By: Birdwell, et al.

S.B. No. 1735

A BILL TO BE ENTITLED

AN ACT

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- 2 relating to tuition and fee exemptions at public institutions of
- 3 higher education for certain military personnel and their
- 4 dependents.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Section 54.341, Education Code, is amended by
- 7 amending Subsections (a), (e), (k), and (1) and adding Subsections
- 8 (a-0), (a-5), (c-1), (k-2), (l-1), and (p) to read as follows:
- 9 (a) The governing board of each institution of higher
- 10 education shall exempt the [following] persons described by
- 11 Subsection (a-0) from the payment of tuition, dues, fees, and other
- 12 required charges, including fees for correspondence courses but
- 13 excluding general deposit fees, student services fees, and any fees
- 14 or charges for lodging, board, or clothing, provided the person
- 15 seeking the exemption currently resides in this state and the
- 16 person:
- 17 (1) entered the service at a location in this state;
- 18 (2) $[\tau]$ declared this state as the person's home of
- 19 record in the manner provided by the applicable military or other
- 20 service<u>;</u>
- (3) $[\frac{1}{1000}]$ would have been determined to be a resident
- 22 of this state for purposes of Subchapter B at the time the person
- 23 entered the service; or
- 24 (4) has resided in this state continuously for the

- 1 eight years immediately preceding the first class date of the
- 2 semester or academic term to which the exemption would apply.
- 3 (a-0) The following persons are exempted from the payment of
- 4 tuition, dues, fees, and other required charges under Subsection
- 5 (a):
- 6 (1) all nurses and honorably discharged members of the
- 7 armed forces of the United States who served during the
- 8 Spanish-American War or during World War I;
- 9 (2) all nurses, members of the Women's Army Auxiliary
- 10 Corps, members of the Women's Auxiliary Volunteer Emergency
- 11 Service, and all honorably discharged members of the armed forces
- 12 of the United States who served during World War II except those who
- 13 were discharged from service because they were over the age of 38 or
- 14 because of a personal request on the part of the person that the
- 15 person be discharged from service;
- 16 (3) all honorably discharged men and women of the
- 17 armed forces of the United States who served during the national
- 18 emergency which began on June 27, 1950, and which is referred to as
- 19 the Korean War; and
- 20 (4) all persons who were honorably discharged from the
- 21 armed forces of the United States after serving on active military
- 22 duty, excluding training, for more than 180 days and who served a
- 23 portion of their active duty during:
- (A) the Cold War which began on the date of the
- 25 termination of the national emergency cited in Subdivision (3);
- 26 (B) the Vietnam era which began on December 21,
- 27 1961, and ended on May 7, 1975;

- 1 (C) the Grenada and Lebanon era which began on
- 2 August 24, 1982, and ended on July 31, 1984;
- 3 (D) the Panama era which began on December 20,
- 4 1989, and ended on January 21, 1990;
- 5 (E) the Persian Gulf War which began on August 2,
- 6 1990, and ends on the date thereafter prescribed by Presidential
- 7 proclamation or September 1, 1997, whichever occurs first;
- 8 (F) the national emergency by reason of certain
- 9 terrorist attacks that began on September 11, 2001; or
- 10 (G) any future national emergency declared in
- 11 accordance with federal law.
- 12 <u>(a-5)</u> A person who received an exemption under this section
- 13 for a semester or other academic term before the 2017 spring
- 14 semester continues to be eligible for the exemption provided by
- 15 this section as this section existed on January 1, 2015.
- 16 (c-1) This subsection does not apply to a person who is
- 17 eligible to receive an exemption under Subsection (a-2) or (b) or to
- 18 continue to receive an exemption under Subsection (a-1), (a-3),
- 19 (a-4), or (a-5). In addition to the limitation prescribed by
- 20 Subsection (c), a person who qualifies for an exemption under
- 21 Subsection (a) based on the person's military service may not
- 22 receive the exemption for a semester or other academic term the
- 23 first class date of which is later than the 15th anniversary of:
- 24 (1) the date of the person's honorable discharge from
- 25 <u>active military duty; or</u>
- 26 (2) if the person subsequently serves in the Texas
- 27 National Guard or in the reserve component of the armed forces of

- 1 the United States, the date of the person's latest discharge from
- 2 the Texas National Guard or the reserve component, as applicable.
- 3 (e) The exemption from tuition, fees, and other charges
- 4 provided for by this section does not apply to a person who at the
- 5 time of registration is entitled to receive state or federal grant
- 6 aid or educational benefits under federal legislation that may be
- 7 used only for the payment of tuition and fees if the value of the
- 8 grant aid and [those] benefits received in a semester or other term
- 9 is equal to or exceeds the value of the exemption for the same
- 10 semester or other term. If the value of state or federal grant aid
- 11 or federal benefits that may be used only for the payment of tuition
- 12 and fees and are received in a semester or other term does not equal
- 13 or exceed the value of the exemption for the same semester or other
- 14 term, the person is entitled to receive both the grant aid or
- 15 [those] federal benefits and the exemption in the same semester or
- 16 other term. The combined amount of the state or federal grant aid
- 17 or federal benefit that may be used only for the payment of tuition
- 18 and fees plus the amount of the exemption received in a semester or
- 19 other term may not exceed the cost of tuition and fees for that
- 20 semester or other term. An institution of higher education may not
- 21 require a person eligible for an exemption under Subsection (a) to
- 22 apply for or obtain a student loan.
- 23 (k) <u>Subject to the limitation prescribed by Subsection</u>
- 24 (k-2), the [The] Texas Veterans Commission by rule shall prescribe
- 25 procedures to allow:
- 26 (1) a person who becomes eligible for an exemption
- 27 provided by Subsection (a) to waive the person's right to any unused

- 1 portion of the number of cumulative credit hours for which the
- 2 person could receive the exemption and assign the exemption for the
- 3 unused portion of those credit hours to a child of the person; and
- 4 (2) following the death of a person who becomes
- 5 eligible for an exemption provided by Subsection (a), the
- 6 assignment of the exemption for the unused portion of the credit
- 7 hours to a child of the person, to be made by the person's spouse or
- 8 by the conservator, guardian, custodian, or other legally
- 9 designated caretaker of the child, if the child does not otherwise
- 10 qualify for an exemption under Subsection (b).
- 11 <u>(k-2)</u> A person who becomes eligible for an exemption
- 12 provided by Subsection (a) must have served on active military
- 13 duty, excluding training, or on active service or active status in
- 14 the Texas National Guard or the reserve component of the armed
- 15 <u>forces of the United States for a cumulative total of at least six</u>
- 16 years before any portion of the exemption may be assigned to a child
- 17 of the person under Subsection (k).
- 18 (1) To be eligible to receive an exemption under Subsection
- 19 (k), the child must:
- 20 (1) be a student who is classified as a resident under
- 21 Subchapter B when the child enrolls in an institution of higher
- 22 education;
- 23 (2) be an [as a graduate or] undergraduate student $[\tau]$
- 24 maintain a grade point average that satisfies the grade point
- 25 average requirement for making satisfactory academic progress in a
- 26 degree, certificate, or continuing education program as determined
- 27 by the institution at which the child is enrolled in accordance with

1 the institution's policy regarding eligibility for financial aid]; 2 [and] (3) 3 maintain: (A) a course load of at least 24 semester credit 4 hours per academic year; and 5 6 (B) a cumulative grade point average of at least 7 2.5 on a four-point scale or the equivalent; (4) claim the exemption for a semester or other 8 academic term the first class date of which is no later than the 9 15th anniversary of the honorable discharge date from active duty 10 of the parent from whom the exemption is being assigned; 11 (5) no later than the last class date of each semester 12 13 or other academic term to which the exemption would apply, perform at least 20 hours of community service approved by the Texas 14 15 Veterans Commission for purposes of this subdivision; and 16 (6) be 25 years of age or younger on the first class 17 date [day] of the semester or other academic term for which the 18 exemption is claimed. (1-1) If a person fails to meet any of the requirements of 19 Subsection (1)(3) after the completion of any semester or other 20 academic term, the person is not eligible to receive an exemption 21 22 under Subsection (k) during the next semester or other term in which the person enrolls. A person may become eligible to receive an 23 exemption in a subsequent semester or other academic term if the 24 25 person:

which the person is not eligible for the exemption; and

(1) completes a semester or other academic term during

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(2) satisfies the requirements of Subsection (1)(3). 1 2 (p) An institution of higher education shall require a 3 person receiving an exemption under this section to complete a Free Application for Federal Student Aid (FAFSA). The institution may 4 not use the information obtained from a person's FAFSA to encourage 5 or require the person to obtain a student loan, but may use the 6 7 information to make a person aware of grant opportunities. SECTION 2. Subchapter A, Chapter 434, Government Code, is 8 9 amended by adding Section 434.00792 to read as follows: Sec. 434.00792. STUDY AND REPORT REGARDING CERTAIN TUITION 10 AND FEE EXEMPTIONS FOR VETERANS AND FAMILY MEMBERS. 11 (a) The commission, in coordination with the Texas Higher Education 12 13 Coordinating Board and the Legislative Budget Board, shall conduct a study observing and comparing the implementation and effects, 14 including the costs to institutions of higher education, of the 15 16 exemption from the payment of tuition and fees at institutions of higher education under Section 54.341, Education Code: 17 18 (1) before the enactment of Chapter 1340 (S.B. 93), Acts of the 81st Legislature, Regular Session, 2009, allowing a 19 20 person eligible for an exemption under Section 54.341, Education 21 Code, to assign the exemption to a child of the person; (2) after the enactment of the Act described by 22 23 Subdivision (1); and (3) after the enactment and becoming law of S.B. 1735, 24

84th Legislature, Regular Session, 2015, amending Section 54.341,

(b) Not later than December 1, 2018, the commission shall

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Education Code.

- 1 report its findings from the study conducted under this section to
- 2 the legislature.
- 3 (c) This section expires January 1, 2019.
- 4 SECTION 3. (a) Except as provided by Subsection (b) of
- 5 this section, the changes in law made by this Act to Section 54.341,
- 6 Education Code, apply beginning with tuition and fees charged for
- 7 the 2017 spring semester. Tuition and fees charged for a term or
- 8 semester before the 2017 spring semester are covered by the law in
- 9 effect immediately before the effective date of this Act, and the
- 10 former law is continued in effect for that purpose.
- 11 (b) The changes in law made by this Act in amending Section
- 12 54.341(a) and adding Section 54.341(a-0), Education Code, apply
- 13 beginning with tuition and fees charged for the first academic
- 14 semester beginning on or after the effective date of this Act.
- 15 SECTION 4. This Act takes effect immediately if it receives
- 16 a vote of two-thirds of all the members elected to each house, as
- 17 provided by Section 39, Article III, Texas Constitution. If this
- 18 Act does not receive the vote necessary for immediate effect, this
- 19 Act takes effect September 1, 2015.