

By: Fletcher

H.B. No. 117

A BILL TO BE ENTITLED

AN ACT

relating to the portion of designated tuition set aside to provide student financial assistance at institutions of higher education.

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

SECTION 1. Sections 56.011 and 56.012, Education Code, are amended to read as follows:

Sec. 56.011. RESIDENT UNDERGRADUATE STUDENT ASSISTANCE.

(a) The governing board of each institution of higher education may ~~[shall]~~ cause to be set aside not more ~~[less]~~ than 15 ~~[20]~~ percent of any amount of tuition charged to a resident undergraduate student under Section 54.0513 in excess of \$46 per semester credit hour. The funds set aside under this section by an institution shall be used to provide financial assistance for resident undergraduate students enrolled in the institution.

(b) From the funds set aside by an institution under this section, the institution shall first fund any tuition and fee exemptions required under Section 54.341 for veterans and other military personnel and their dependents and surviving family members enrolled as undergraduate students at the institution.

(c) To be eligible for assistance from any remaining funds available under this section after the use of those funds required by Subsection (b), a student must establish financial need in accordance with rules and procedures established by the Texas Higher Education Coordinating Board. Priority shall be given to

1 students who meet the coordinating board definition of financial
2 need and whose cost for tuition and required fees is not met through
3 other non-loan financial assistance programs.

4 (d) [~~(c)~~] The financial assistance provided under
5 Subsection (c) [~~this section~~] may include grants, scholarships,
6 work-study programs, student loans, and student loan repayment
7 assistance.

8 Sec. 56.012. RESIDENT GRADUATE STUDENT ASSISTANCE. (a)
9 The governing board of each institution of higher education may
10 [~~shall~~] cause to be set aside not more [~~less~~] than 15 percent of any
11 amount of tuition charged to a resident student enrolled in a
12 graduate or professional degree program under Section [54.0513](#) in
13 excess of \$46 per semester credit hour. The funds set aside under
14 this section by an institution shall be used to provide financial
15 assistance for resident students enrolled in graduate and
16 professional degree programs at the institution.

17 (b) From the funds set aside by an institution under this
18 section, the institution shall first fund any tuition and fee
19 exemptions required under Section [54.341](#) for veterans and other
20 military personnel and their dependents and surviving family
21 members enrolled in graduate and professional degree programs at
22 the institution.

23 (c) To be eligible for assistance from any remaining funds
24 available under this section after the use of those funds required
25 by Subsection (b), a student must establish financial need in
26 accordance with rules and procedures established by the Texas
27 Higher Education Coordinating Board. Priority shall be given to

1 students who meet the coordinating board definition of financial
2 need and whose cost for tuition and required fees is not met through
3 other non-loan financial assistance programs.

4 (d) [~~(c)~~] The financial assistance provided under
5 Subsection (c) [~~this section~~] may include grants, scholarships,
6 work-study programs, student loans, and student loan repayment
7 assistance.

8 SECTION 2. Section 56.014(a), Education Code, is amended to
9 read as follows:

10 (a) An institution of higher education that sets [~~is~~
11 ~~required by this subchapter to set~~] aside a portion of a student's
12 tuition payments to provide financial assistance for students
13 enrolled in the institution under this subchapter shall provide to
14 each student of the institution who pays tuition from which a
15 portion is [~~required to be~~] set aside for that purpose a notice
16 regarding the specific amount that is [~~required to be~~] set aside by
17 the institution.

18 SECTION 3. Section 56.465(a), Education Code, is amended to
19 read as follows:

20 (a) The governing board of each institution of higher
21 education shall cause to be set aside five percent of the amount of
22 the tuition charged to a resident undergraduate student at the
23 institution under Section 54.0513 in excess of \$46 per semester
24 credit hour. The amount of a student's tuition set aside under this
25 subsection is not considered a part of the amount, if any, [~~required~~
26 ~~to be~~] set aside from that tuition under Section 56.011.

27 SECTION 4. The changes in law made by this Act apply

1 beginning with designated tuition set aside by an institution of
2 higher education for the 2016 fall semester. Designated tuition
3 set aside for a semester or term before the 2016 fall semester is
4 governed by the law in effect immediately before the effective date
5 of this Act, and the former law is continued in effect for that
6 purpose.

7 SECTION 5. This Act takes effect January 1, 2016.