

BILL ANALYSIS

Senate Research Center
85R11274 KJE-D

S.B. 950
By: Seliger
Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Tuition and fee revenue forgone by public institutions due to exemptions and waivers totaled more than \$752 million in fiscal year 2015. Texas has many different exemption and waiver programs, which are optional or mandatory for an institution to provide to eligible students.

S.B. 950 requires all persons for whom college tuition is waived or exempt to complete a free application for federal student aid or the Texas Application for State Financial Aid for the academic year and submit it to the institution they wish to attend. This will allow the state to be better informed on student demographic information for those receiving an exemption or waiver.

S.B. 950 also requires institutions of higher education to report to the Texas Higher Education Coordinating Board information on all tuition and fee exemptions for veterans and their dependents and other academic information, such as the number of semester credit hours for which a veteran or their dependent receives an exemption.

As proposed, S.B. 950 amends current law relating to tuition and fee exemptions or waivers at public institutions of higher education.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 54, Education Code, by adding Section 54.201 as follows:

Sec. 54.201. CERTAIN FINANCIAL AID ELIGIBILITY INFORMATION REQUIRED. (a) Requires a person, to qualify for an exemption, waiver, or other benefit authorized under this subchapter for enrollment at an institution of higher education during an academic year, notwithstanding any other law and subject to Subsection (b), to complete a free application for federal student aid (FAFSA) for that academic year and submit the person's FAFSA student aid report to the institution, or designate the institution as a preferred institution to receive the report from the United States Department of Education, or if the person is not eligible to receive federal student aid, complete and submit to the institution the Texas Application for State Financial Aid (TASFA) or a similar application for state student financial assistance.

(b) Provides that Subsection (a) does not apply to a person who receives a waiver under Section 54.216 (Students Enrolled in Course for Concurrent High School and College-Level Credit; Optional Waiver), Education Code.

SECTION 2. Amends Section 54.341(h), Education Code, as follows:

(h) Requires the governing board of each institution of higher education to electronically report to the Texas Higher Education Coordinating Board (THECB), the information required by Section 61.0516, rather than report to the Texas Veterans Commission

(commission) the information required by Section 434.00791 (Electronic System to Monitor Tuition Exemptions for Veterans and Family Members), Government Code, relating to each individual receiving an exemption from fees and charges under Subsection (a) (relating to the requirement of the governing body to exempt certain individuals from fees related to institutions of higher education), (a-2) (relating to exemptions applying to certain member of armed forces spouses), (b) (relating to exemptions applying to certain members of armed forces children), or (k) (relating to the requirement of the commission to prescribe procedures to allow for certain exemptions).

SECTION 3. Transfers Section 434.00791, Government Code, to Subchapter C, Chapter 61, Education Code, redesignates it as Section 61.0516, Education Code, and amends it as follows:

Sec. 61.0516. ELECTRONIC SYSTEM TO MONITOR TUITION EXEMPTIONS FOR VETERANS AND DEPENDENTS. (a) Requires THECB, rather than the commission, to administer a system to electronically monitor the use of tuition and fee exemptions at institutions of higher education under Section 54.341 (Veterans and Other Military Personnel; Dependents). Requires the system to allow THECB, rather than the commission, to electronically receive, for each semester, certain information from institutions of higher education. Makes conforming and nonsubstantive changes. Deletes existing text defining "institute of higher education."

(b) Requires the commission, under an agreement with THECB and not later than January 1, 2018, to provide access to the system developed by the commission that meets the requirements of this section. Provides that this subsection expires September 1, 2019.

SECTION 4. Provides that Section 54.201, Education Code, as added by this Act, applies to a person's eligibility for an exemption or waiver from the payment of all or part of tuition or other fees beginning with tuition and fees charged for the 2018 fall semester.

SECTION 5. Provides that Section 54.341(h), Education Code, as amended by this Act, applies beginning with the report for the 2018 spring semester.

SECTION 6. Effective date: September 1, 2017.