

BILL ANALYSIS

Senate Research Center

S.B. 1531
By: West
Higher Education
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It remains imperative that Texans pursuing a college degree are able to complete their credential in a timely fashion, allowing students and families to maximize the efficient use of personal resources and for the state to equitably support students through formula funding. In the 86th Legislature, S.B. 25 passed with measures to improve this process. These measures include providing earlier action on a degree plan, additional advising, and transparency in pathways for students, including recommended course sequencing. There is often a case of insufficient monitoring of credit accumulation in support of a specific degree pathway at the community college level, and a tendency to allow students to change pathways with often insufficient monitoring and counseling. And too often, there is minimal, if any, contact between community college students and potential universities to which they might transfer while the students are taking courses at a community college. Recommended course sequencing from S.B. 25 will help address this; however, another step is needed.

According to the most current Higher Education Almanac, the average time to a 60-hour associate degree at a community college is 81 hours, with no cap on excess semester credit hours. This is 35 percent beyond the degree requirement, meaning that students and the state are paying for a higher proportion of excess hours at the community college level and limiting the margin of hours above the minimum allowed for the baccalaureate.

Aligning the formula-eligible hours for students to 25 percent beyond their respective degree requirements, whether associate or baccalaureate, will result in increased degree completion efficiency and financial savings throughout the public higher education system in Texas.

S.B. 1531 would apply a cap of 75 formula funded hours for community college students pursuing an academic tracked associate degree. Such a cap would include the current exception in statute for hours earned through examination; hours from college preparatory, technical courses, workforce education courses, or other courses that would not generate credit that qualifies to be applied to an academic degree at the institution; and hours earned at a private or out-of-state institution, as to not harm ANY student upskilling or reskilling.

(Original Author's / Sponsor's Statement of Intent)

S.B. 1531 amends current law relating to formula funding for excess undergraduate credit hours at public institutions for higher education and to the tuition rate that may be charged for those credit hours.

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 Section 54.014, Education Code, by amending Subsection (a) and adding Subsections (a-1) and (a-2), as follows:

- (a) Authorizes an institution of higher education to charge a resident undergraduate student tuition at a higher rate than the rate charged to other resident undergraduate

students, not to exceed the rate charged to nonresident undergraduate students, if before the semester or other academic session begins the student has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that exceeds the number of semester credit hours required for completion of the degree program in which the student is enrolled by at least:

- (1) for an associate degree program, 15 hours; or
- (2) for a baccalaureate degree program, 30 hours.

Deletes existing text authorizing a higher tuition rate to be charged to a resident undergraduate student who has previously attempted a number of semester credit hours that exceeds by at least 30 hours the number of semester credit hours required for completion of the degree program.

(a-1) Creates this subsection from existing text. Provides that, for purposes of Subsection (a), an undergraduate student who is not enrolled in a degree program is considered to be enrolled in a baccalaureate degree program. Deletes existing text providing that an undergraduate student who is not enrolled in a degree program is considered to be enrolled in a degree program or programs requiring a minimum of 120 semester credit hours, including minors and double majors, and for completion of any certificate or other special program in which the student is also enrolled, including a program with a study-abroad component. Makes nonsubstantive changes.

(a-2) Creates this subsection from existing text and makes a conforming change.

SECTION 2. Amends Sections 61.0595(a) and (b), Education Code, as follows:

(a) Prohibits the Texas Higher Education Coordinating Board, in the formulas established under Section 61.059 (Appropriations), from including funding for semester credit hours earned by a resident undergraduate student who before the semester or other academic session begins has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that exceeds the number of semester credit hours required for completion of the degree program or programs in which the student is enrolled, including minors and double majors, and for completion of any certificate or other special program in which the student is also enrolled, including a program with a study-abroad component, by at least:

- (1) for an associate degree program, 15 hours; or
- (2) for a baccalaureate degree program, 30 hours.

Makes a conforming change.

(b) Provides that for purposes of Subsection (a), an undergraduate student who is not enrolled in a degree program is considered to be enrolled in a baccalaureate degree program, rather than enrolled in a degree program requiring a minimum of 120 semester credit hours.

SECTION 3. Provides that the change in law made by this Act to Section 54.014 (Tuition for Repeated or Excessive Undergraduate Hours), Education Code, applies beginning with tuition charged to students enrolling for the first time in an associate degree program at a public institution of higher education for the 2023 fall semester. Provides that tuition charged to a student who first enrolled in an associate degree program at a public institution of higher education before the 2023 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.

SECTION 4. Provides that the change in law made by this Act to Section 61.0595 (Funding for Certain Excess Undergraduate Credit Hours), Education Code, applies beginning with funding recommendations made under Section 61.059, Education Code, for the state fiscal biennium beginning September 1, 2023, for semester credit hours earned by students initially enrolling in an associate degree program at a public institution of higher education for the 2023 fall semester

or a subsequent semester or term. Provides that funding recommendations for semester credit hours earned by a student who initially enrolled in an associate degree program at a public institution of higher education before the 2023 fall semester are 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.

SECTION 5. Effective date: September 1, 2021.