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S.B. No. 309

A BILL TO BE ENTITLED

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AN ACT

relating to the requirement that a career school or college adopt a refund policy for students called to active military service.

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

SECTION 1. Subchapter C, Chapter 132, Education Code, is amended by adding Section 132.0611 to read as follows:

Sec. 132.0611. REFUND POLICY FOR STUDENTS CALLED TO ACTIVE MILITARY SERVICE. As a condition to receiving a certificate of approval under this chapter, including a renewal of a certificate of approval, a career school or college must maintain, and include in the school or college's catalogue and enrollment contract, a policy under which a student of the school or college who withdraws from the school or college as a result of the student being called to active duty in a military service of the United States or the Texas National Guard may elect one of the following options for each program in which the student is enrolled:

(1) if tuition and fees are collected in advance of the withdrawal, a pro rata refund of any tuition, fees, or other charges paid by the student for the program and a cancellation of any unpaid tuition, fees, or other charges owed by the student for the portion of the program the student does not complete following withdrawal;

(2) a grade of incomplete with the designation "withdrawn-military" for the courses in the program, other than courses for which the student has previously received a grade on the

1 student's transcript, and the right to re-enroll in the program, or
2 a substantially equivalent program if that program is no longer
3 available, not later than the first anniversary of the date the
4 student is discharged from active military duty without payment of
5 additional tuition, fees, or other charges for the program other
6 than any previously unpaid balance of the original tuition, fees,
7 and charges for books for the program; or

8 (3) the assignment of an appropriate final grade or
9 credit for the courses in the program, but only if the instructor or
10 instructors of the program determine that the student has:

11 (A) satisfactorily completed at least 90 percent
12 of the required coursework for the program; and

13 (B) demonstrated sufficient mastery of the
14 program material to receive credit for completing the program.

15 SECTION 2. Subsection (b), Section 132.055, Education Code,
16 is amended by adding Subdivision (19) to read as follows:

17 (19) The school or college maintains a policy
18 regarding students called to active military service that meets the
19 requirements prescribed by Section 132.0611.

20 SECTION 3. Subsection (a), Section 132.201, Education Code,
21 is amended to read as follows:

22 (a) Certificate and registration fees, except those charged
23 pursuant to Subsection (d), shall be collected by the commission.
24 Each fee shall be in an amount set by the commission in an amount not
25 to exceed 150 percent of each fee in the following schedule:

26 (1) the initial fee for a career school or college:

27 (A) for a certificate of approval is \$2,000; or

1 (B) for a small career school or college
2 certificate of approval is \$1,000;

3 (2) the first renewal fee and each subsequent renewal
4 fee for a career school or college is the greater of:

5 (A) an amount that is determined by applying a
6 percentage, not to exceed 0.3 percent, to the gross tuition and
7 fees, excluding refunds as provided by Section 132.061 or 132.0611,
8 of the school or college; or

9 (B) \$500;

10 (3) the initial registration fee for a representative
11 is \$60;

12 (4) the annual renewal fee for a representative is
13 \$30;

14 (5) the fee for a change of a name of a career school or
15 college or owner is \$100;

16 (6) the fee for a change of an address of a career
17 school or college is \$180;

18 (7) the fee for a change in the name or address of a
19 representative or a change in the name or address of a career school
20 or college that causes the reissuance of a representative permit is
21 \$10;

22 (8) the application fee for an additional program is
23 \$150, except for seminars and workshops, for which the fee is \$25;

24 (9) the application fee for a director, administrative
25 staff member, or instructor is \$15;

26 (10) the application fee for the authority to grant
27 degrees is \$2,000;

1 (11) the application fee for an additional degree
2 program is \$250; and

3 (12) the fee for an inspection required by commission
4 rule of classroom facilities that are separate from the main campus
5 is \$250.

6 SECTION 4. Subsection (b), Section 132.2415, Education
7 Code, is amended to read as follows:

8 (b) The commission may collect annually a fee from each
9 career school or college to be deposited to the credit of the career
10 school or college tuition trust account. The total amount of the
11 fees collected in a year shall be set by the commission in the
12 amount estimated as necessary to pay the liabilities of the trust
13 account during that year, not to exceed 0.2 percent of the gross
14 amount of tuition and fees charged by career schools and colleges in
15 that year, excluding amounts refunded under Section 132.061 or
16 132.0611.

17 SECTION 5. Section 132.0611, Education Code, as added by
18 this Act, applies to a career school or college operating under a
19 certificate of approval issued under Chapter 132, Education Code,
20 beginning on the earlier of the following dates:

21 (1) November 1, 2007; or

22 (2) the earliest date on which the certificate of
23 approval is issued or renewed that occurs on or after the effective
24 date of this Act.

25 SECTION 6. This Act takes effect September 1, 2007.