

By: Smithee

H.B. No. 3574

A BILL TO BE ENTITLED

AN ACT

relating to the maximum number of nonresident scholarship students permitted to pay resident tuition and fees at certain public institutions of higher education.

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

SECTION 1. Section 54.213, Education Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The total number of students at an institution paying resident tuition under this section for a particular semester may not exceed:

(1) five percent of the total number of students registered at the institution for the same semester of the preceding academic year if the institution is not an institution to which Subdivision (2) applies; or

(2) 20 percent of the total number of students registered at the institution for the same semester of the preceding academic year if as determined by Texas Higher Education Coordinating Board rule:

(A) the institution is located in a region that is experiencing a population growth rate less than the statewide average based on the most recent available data; and

(B) the most recent space usage efficiency report prepared by the coordinating board indicates the institution has

1 sufficient capacity to support the nonresident students.

2 (c) The coordinating board shall adopt rules as necessary to  
3 implement this section.

4 SECTION 2. The change in law made by this Act to Section  
5 54.213, Education Code, applies beginning with the 2025-2026  
6 academic year.

7 SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2025.