

AN ACT

1
2 relating to resident tuition rates and fees at public institutions
3 of higher education for certain veterans and servicemembers and
4 their spouses and children.

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

6 SECTION 1. Section 54.058, Education Code, is amended by
7 adding Subsections (k) and (l) to read as follows:

8 (k) A person is entitled to pay tuition and fees at an
9 institution of higher education at the rates provided for Texas
10 residents without regard to the length of time the person has
11 resided in this state if the person files with the institution at
12 which the person intends to register a letter of intent to establish
13 residence in this state and resides in this state while enrolled in
14 the institution and the person:

15 (1) is eligible for benefits under the federal
16 Post-9/11 Veterans Educational Assistance Act of 2008 (38 U.S.C.
17 Section 3301 et seq.) or any other federal law authorizing
18 educational benefits for veterans;

19 (2) is the spouse of a person described by Subdivision
20 (1); or

21 (3) is a child of a person described by Subdivision (1)
22 who is 25 years of age or younger on the first day of the semester or
23 other academic term for which the person is registering, except
24 that the Texas Higher Education Coordinating Board by rule shall

see
fee

1 prescribe procedures by which a person who suffered from a severe
2 illness or other debilitating condition that affected the person's
3 ability to use the benefit provided by this subsection before
4 reaching that age may be granted additional time to use the benefit
5 corresponding to the time the person was unable to use the benefit
6 because of the illness or condition.

7 (1) In this section, "child" includes a stepchild.

8 SECTION 2. Section 54.203, Education Code, is amended by
9 adding Subsection (b-2) to read as follows:

10 (b-2) The governing board of an institution of higher
11 education shall exempt from the payment of resident tuition at the
12 institution a dependent child, including a stepchild, of a member
13 of the Armed Forces of the United States who is a resident of this
14 state or is entitled to pay resident tuition under this subchapter,
15 for any semester or other academic term during which the member of
16 the armed forces is deployed on active duty for the purpose of
17 engaging in a combative military operation outside the United
18 States. In its appropriations to institutions of higher education,
19 the legislature shall provide sufficient funds to cover the full
20 costs of the exemptions provided by this subsection.

21 SECTION 3. Subsection (k), Section 54.058, Education Code,
22 as added by this Act, applies beginning with tuition and other fees
23 charged for the 2009 fall semester. Tuition and other fees charged
24 for an academic period before that semester are covered by the law
25 in effect immediately before the effective date of this Act, and the
26 former law is continued in effect for that purpose.

27 SECTION 4. Subsection (b-2), Section 54.203, Education

5/11
5/12

S.B. No. 297

1 Code, as added by this Act, applies beginning with tuition charged
2 for the 2009 fall semester. Tuition charged for an academic period
3 before that semester is covered by the law in effect immediately
4 before the effective date of this Act, and the former law is
5 continued in effect for that purpose.

6 SECTION 5. The Texas Higher Education Coordinating Board
7 shall adopt the rules required by Subdivision (3), Subsection (k),
8 Section 54.058, Education Code, as added by this Act, as soon as
9 practicable after this Act takes effect. For that purpose, the
10 coordinating board may adopt the initial rules in the manner
11 provided by law for emergency rules.

12 SECTION 6. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2009.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 14, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB297 by Van de Putte (Relating to resident tuition rates and fees at public institutions of higher education for certain veterans and their spouses and children.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for SB297, As Passed 2nd House: a negative impact of (\$20,303,096) through the biennium ending August 31, 2011.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$10,101,043)
2011	(\$10,202,053)
2012	(\$10,304,074)
2013	(\$10,407,115)
2014	(\$10,499,876)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2010	(\$10,101,043)
2011	(\$10,202,053)
2012	(\$10,304,074)
2013	(\$10,407,115)
2014	(\$10,499,876)

Fiscal Analysis

Under provisions of the bill, certain veterans, spouses, and children of veterans are entitled to pay tuition and fees at an institution of higher education at the rates provided for Texas residents without regard to the length of time the person has resided in this state if certain conditions are met. The legislature would provide sufficient funds to cover the full costs of the exemptions.

Methodology

In fiscal year 2007, the Texas Veterans Commission (TVC) estimates that 1.7 million veterans are currently living in Texas, but has no data about the share of them who are originally from Texas. The Veterans' Administration estimates 33,260 of these veterans are using federal education benefits. The Higher Education Coordinating Board estimates that 10 percent (of the 1.7 million), or 170,000 have lived in Texas less than one year and are considered "non-residents". TVC estimates 75 percent, or 127,500 of these veterans are eligible for Post-911 education benefits. Out of this 127,500, the Higher

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David Newkumst
President of the Senate

Jim Strawn
Speaker of the House

I hereby certify that S.B. No. 297 passed the Senate on March 24, 2009, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on June 1, 2009, by the following vote: Yeas 31, Nays 0.

Daisy Grew
Secretary of the Senate

I hereby certify that S.B. No. 297 passed the House, with amendments, on April 8, 2009, by the following vote: Yeas 148, Nays 0, one present not voting.

Robert Haney
Chief Clerk of the House

Approved:

19 JUN 09

Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2 PM O'CLOCK

JUN 19 2009

Colby Shuter III