 1, 2005;

10 (3) be enrolled for a full course load for an
11 undergraduate student, as determined by the coordinating board, in
12 an undergraduate degree or certificate program at an eligible
13 institution;

14 (4) be eligible for federal financial aid, except that
15 a person is not required to meet any financial need requirement
16 applicable to a particular federal financial aid program; and

17 (5) comply with any additional nonacademic
18 requirement adopted by the coordinating board under this
19 subchapter.

20 SECTION 13. Section 61.0516, Education Code, is amended to
21 read as follows:

22 Sec. 61.0516. ELECTRONIC SYSTEM TO MONITOR TUITION
23 EXEMPTIONS FOR VETERANS AND DEPENDENTS. The board shall develop a
24 system to electronically monitor the use of tuition exemptions
25 under Sections 54.103(a) and (b) [~~Section 54.203~~]. The system must
26 allow the board to electronically receive, for each semester, the
27 following information from institutions of higher education:

1 (1) the name of the institution;

2 (2) the name, identification number, and date of birth
3 of each individual attending the institution and receiving benefits
4 for the semester under Section 54.103(a) or (b) [~~54.203~~];

5 (3) for each individual receiving benefits, the number
6 of credit hours for which the individual received an exemption for
7 the semester;

8 (4) for each individual receiving benefits at the
9 institution during the semester, the total cumulative number of
10 credit hours for which the individual has received an exemption at
11 the institution; and

12 (5) any other information required by the board.

13 SECTION 14. Section 61.073, Education Code, is amended to
14 read as follows:

15 Sec. 61.073. ALLOCATION OF FUNDS FOR TUITION AND FEE
16 EXEMPTIONS. Funds shall be appropriated to the Texas Higher
17 Education Coordinating Board for allocation to each junior and
18 community college in an amount equal to the total of all tuition and
19 laboratory fees foregone each semester as a result of the tuition
20 and laboratory fee exemptions required by law under [~~in~~] Sections
21 54.103(b)(2), 54.105, 54.108, 54.112, and 54.207 [~~54.201 through~~
22 ~~54.209, Texas Education Code~~].

23 SECTION 15. Section 76.07(c), Education Code, is amended to
24 read as follows:

25 (c) A nonresident student who is simultaneously enrolled in
26 the institution and another public institution of higher education
27 under a program offered jointly by the two institutions under a

1 partnership agreement and who pays the fees and charges required of
2 Texas residents at one of the institutions as provided by Section
3 54.156(a) [~~54.064~~] because the student holds a competitive
4 scholarship is entitled to pay the fees and charges required of
5 Texas residents at each public institution of higher education in
6 which the student is simultaneously enrolled under the program.

7 SECTION 16. Section 130.003(f), Education Code, is amended
8 to read as follows:

9 (f) This section does not alter, amend, or repeal Section
10 54.158 or 54.165 [~~54.060 of this code~~].

11 SECTION 17. Section 131.005(a), Education Code, is amended
12 to read as follows:

13 (a) A Texas resident student enrolled in the institute is
14 exempt from tuition fees under Section 54.105 [~~54.205 of this~~
15 ~~code~~].

16 SECTION 18. Section 431.090(h), Government Code, is amended
17 to read as follows:

18 (h) From money appropriated for purposes of this section,
19 the adjutant general shall authorize the comptroller to reimburse
20 an institution of higher education in an amount equal to the amount
21 of the tuition exemption the institution grants to a person under
22 Section 54.120 [~~54.2155~~], Education Code.

23 SECTION 19. Section 824.602(a), Government Code, is amended
24 to read as follows:

25 (a) Subject to Section 825.506, the retirement system may
26 not, under Section 824.601, withhold a monthly benefit payment if
27 the retiree is employed in a Texas public educational institution:

1 (1) as a substitute only with pay not more than the
2 daily rate of substitute pay established by the employer and, if the
3 retiree is a disability retiree, the employment has not exceeded a
4 total of 90 days in the school year;

5 (2) in a position, other than as a substitute, on no
6 more than a one-half time basis for the month;

7 (3) in one or more positions on as much as a full-time
8 basis, if the work occurs in not more than six months of a school
9 year that begins after the retiree's effective date of retirement;

10 (4) in a position, other than as a substitute, on no
11 more than a one-half time basis for no more than 90 days in the
12 school year, if the retiree is a disability retiree;

13 (5) in a position as a classroom teacher on as much as
14 a full-time basis, if the retiree has retired under Section
15 824.202(a) or (a-1), is certified under Subchapter B, Chapter 21,
16 Education Code, to teach the subjects assigned, is teaching in an
17 acute shortage area as determined by the board of trustees of a
18 school district as provided by Subsection (m), and has been
19 separated from service with all public schools for at least 12
20 months;

21 (6) in a position as a principal, including as an
22 assistant principal, on as much as a full-time basis, if the retiree
23 has retired under Section 824.202(a) or (a-1) without reduction for
24 retirement at an early age, is certified under Subchapter B,
25 Chapter 21, Education Code, to serve as a principal, and has been
26 separated from service with all public schools for at least 12
27 months;

1 (7) as a bus driver for a school district on as much as
2 a full-time basis, if the retiree has retired under Section
3 824.202(a) or (a-1), and the retiree's primary employment is as a
4 bus driver; or

5 (8) as a faculty member, during the period beginning
6 with the 2005 fall semester and ending on the last day of the 2015
7 spring semester, in an undergraduate professional nursing program
8 or graduate professional nursing program, as defined by Section
9 54.101 [~~54.221~~], Education Code, and if the retiree has been
10 separated from service with all public schools for at least 12
11 months.

12 SECTION 20. Section 2306.5622(a)(1), Government Code, is
13 amended to read as follows:

14 (1) "Graduate professional nursing program" and
15 "undergraduate professional nursing program" have the meanings
16 assigned by Section 54.101 [~~54.221~~], Education Code.

17 SECTION 21. The following statutes are repealed:

18 (1) Sections 54.058, 54.059, 54.063, 54.064, 54.065,
19 54.069, 54.070, 54.074, 54.201, 54.203, 54.204, 54.205, 54.208,
20 54.209, 54.211, 54.2111, 54.212, 54.214, 54.219, 54.221, and
21 54.222, Education Code;

22 (2) Section 54.073, Education Code, as added by
23 Chapter 888, Acts of the 79th Legislature, Regular Session, 2005;
24 and

25 (3) Section 615.0225, Government Code.

26 SECTION 22. The changes in law made by this Act apply
27 beginning with tuition and fees for the 2009 fall semester. Tuition

1 and fees for a term or semester before the 2009 fall semester are
2 covered by the law in effect immediately before the effective date
3 of this Act, and the former law is continued in effect for that
4 purpose.

5 SECTION 23. This Act takes effect immediately if it
6 receives a vote of two-thirds of all the members elected to each
7 house, as provided by Section 39, Article III, Texas Constitution.
8 If this Act does not receive the vote necessary for immediate
9 effect, this Act takes effect September 1, 2007.