

By: Nichols

S.B. No. 464

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to eliminating provisions authorizing or requiring public  
3 institutions of higher education to set aside portions of tuition  
4 for student financial assistance and other purposes.

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

6 SECTION 1. Section 52.91(c), Education Code, is amended to  
7 read as follows:

8 (c) The board shall repay bonds issued by the board to fund  
9 the Texas B-On-time student loan program using legislative  
10 appropriations and money collected by the board as repayment for  
11 Texas B-On-time student loans awarded by the board. [~~The board may  
12 use tuition set aside under Section 56.465 to repay bonds issued by  
13 the board for the Texas B-On-time student loan program.~~] The board  
14 may not use money collected by the board as repayment for student  
15 loans awarded by the board under Subchapter C to repay bonds issued  
16 by the board for the Texas B-On-time student loan program under  
17 Section 56.464(b).

18 SECTION 2. Sections 56.033(a) and (e), Education Code, are  
19 amended to read as follows:

20 (a) To award Texas Public Educational Grants, the [~~The~~]  
21 governing board of each institution of higher education, including  
22 the Texas State Technical College System, may use legislative  
23 appropriations or other funds available to the institution [~~shall~~  
24 ~~cause to be set aside.~~

1           ~~[(1) not less than 15 percent nor more than 20 percent~~  
2 ~~out of each resident student's tuition charge under Section 54.051~~  
3 ~~as provided by the General Appropriations Act for the applicable~~  
4 ~~academic year;~~

5           ~~[(2) three percent out of each nonresident student's~~  
6 ~~tuition charge under Section 54.051;~~

7           ~~[(3) not less than six percent nor more than 20 percent~~  
8 ~~out of each resident student's hourly tuition charge exclusive of~~  
9 ~~out-of-district charges, and \$1.50 out of each nonresident~~  
10 ~~student's hourly tuition charge, for academic courses at a public~~  
11 ~~community or junior college; and~~

12           ~~[(4) not less than six percent nor more than 20 percent~~  
13 ~~of hourly tuition charges exclusive of out-of-district charges for~~  
14 ~~vocational-technical courses at a public community or junior~~  
15 ~~college].~~

16           (e) To supplement the money described by ~~[set aside under]~~  
17 Subsection (a), the governing board of an institution of higher  
18 education may use money received by the institution from the fee for  
19 issuance of collegiate license plates under Section 504.615,  
20 Transportation Code, for awarding Texas Public Educational Grants.  
21 ~~[The board may use the money to award grants to both resident and~~  
22 ~~nonresident students, except that the board shall give priority to~~  
23 ~~grants for resident students. Notwithstanding Subsection (b), the~~  
24 ~~board may not use the money for emergency loans under Subchapter D.]~~

25           SECTION 3. Subchapter C, Chapter 56, Education Code, is  
26 amended by adding Section 56.0335 to read as follows:

27           Sec. 56.0335. GRANTS AVAILABLE TO RESIDENT AND NONRESIDENT

1 STUDENTS; LIMITED PRIORITY. The governing board of an institution  
2 of higher education may award grants to both resident and  
3 nonresident students, except that the board shall give priority to  
4 resident students in awarding grants from money from license plate  
5 fees described by Section 56.033(e).

6 SECTION 4. Section 56.054, Education Code, is amended to  
7 read as follows:

8 Sec. 56.054. SOURCE OF PROGRAM FUNDING. The loans may  
9 ~~[shall]~~ be made from legislative appropriations or from other funds  
10 available to the institution ~~[the funds set aside for that purpose~~  
11 ~~under Section 56.033 of this code].~~

12 SECTION 5. The heading to Section 56.095, Education Code,  
13 is amended to read as follows:

14 Sec. 56.095. FUNDING~~[, LIMITATION ON FUNDING]~~.

15 SECTION 6. Section 56.095, Education Code, is amended by  
16 amending Subsections (a) and (c) and adding Subsection (a-1) to  
17 read as follows:

18 (a) The doctoral incentive loan repayment program may be  
19 funded with legislative appropriations and other money available to  
20 the coordinating board for purposes of this subchapter ~~[only from a~~  
21 ~~source provided by this section].~~

22 (a-1) The total amount of loan repayment assistance paid  
23 under the program may not exceed the amount of money available for  
24 purposes of ~~[the program under]~~ this subchapter ~~[section]~~.

25 (c) The coordinating board may solicit and accept gifts and  
26 grants from any public or private source for ~~[the]~~ purposes of this  
27 subchapter ~~[the doctoral incentive loan repayment program]~~.

1 SECTION 7. Section 56.463(a), Education Code, is amended to  
2 read as follows:

3 (a) The Texas B-On-time student loan account is an account  
4 in the general revenue fund. The account consists of:

5 (1) gifts and grants and legislative appropriations  
6 received under Section 56.464; [~~tuition set aside under Section~~  
7 ~~56.465,~~] and

8 (2) other money required by law to be deposited in the  
9 account.

10 SECTION 8. Section 61.5391(a), Education Code, is amended  
11 to read as follows:

12 (a) The physician education loan repayment program account  
13 is an account in the general revenue fund. The account is composed  
14 of:

15 (1) gifts and grants contributed to the account;  
16 (2) earnings on the principal of the account; and  
17 (3) other amounts deposited to the credit of the  
18 account, including:

19 (A) money deposited under Section [~~61.539(b) or~~  
20 61.5392;

21 (B) legislative appropriations; and

22 (C) money deposited under Section 155.2415, Tax  
23 Code.

24 SECTION 9. Section 61.909, Education Code, is amended to  
25 read as follows:

26 Sec. 61.909. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The  
27 total amount of repayment assistance distributed by the board under

1 this subchapter may not exceed the total amount of gifts and grants  
2 accepted by the board for repayment assistance, [~~dental school~~  
3 ~~tuition set aside under Section 61.910,~~] legislative  
4 appropriations for repayment assistance, and other funds available  
5 to the board for purposes of this subchapter.

6 SECTION 10. Section 61.9659, Education Code, is amended to  
7 read as follows:

8 Sec. 61.9659. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The  
9 total amount of repayment assistance distributed by the board under  
10 this subchapter may not exceed the total amount of gifts and grants  
11 accepted by the board for repayment assistance, [~~tuition set aside~~  
12 ~~under Section 61.9660,~~] legislative appropriations for repayment  
13 assistance, and other funds available to the board for purposes of  
14 this subchapter.

15 SECTION 11. Section 61.9730, Education Code, is amended to  
16 read as follows:

17 Sec. 61.9730. TOTAL AMOUNT OF REPAYMENT ASSISTANCE. The  
18 total amount of repayment assistance distributed by the board under  
19 this subchapter may not exceed the total amount of gifts, grants,  
20 and donations accepted by the board for repayment assistance,  
21 legislative appropriations for repayment assistance, and other  
22 funds available to the board for purposes of this subchapter [~~and~~  
23 ~~tuition set aside under Section 61.9731~~].

24 SECTION 12. The following provisions of the Education Code  
25 are repealed:

- 26 (1) Section 54.0513(e);
- 27 (2) Subchapter B, Chapter 56;

- 1 (3) Sections 56.033(b), (c), and (d);
- 2 (4) Sections 56.036, 56.037, 56.038, and 56.039;
- 3 (5) Section 56.459(f);
- 4 (6) Section 56.465;
- 5 (7) Section 61.539;
- 6 (8) Section 61.910;
- 7 (9) Section 61.9660; and
- 8 (10) Sections 61.9731 and 61.9732.

9 SECTION 13. (a) The change in law made by this Act applies  
10 beginning with tuition charged for the 2015 fall semester.

11 (b) Tuition charged for any semester or other academic term  
12 before the 2015 fall semester is covered by the applicable law as it  
13 existed before the effective date of this Act, and the former law is  
14 continued in effect for that purpose.

15 SECTION 14. This Act takes effect immediately if it  
16 receives a vote of two-thirds of all the members elected to each  
17 house, as provided by Section 39, Article III, Texas Constitution.  
18 If this Act does not receive the vote necessary for immediate  
19 effect, this Act takes effect September 1, 2015.