

AN ACT

relating to the general deposit paid by a student to a public institution of higher education.

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

SECTION 1. Subsection (a), Section 54.203, Education Code, is amended to read as follows:

(a) The governing board of each institution of higher education shall exempt the following persons from the payment of all dues, fees, and charges, including fees for correspondence courses but excluding general ~~property~~ deposit fees, student services fees, and any fees or charges for lodging, board, or clothing, provided the persons seeking the exemptions were citizens of Texas at the time they entered the services indicated and have resided in Texas for at least the period of 12 months before the date of registration:

(1) all nurses and honorably discharged members of the armed forces of the United States who served during the Spanish-American War or during World War I;

(2) all nurses, members of the Women's Army Auxiliary Corps, members of the Women's Auxiliary Volunteer Emergency Service, and all honorably discharged members of the armed forces of the United States who served during World War II except those who were discharged from service because they were over the age of 38 or because of a personal request on the part of the person that he be

1 discharged from service;

2 (3) all honorably discharged men and women of the  
3 armed forces of the United States who served during the national  
4 emergency which began on June 27, 1950, and which is referred to as  
5 the Korean War; and

6 (4) all persons who were honorably discharged from the  
7 armed forces of the United States after serving on active military  
8 duty, excluding training, for more than 180 days and who served a  
9 portion of their active duty during:

10 (A) the Cold War which began on the date of the  
11 termination of the national emergency cited in Subdivision (3) of  
12 this subsection;

13 (B) the Vietnam era which began on December 21,  
14 1961, and ended on May 7, 1975;

15 (C) the Grenada and Lebanon era which began on  
16 August 24, 1982, and ended on July 31, 1984;

17 (D) the Panama era which began on December 20,  
18 1989, and ended on January 21, 1990;

19 (E) the Persian Gulf War which began on August 2,  
20 1990, and ends on the date thereafter prescribed by Presidential  
21 proclamation or September 1, 1997, whichever occurs first;

22 (F) the national emergency by reason of certain  
23 terrorist attacks that began on September 11, 2001; or

24 (G) any future national emergency declared in  
25 accordance with federal law.

26 SECTION 2. Subsection (b), Section 54.204, Education Code,  
27 is amended to read as follows:

1 (b) The governing board of each institution of higher  
2 education shall exempt from the payment of all dues, fees, and  
3 charges any person whose parent is an eligible employee who has  
4 suffered an injury, resulting in death or disability, sustained in  
5 the line of duty according to the regulations and criteria then in  
6 effect governing the department or agency in which he was employed.  
7 The exemption does not apply to general [~~property~~] deposits or to  
8 fees or charges for lodging, board, or clothing.

9 SECTION 3. Subdivision (4), Subsection (a), Section 54.205,  
10 Education Code, is amended to read as follows:

11 (4) "Tuition fees" includes all dues, fees, and  
12 enrollment charges whatsoever for which exemptions may be lawfully  
13 made, including fees for correspondence courses, general  
14 [~~property~~] deposit fees, and student services fees, but does not  
15 include fees or charges for lodging, board, or clothing.

16 SECTION 4. The heading to Section 54.502, Education Code,  
17 is amended to read as follows:

18 Sec. 54.502. GENERAL [~~PROPERTY~~] DEPOSITS.

19 SECTION 5. Subsection (a), Section 54.502, Education Code,  
20 is amended to read as follows:

21 (a) An institution of higher education may collect a  
22 reasonable deposit in an amount not to exceed \$100 from each student  
23 to insure the institution against any losses, damages, and breakage  
24 for which the student is responsible and to cover any other amounts  
25 owed by the student to the institution [~~in libraries and~~  
26 ~~laboratories~~]. The institution shall return to the student the  
27 deposit, less any such amounts owed to the institution by the

1 student. The deposit must be returned within a reasonable period  
 2 after the date of the student's withdrawal or graduation from the  
 3 institution, not to exceed 180 days, that provides the institution  
 4 with sufficient time to identify all amounts owed and to determine  
 5 that the student does not intend to enroll at the institution in the  
 6 semester or summer session immediately following the student's  
 7 withdrawal or graduation or, if the student withdraws or graduates  
 8 in the spring semester, in the next fall semester [~~The deposit shall~~  
 9 ~~be returned on the withdrawal or graduation of a student, less an~~  
 10 ~~amount necessary to cover any loss, damage, or breakage caused by~~  
 11 ~~the student~~].

12 SECTION 6. Subsection (a), Section 54.5021, Education Code,  
 13 is amended to read as follows:

14 (a) The student deposit fund consists of the income from the  
 15 investment or time deposits of general [~~property~~] deposits and of  
 16 forfeited general [~~property~~] deposits. Any general [~~property~~]  
 17 deposit which remains without call for refund for a period of four  
 18 years from the date of last attendance of the student making the  
 19 deposit shall be forfeited and become a part of the student deposit  
 20 fund. This section does not [~~Nothing in this section shall be~~  
 21 ~~construed to~~] prohibit refund of any balance remaining in a general  
 22 [~~property~~] deposit when made on proper demand and within the  
 23 four-year limitation period. The governing board of the  
 24 institution may require that no student withdraw the student's  
 25 [~~his~~] deposit until the student [~~he~~] has [~~been~~] graduated or has  
 26 apparently withdrawn from school.

27 SECTION 7. Section 54.5022, Education Code, is amended to

1 read as follows:

2           Sec. 54.5022. INVESTMENT OF GENERAL [~~PROPERTY~~] DEPOSITS.  
3 The governing board of each institution of higher education may  
4 invest the funds received as general [~~property~~] deposits authorized  
5 by [~~in~~] Section 54.502 [~~of this code~~] in the manner provided under  
6 either Section 51.003 or 51.0031 [~~of this code~~].

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

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1233 passed the Senate on April 19, 2007, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2007, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1233 passed the House, with amendment, on May 23, 2007, by the following vote: Yeas 144, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor