

By: Watson

S.B. No. 1765

A BILL TO BE ENTITLED

AN ACT

relating to financial assistance funded from the amounts of certain fees charged to students enrolled 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 amended to read as follows:

SUBCHAPTER B. FINANCIAL ASSISTANCE FUNDED
FROM DESIGNATED TUITION AND STUDENT FEES

Sec. 56.0105. DEFINITION. In this subchapter, "student fee" means a fee authorized by Section 54.504 or a fee or other charge authorized by Section 55.16(a). The term does not include an application fee or a fee for participation in a study abroad program or a field trip or other organized off-campus activity.

Sec. 56.011. RESIDENT UNDERGRADUATE STUDENT ASSISTANCE.

(a) The governing board of each institution of higher education shall cause to be set aside not less than 20 percent of the total amount of:

(1) any amount of tuition charged to a resident undergraduate student under Section 54.0513 in excess of \$46 per semester credit hour;

(2) any student fee first imposed in the 2009 fall semester or a subsequent semester or term; and

(3) any student fee increase that takes effect in the

1 2009 fall semester or a subsequent semester or term.

2 **(b)** The funds set aside under this section by an institution
3 shall be used to provide financial assistance for resident
4 undergraduate students enrolled in the institution.

5 **(c)** [~~(b)~~] To be eligible for assistance under this section,
6 a student must establish financial need in accordance with rules
7 and procedures established by the Texas Higher Education
8 Coordinating Board. Priority shall be given to students who meet
9 the coordinating board definition of financial need and whose cost
10 for tuition and required fees is not met through other non-loan
11 financial assistance programs.

12 **(d)** [~~(c)~~] The financial assistance provided under this
13 section:

14 **(1)** may include grants, scholarships, or work-study
15 programs; and

16 **(2)** may not include [~~7~~] student loans or [~~7 and~~] student
17 loan repayment assistance.

18 Sec. 56.012. RESIDENT GRADUATE STUDENT ASSISTANCE. (a)
19 The governing board of each institution of higher education shall
20 cause to be set aside not less than 15 percent of the total amount
21 of:

22 **(1)** any amount of tuition charged to a resident
23 student enrolled in a graduate or professional degree program under
24 Section 54.0513 in excess of \$46 per semester credit hour;

25 **(2)** any student fee first imposed in the 2009 fall
26 semester or a subsequent semester or term; and

27 **(3)** any student fee increase that takes effect in the

1 2009 fall semester or a subsequent semester or term.

2 **(b)** The funds set aside under this section by an institution
3 shall be used to provide financial assistance for resident students
4 enrolled in graduate and professional degree programs at the
5 institution.

6 **(c)** [~~(b)~~] To be eligible for assistance under this section,
7 a student must establish financial need in accordance with rules
8 and procedures established by the Texas Higher Education
9 Coordinating Board. Priority shall be given to students who meet
10 the coordinating board definition of financial need and whose cost
11 for tuition and required fees is not met through other non-loan
12 financial assistance programs.

13 **(d)** [~~(c)~~] The financial assistance provided under this
14 section:

15 **(1)** may include grants, scholarships, or work-study
16 programs; and

17 **(2)** may not include [~~7~~] student loans or [~~7 and~~] student
18 loan repayment assistance.

19 Sec. 56.013. INFORMATION REGARDING FINANCIAL ASSISTANCE
20 FUNDED FROM DESIGNATED TUITION AND STUDENT FEES. The Texas Higher
21 Education Coordinating Board shall disseminate to each public or
22 accredited private high school in this state information regarding
23 the financial assistance available under this subchapter and shall
24 include information designed to educate high school students and
25 the parents of those students on available opportunities and
26 required preparation with respect to institutions of higher
27 education. The coordinating board shall recommend a method of

1 delivery of the information to parents and students under this
2 section.

3 SECTION 2. The change in law made by this Act applies to
4 student fees and charges charged beginning with the 2009 fall
5 semester.

6 SECTION 3. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2009.