By: Fletcher H.B. No. 830

Substitute the following for H.B. No. 830:

By: Branch C.S.H.B. No. 830

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to the portion of designated tuition set aside to provide

- 3 student financial assistance at institutions of higher education.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 56.011 and 56.012, Education Code, are
- 6 amended to read as follows:
- 7 Sec. 56.011. RESIDENT UNDERGRADUATE STUDENT ASSISTANCE.
- 8 (a) The governing board of each institution of higher education
- 9 shall cause to be set aside not less than 20 percent of any amount of
- 10 tuition charged to a resident undergraduate student under Section
- 11 54.0513 in excess of \$46 per semester credit hour. The funds set
- 12 aside under this section by an institution shall be used to provide
- 13 financial assistance for resident undergraduate students enrolled
- 14 in the institution.
- 15 (b) To be eligible for assistance, including the funding of
- 16 a tuition and fee exemption, under this section, a student must
- 17 establish financial need in accordance with rules and procedures
- 18 established by the Texas Higher Education Coordinating Board.
- 19 (c) In using funds set aside under this section, priority
- 20 [Priority] shall be given to funding tuition and fee exemptions
- 21 under Section 54.341 for eligible students who qualify for
- 22 <u>exemptions under that section.</u>
- 23 (d) Any remaining funds available under this section after
- 24 the use of funds required under Subsection (c) shall be used to

- 1 provide financial assistance to eligible students [meet the
- 2 coordinating board definition of financial need and] whose cost for
- 3 tuition and required fees is not met through other non-loan
- 4 financial assistance programs.
- 5  $\underline{\text{(e)}}$  [\(\frac{\(\text{(e)}\)}{\(\text{)}}\)] The financial assistance provided under
- 6 <u>Subsection (d)</u> [this section] may include grants, scholarships,
- 7 work-study programs, student loans, and student loan repayment
- 8 assistance.
- 9 Sec. 56.012. RESIDENT GRADUATE STUDENT ASSISTANCE. (a)
- 10 The governing board of each institution of higher education shall
- 11 cause to be set aside not less than 15 percent of any amount of
- 12 tuition charged to a resident student enrolled in a graduate or
- 13 professional degree program under Section 54.0513 in excess of \$46
- 14 per semester credit hour. The funds set aside under this section by
- 15 an institution shall be used to provide financial assistance for
- 16 resident students enrolled in graduate and professional degree
- 17 programs at the institution.
- 18 (b) To be eligible for assistance, including the funding of
- 19 a tuition and fee exemption, under this section, a student must
- 20 establish financial need in accordance with rules and procedures
- 21 established by the Texas Higher Education Coordinating Board.
- (c) In using funds set aside under this section, priority
- 23 [Priority] shall be given to funding tuition and fee exemptions
- 24 under Section 54.341 for eligible students who qualify for
- 25 exemptions under that section.
- 26 (d) Any remaining funds available under this section after
- 27 the use of funds required under Subsection (c) shall be used to

- 1 provide financial assistance to eligible students [meet the
- 2 coordinating board definition of financial need and] whose cost for
- 3 tuition and required fees is not met through other non-loan
- 4 financial assistance programs.
- 5 (e)  $[\frac{(c)}{c}]$  The financial assistance provided under
- 6 <u>Subsection (d)</u> [this section] may include grants, scholarships,
- 7 work-study programs, student loans, and student loan repayment
- 8 assistance.
- 9 SECTION 2. Section 56.014(a), Education Code, is amended to
- 10 read as follows:
- 11 (a) An institution of higher education that <u>sets</u> [<del>is</del>
- 12 required by this subchapter to set] aside a portion of a student's
- 13 tuition payments to provide financial assistance for students
- 14 enrolled in the institution under this subchapter shall provide to
- 15 each student of the institution who pays tuition from which a
- 16 portion is [required to be] set aside for that purpose a notice
- 17 regarding the specific amount that is [required to be] set aside by
- 18 the institution.
- 19 SECTION 3. Section 56.465(a), Education Code, is amended to
- 20 read as follows:
- 21 (a) The governing board of each institution of higher
- 22 education shall cause to be set aside five percent of the amount of
- 23 the tuition charged to a resident undergraduate student at the
- 24 institution under Section 54.0513 in excess of \$46 per semester
- 25 credit hour. The amount of a student's tuition set aside under this
- 26 subsection is not considered a part of the amount, if any, [required
- 27 to be] set aside from that tuition under Section 56.011.

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- SECTION 4. The changes in law made by this Act apply beginning with designated tuition set aside by an institution of higher education for the 2014 fall semester. Designated tuition set aside for a semester or term before the 2014 fall semester is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.
- 8 SECTION 5. This Act takes effect January 1, 2014.