A BILL TO BE ENTITLED
AN ACT
relating to eliminating the set-aside of a portion of designated tuition for student financial assistance at public institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter B, Chapter 56, Education Code, is repealed.
SECTION 2. Section 56.465(a), Education Code, is amended to read as follows:
(a) The governing board of each institution of higher education shall cause to be set aside five percent of the amount of the tuition charged to a resident undergraduate student at the institution under Section 54.0513 in excess of $46 per semester credit hour. [The amount of a student's tuition set aside under this subsection is considered a part of the amount required to be set aside from that tuition under Section 56.011.]
SECTION 3. (a) The repeal of Subchapter B, Chapter 56, Education Code, by this Act applies beginning with tuition charged for the 2009 fall semester.
(b) The repeal of Subchapter B, Chapter 56, Education Code, by this Act does not affect the application of that subchapter to tuition set aside for purposes of that subchapter for any semester or other academic term before the 2009 fall semester, and the former law is continued in effect until the tuition set aside before the
2009 fall semester has been used as prescribed by that subchapter.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.