

CHAPTER 708

H.B. No. 1147

An Act relating to the payment and rates of tuition charged by an institution of higher education, the classification of certain students as residents for tuition purposes, and student financial assistance from tuition and other sources.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsections (a)-(n), Section 54.051, Education Code, are amended to read as follows:

(a) *In this section:*

(1) "Cost of education" means the applicable cost of education determined by the Coordinating Board, Texas College and University System, under Section 54.0511 of this code.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003(3) of this code.

(3) "Public junior college" has the meaning assigned by Section 61.003(2) of this code.

(b) The governing board of each institution of higher education and of the Texas State Technical Institute shall cause to be collected from students registering at the institution tuition or registration fees at the rates prescribed in this section.

(c) Unless a different rate is specified by this section, tuition ~~[(b) Tuition~~ for a resident student at a general academic teaching institution is the greater of:

(1) \$100 for each semester or 12-week summer session and \$50 for each six-week summer term; or

(2) \$24 per semester credit hour [students, except as otherwise hereinafter provided, is \$4 per semester credit hour, but the total of such charge shall be not less than \$50 per semester or 12/week summer session, and not less than \$25 per 6/week summer term].

(d) Unless a different rate is specified by this section ~~[(e) For the academic year beginning Fall, 1985, and for the Summer Session, 1986],~~ tuition for a nonresident student at a general academic teaching institution is an amount per semester credit hour equal to 100 percent of the cost of education [students, except as otherwise hereinafter provided, is \$46 per semester credit hour. For the academic year beginning Fall, 1986, and for the Summer Session, 1987, tuition for nonresident students, except as otherwise hereinafter provided, is \$53 per semester credit hour].

(e) Tuition for a resident student ~~[(d) Resident or nonresident students]~~ registered only for thesis or dissertation credit that [only, in those instances where such credit] is the final credit hour requirement for the degree in progress is determined by the governing board of the institution in which the student is enrolled; shall pay a sum proportionately less than herein prescribed but not more than \$50].

(f) ~~[(e) Tuition for a resident student enrolled in a program leading to an M.D. or D.O. degree is \$5,463 per academic year [students registered in a medical or dental branch, school or college is \$400 per academic year of 12 months]. [(4) Tuition for a nonresident student enrolled in a program leading to an M.D. or D.O. degree is an amount per year equal to four times the rate that a resident student enrolled in a program leading to an M.D. or D.O. degree would pay during the corresponding academic year [students registered in a medical or dental branch, school or college is \$1,200 per academic year of 12 months].~~

(g) Tuition for a resident student enrolled in a program leading to a D.D.S. degree is \$4,511 per academic year. Tuition for a nonresident student enrolled in a program leading to a D.D.S. degree is an amount per year equal to four times the rate that a resident student enrolled in a program leading to a D.D.S. degree would pay during the corresponding academic year.

(h) Tuition for a resident student enrolled in a program leading to a D.V.M. degree is \$4,800 per academic year. Tuition for a nonresident student enrolled in a program leading to a D.V.M. degree is an amount per year equal to four times the rate that a resident student enrolled in a program leading to a D.V.M. degree would pay during the corresponding academic year.

(i) Tuition for a resident student registered at a law school is \$60 per semester credit hour. Tuition for a nonresident student registered at a law school is \$150 per semester credit hour.

(j) Tuition for a student registered in a program leading to a degree in nursing or in an allied health profession is the same as for students with the same residency registered at a general academic teaching institution.

(k) Tuition for a resident student registered at the Texas State Technical Institute is the greater of \$50 or an amount set by the governing board of the institute at not less than \$8 per semester credit hour. Tuition for a nonresident student registered at the Texas State Technical Institute is an amount set by the governing board of the institute at not less than \$80 per semester credit hour.

(l) ~~[(g)]~~ Residential students or nonresident students registered for a course or courses in art, architecture, drama, speech, or music, where individual coaching or instruction is the usual method of instruction, shall pay a fee, in addition to the regular tuition, set [said fee to be designated] by the governing board of the [such] institution; but in no event shall such fees be more per course per semester of four and one-half months or per summer session than \$75].

(m) Tuition ~~[(h) During the academic years and summer sessions, Fall, 1985, through the Summer Session, 1987, tuition]~~ for students who are citizens of any country other than the United States of America is the same as [1-5 times] the tuition required of other nonresident students.

(i) During the academic years and summer sessions, Fall, 1985, through the Summer Session, 1987, tuition for students who are citizens of any country other than the United States of America registered in a medical or dental branch, school or college is 1.5 times the tuition required of other nonresident students.]

(n) [(j)] Tuition for a resident student [nonresident students] registered in a public junior college is determined by the governing board of each institution, but the tuition may not be less than \$4 for each semester credit hour and may not total less than \$25 for a semester. Tuition for a nonresident student is determined by the governing board of each institution but the tuition may not be less than \$200 for each semester [as provided in Subsection (b), Section 130.003 of the Texas Education Code].

[(k) Tuition for students registered in a school of nursing as a nursing student is \$50 per semester and per 12/week summer session.

[(l) Tuition for students registered in a school of nursing as a nursing student for less than 12 semester credit hours of work or for less than a full semester credit hour or term hour load during a summer session shall pay an amount proportionately less than the amount provided in Subsection (k) of this section, but not less than \$20.

[(m) Notwithstanding the preceding provisions of this section, any nonresident student who is enrolled for the spring semester of 1971 in an institution covered by this section may continue to enroll at the same institution at the same tuition rate that was effective at the time of his original enrollment until one of the following conditions first occurs:

[(1) he receives the degree at the degree level (i.e., the baccalaureate, master's, or doctoral degree) toward which he is working during the spring semester of 1971; or

[(2) he voluntarily withdraws from the institution or the institution involuntarily withdraws the student for disciplinary reasons or for failing to meet the academic standards of the institution; or

[(3) the termination of the spring semester of 1975.]

SECTION 2. Subchapter B, Chapter 54, Education Code, is amended by adding Section 54.0511 to read as follows:

Sec. 54.0511. *COST OF EDUCATION.* (a) Not later than January 1 of each odd-numbered year, the Coordinating Board, Texas College and University System, by rule shall calculate in accordance with this section the average cost of education of a student during the fiscal biennium that includes that year for general academic teaching institutions.

(b) The cost of education is the average amount appropriated for the biennium from the general revenue fund and the estimated educational and general income for the biennium, as stated in the General Appropriations Act, for each semester credit hour. In determining the amount appropriated during a biennium for each semester credit hour, the coordinating board shall exclude appropriations for special items, new construction, or repair or rehabilitation of a facility.

(c) Not later than January 1 of each year, the coordinating board shall calculate the tuition based on the cost of education to be charged students for each semester credit hour during the succeeding academic year. The tuition rates set by the coordinating board under this subsection shall be uniform for all general academic teaching institutions.

(d) The coordinating board shall report the tuition rates to the appropriate institutions as soon as possible after the rates are determined.

SECTION 3. Subchapter B, Chapter 54, Education Code, is amended by adding Section 54.0512 to read as follows:

Sec. 54.0512. *INTERIM TUITION RATES.* (a) Notwithstanding Section 54.051 of this code, tuition for the applicable academic years is as provided by this section.

(b) Tuition for a resident student at a general academic teaching institution is the greater of \$100 for each semester or 12-week summer session and \$50 for each six-week summer term or:

(1) for the 1985-1986 academic year, \$12 per semester credit hour;

(2) for the 1986-1987, 1987-1988, and 1988-1989 academic years, \$16 per semester credit hour;

(3) for the 1989-1990 and 1990-1991 academic years, \$18 per semester credit hour;

(4) for the 1991-1992 and 1992-1993 academic years, \$20 per semester credit hour; and

(5) for the 1993-1994 and 1994-1995 academic years, \$22 per semester credit hour.

(c) Tuition for a nonresident student at a general academic teaching institution for the 1985-1986 and 1986-1987 academic years is \$120 per semester credit hour.

(d) Tuition for a resident student enrolled in a program leading to an M.D. or D.O. degree is:

(1) for the 1985-1986 academic year, \$1,219;

(2) for the 1986-1987 academic year, \$2,400;

- (3) for the 1987-1988 academic year, \$3,600; and
 (4) for the 1988-1989 academic year, \$4,800.
- (e) Tuition for a resident student enrolled in a program leading to a D.D.S. degree is:
 (1) for the 1985-1986 academic year, \$900;
 (2) for the 1986-1987 academic year, \$1,600;
 (3) for the 1987-1988 academic year, \$2,500; and
 (4) for the 1988-1989 academic year, \$3,500.
- (f) Tuition for a resident student enrolled in a program leading to a D.V.M. degree is:
 (1) for the 1985-1986 academic year, \$800;
 (2) for the 1986-1987 academic year, \$1,200;
 (3) for the 1987-1988 academic year, \$2,400; and
 (4) for the 1988-1989 academic year, \$3,600.
- (g) Tuition for a resident student registered at a law school is:
 (1) for the 1985-1986 academic year, \$24 per semester credit hour;
 (2) for the 1986-1987 academic year, \$36 per semester credit hour; and
 (3) for the 1987-1988 academic year, \$48 per semester credit hour.
- (h) Tuition for academic years not specifically covered by this section is at the rates provided by Section 54.051 of this code. This section expires January 1, 1996.

SECTION 4. Subchapter B, Chapter 54, Education Code, is amended by adding Section 54.0521 to read as follows:

Sec. 54.0521. OATH OF RESIDENCY. (a) Before an individual may register at an institution of higher education paying tuition at the rate provided for residents, the individual must affirm under oath, to the appropriate official at the institution, that the individual is entitled to be classified as a resident for purposes of tuition.

(b) If the institution later determines that the individual was not entitled to be classified as a resident at the time of the individual's registration, the individual shall, not later than 30 days after the date the individual is notified of the determination, pay to the institution the amount the individual should have paid as a nonresident.

(c) If the individual fails to make a timely payment as required by this section, the individual is not entitled to receive a transcript or to receive credit for courses taken during the time the individual was falsely registered as a resident student.

SECTION 5. Section 54.056, Education Code, is amended to read as follows:

Sec. 54.056. EFFECT OF MARRIAGE. A ~~nonresident who marries and remains married to a resident of Texas, classified as such under this chapter at the time of the marriage and at the time the nonresident registers, is entitled to pay the resident tuition fee regardless of the length of time he has lived in Texas; and any~~ student who is a resident of Texas and who marries a nonresident is entitled to pay the resident tuition fee as long as the student ~~he~~ does not adopt the legal residence of the spouse in another state.

SECTION 6. Subsection (b), Section 54.058, Education Code, is amended to read as follows:

(b) A person who is an ~~A~~ officer, enlisted person [man or woman], selectee, or draftee of the Army, Army Reserve, Army National Guard, Air National Guard, ~~Texas State Guard,~~ Air Force, Air Force Reserve, Navy, Navy Reserve, Marine Corps, Marine Corps Reserve, Coast Guard, or Coast Guard Reserve of the United States, who is assigned to duty in Texas, and the spouse and children of such an officer, enlisted person, selectee, or draftee, are ~~is~~ entitled to register ~~himself, his spouse, and their children~~ in a state institution of higher education by paying the tuition fee and other fees or charges required of Texas residents, without regard to the length of time the officer, enlisted person, selectee, or draftee ~~he~~ has been assigned to duty or resided in the state. However, out-of-state Army National Guard or Air National Guard members attending training with Texas Army or Air National Guard units under National Guard Bureau regulations may not be exempted from nonresident tuition by virtue of that training status nor may out-of-state Army, Air Force, Navy, Marine Corps, or Coast Guard Reserves training with units in Texas under similar regulations be exempted from nonresident tuition by virtue of that training status. It is the intent of the legislature that only those members of the Army or Air National Guard~~;~~ ~~Texas State Guard,~~ or other reserve forces mentioned above be exempted from the nonresident tuition fee and other fees and charges only when they become members of Texas units of the military organizations mentioned above.

SECTION 7. Section 54.059, Education Code, is amended to read as follows:

Sec. 54.059. FACULTY AND ~~;~~ STAFF~~;~~ DEPENDENTS. A teacher or ~~;~~ professor~~;~~ or other employee of an institution of higher education, and the spouse and children of such a teacher or professor, are ~~is~~ entitled to register ~~himself, his spouse, and their children~~ in an

institution of higher education by paying the tuition fee and other fees or charges required for Texas residents without regard to the length of time *the teacher or professor* [he] has resided in Texas. A teacher or [;] professor; or other employee of an institution of higher education and the teacher's or professor's family are entitled to the benefit of this section if the teacher or professor is [any person] employed at least one-half time on a regular monthly salary basis by an institution of higher education.

SECTION 8. Section 54.051(o), Education Code, is renumbered as Section 54.063 and amended to read as follows:

Sec. 54.063. TEACHING OR RESEARCH ASSISTANT. [(e)] A teaching assistant or [;] research assistant[; or other student employee] of any institution of higher education and the spouse and children of such a teaching assistant or research assistant are [covered by this section is] entitled to register [himself, his spouse, and their children] in a state institution of higher education by paying the tuition fees and other fees or charges required for Texas residents under Section 54.051 of this code, without regard to the length of time *the assistant* [he] has resided in Texas, if the assistant [; provided that said student employee] is employed at least one-half time in a teaching or research assistant position which relates to the assistant's [his] degree program under rules and regulations established by the employer institution. [This exemption shall continue for students employed two consecutive semesters through the summer session following such employment if the institution is unable to provide employment and; as determined under standards established by the institution, if the employee has satisfactorily completed his employment.]

SECTION 9. Section 54.051(p), Education Code, is renumbered as Section 54.064 and amended to read as follows:

Sec. 54.064. SCHOLARSHIP STUDENT. (a) [(p)] A student who holds a competitive academic scholarship of at least \$200 for the academic year or summer for which the student [he] is enrolled and who is either a nonresident or a citizen of a country other than the United States of America is entitled to pay the fees and charges required of Texas residents without regard to the length of time *the student* [he] has resided in Texas. *The student* [provided that he] must compete with other students, including Texas residents, for the academic scholarship and [that] the scholarship must be awarded by a scholarship committee officially recognized by the administration and be approved by the Coordinating Board, Texas College and University System, under criteria developed by the board [of the institution of higher education].

(b) Beginning with the 1989-1990 academic year, the total number of students at an institution paying resident tuition under this section for a particular semester may not exceed two percent of the total number of students registered at the institution for the same semester of the preceding academic year.

SECTION 10. Subchapter A, Chapter 54, Education Code, is amended by adding Section 54.007 to read as follows:

Sec. 54.007. OPTION TO PAY TUITION BY INSTALLMENT. (a) The governing board of each institution of higher education other than a junior college shall provide for the payment of tuition and fees during the fall and spring semesters through the following alternatives:

(1) full payment of tuition and fees in advance of the beginning of the semester;

(2) one-half payment of tuition and fees in advance of the beginning of the semester and one-half payment prior to the start of the eighth class week; or

(3) one-fourth payment of tuition and fees in advance of the beginning of the semester and separate one-fourth payments prior to the fourth, eighth, and twelfth class weeks.

(b) The governing board may assess and collect incidental fees for students utilizing payment alternative (2) or (3) under Subsection (a) of this section and for students delinquent in payments. The fees must reasonably reflect the cost to the institution of handling those payments.

(c) A student who fails to make full payment of tuition and fees, including any incidental fees, by the due date shall be barred from classes until full payment is made. A student who fails to make payment prior to the end of the semester may not receive credit for the work done that semester. University records may be adjusted to reflect the student's failure to have properly enrolled for that semester.

SECTION 11. Subsections (b) and (d), Section 54.207, Education Code, are amended to read as follows:

(b) Ten students from each nation, as authorized in Subsection (a)(1) of this section, shall be exempt as provided in this subsection. In the event any nation fails to have 10 students available and qualified for exemption, additional students from the other nations may be exempted, subject to the approval of the Coordinating Board, Texas College and University System, [State Board of Education] and allocation by it. However, not more than 235 students from all the

nations shall be exempt each year. In the event the nation designated in Subsection (a)(2) of this section fails to have 35 students available and qualified for exemption within a reasonable time, additional students from other nations may be exempt, subject to the approval of the coordinating board [State Board of Education].

(d) The coordinating board [State Board of Education], after consultation with representatives of the governing boards of the institutions of higher education, shall formulate and prescribe a plan governing the admission and distribution of all applicants desiring to qualify under the provisions of this section.

SECTION 12. Section 56.033, Education Code, is amended to read as follows:

Sec. 56.033. SOURCE OF PROGRAM FUNDING. (a) The governing boards of institutions of higher education and the Texas State Technical Institute shall cause to be set aside [for use as Texas Public Educational Grants]:

(1) for the 1987-1988 and subsequent academic years, not less than nine percent nor more than 15 percent [twenty-five cents] out of each resident student's tuition [hourly] charge under Section 54.051 of this code as provided by the General Appropriations Act for the applicable academic year; in specifying the percentage to be set aside under this subdivision, the legislature shall consider the recommendations of the Select Committee on Higher Education established by H.C.R. No. 105, Acts of the 69th Legislature, Regular Session, 1985;

(2) three percent [in Subsection (b), \$1.50] out of each nonresident student's tuition [hourly] charge under [in Subsection (e) of] Section 54.051 of this code; [as amended, and]

(3) 25 cents out of each resident student's hourly tuition charge, and \$1.50 out of each nonresident student's hourly tuition charge, for academic courses at public community and junior colleges; and

(4) six percent of hourly tuition charges for vocational-technical courses at public community and junior colleges.

(b) Of the funds set aside under this section by an institution other than a public community or junior college, not more than 80 percent shall be used for Texas Public Educational Grants and not less than 20 percent shall be used for emergency loans under Subchapter D of this chapter.

(c) Funds set aside for Texas Public Educational Grants under this section from tuition paid by resident students may be used only for grants awarded to resident students. Funds set aside for those grants under this section from tuition paid by nonresident students may be used only for grants awarded to nonresident students and students who are citizens of countries other than the United States.

SECTION 13. Chapter 56, Education Code, is amended by adding Sections 56.0331 and 56.039 to read as follows:

Sec. 56.0331. TEMPORARY PROVISION. (a) Notwithstanding Section 56.033 of this code, for the 1985-1986 and 1986-1987 academic years, the governing board of each institution of higher education, other than a public community or junior college, and the Texas State Technical Institute shall cause to be set aside amounts as provided by this section for use as Texas Public Educational Grants and as emergency loans under Subchapter D, Chapter 56, of this code.

(b) For the 1985-1986 and the 1986-1987 academic years, 15 percent of each resident student's tuition charge shall be set aside from the student's tuition charge under Section 54.051 of this code.

(c) For the 1985-1986 and 1986-1987 academic years, five percent of each student's tuition charge shall be set aside from each nonresident student's tuition charge under Section 54.051 of this code.

(d) This section expires September 1, 1988.

Sec. 56.039. FULL USE OF FUNDS. At the end of a fiscal year, if the total amount of unencumbered funds that have been set aside under this subchapter by an institution of higher education, together with the total amount of unencumbered funds transferred by that institution to the Coordinating Board, Texas College and University System, exceeds 150 percent of the amount of funds set aside by that institution in that fiscal year, the institution shall transfer the excess amount to the coordinating board. The coordinating board shall use funds transferred under this section to award scholarships as provided by law to students at institutions other than the institution that transferred the funds.

SECTION 14. Section 56.035, Education Code, is amended to read as follows:

Sec. 56.035. TYPE OF GRANTS TO BE AWARDED [AND RESTRICTIONS]. [(a)] Texas Public Educational Grants shall not be awarded for any specific purpose other than meeting all or part of a student's demonstrated financial need.

[(b) No more than 10 percent of total grant funds awarded by institutions of higher education in a fiscal year under this subchapter may be allocated to out-of-state students.]

~~(c) No funds may be awarded to alien students nor any money set aside from tuition revenues of alien students for use in this program.]~~

SECTION 15. (a) Chapter 56, Education Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. EMERGENCY TUITION AND FEES LOANS

Sec. 56.051. EMERGENCY LOANS. Each institution of higher education other than a junior college shall establish an emergency loan program under which students are loaned money to pay tuition and fees.

Sec. 56.052. ELIGIBILITY. The governing board of each institution shall adopt rules establishing eligibility criteria. The rules must allow eligible students to obtain loans on the basis of the order of receipt of applications.

Sec. 56.053. TERMS. (a) The governing board of each institution shall adopt rules providing for the terms of the loan, subject to the following:

(1) the loan must be repaid over a period not to exceed 90 days for a loan made for a regular semester or long summer session or over a proportionately shorter period for loans made for a six-week summer session;

(2) the loan must be evidenced by a promissory note that bears interest at a rate of not more than five percent per year; and

(3) the maximum loan amount per student may not be less than an amount equal to the tuition and required fees for the courses in which the student is actually enrolling.

(b) The loan program must provide for making loans to students whose tuition is paid on a basis other than semester credit hours, and must provide loan terms analogous to the terms for students paying tuition on the basis of semester credit hours.

Sec. 56.054. SOURCE OF PROGRAM FUNDING. The loans shall be made from the funds set aside for that purpose under Section 56.033 of this code.

Sec. 56.055. DEFERRED REPAYMENT. (a) It is the goal of this state that no resident be denied the opportunity to receive an education in a public institution of higher education due to a lack of financial ability. Accordingly, on a finding that a resident would be deprived of an education due to a lack of financial ability, an institution shall defer repayment of emergency loans under this section. The deferral provided for by this section is not a property right of the borrower.

(b) The deferred repayment must begin on the earlier of the following dates:

(1) the first day of the ninth month after the last month in which the borrower was enrolled in a public institution of higher education; or

(2) the fifth anniversary of the date on which the loan was executed.

(c) Under rules adopted by the coordinating board, an institution may extend the time for repayment of undergraduate loans made to students who later enroll in a graduate or professional program at an institution of higher education. The coordinating board shall adopt guidelines for determinations of extreme financial hardship and other instances in which the public interest is served if a loan is forgiven. Each institution shall forgive loans in accordance with those guidelines.

(b) The title of Chapter 56, Education Code, is amended to read as follows:

CHAPTER 56. STUDENT FINANCIAL ASSISTANCE [GRANTS]

(c) From any funds appropriated by the legislature for the fiscal year beginning September 1, 1985, into a contingency fund to assist institutions of higher education that suffer reductions in the amount identified in the appropriations act as "Estimated Other Education and General Funds," a total amount not to exceed \$1 million shall first be allocated for emergency loans under Subchapter D, Chapter 56, Education Code, to institutions that exhaust both emergency loan funds under that subchapter and Texas Public Educational Grant funds under Subchapter C, Chapter 56, Education Code. The Coordinating Board, Texas College and University System, by rule shall provide for the allocation of those funds among eligible institutions in a manner that provides each institution with the opportunity for an equitable share.

SECTION 16. Section 130.003(b), Education Code, is amended to read as follows:

(b) To be eligible for and to receive a proportionate share of the appropriation, a public junior college must:

(1) be certified as a public junior college as prescribed in Section 61.063 of this code;

(2) offer a minimum of 24 semester hours of vocational and/or terminal courses;

(3) have complied with all existing laws, rules, and regulations governing the establishment and maintenance of public junior colleges;

(4) collect, from each full-time and part-time student enrolled, matriculation and other session fees in the amounts required by Section 54.051 of this code ~~(and provided by law for other state-supported institutions of higher education)~~, except, however, the governing board of a public junior college district may waive the difference in the rate of tuition for nonresident and resident students for a person, and his dependents, who owns property which is subject to ad valorem taxation by the junior college district; ~~that the amount charged nonresidents who have not received a waiver of nonresident tuition need not be greater than the amount so required by law on January 1, 1971; and that notwithstanding the provisions of Subsection (b) of Section 54.051 of this code, the minimum tuition charge for resident students shall be \$25;~~

(5) grant, when properly applied for, the scholarships and tuition exemptions provided for in this code; and

(6) nothing in this section shall be construed to alter, amend, or repeal Section 54.060 of this code.

SECTION 17. Subchapter C, Chapter 52, Education Code, is amended by adding Section 52.41 to read as follows:

Sec. 52.41. MEDICAL SCHOOL TUITION SET ASIDE FOR CERTAIN LOAN REPAYMENTS. The governing boards of each medical unit of an institution of higher education shall cause to be set aside two percent of tuition charges for resident students registered in a medical branch, school, or college. The amount set aside shall be transferred to the comptroller of public accounts to be maintained in the state treasury for the sole purpose of repayment or cancellation of student loans of physicians serving in designated state agencies or economically depressed areas of the state as specified in this chapter or other provisions of this code.

SECTION 18. Section 151.423, Tax Code, is amended to read as follows:

Sec. 151.423. REIMBURSEMENT TO TAXPAYER FOR TAX COLLECTIONS. A taxpayer may deduct and withhold one percent of the amount of taxes due from the taxpayer on a timely return as reimbursement for the cost of collecting the taxes imposed by this chapter. The comptroller shall provide a card with each form distributed for the collection of taxes under this chapter. The card may be inserted by the taxpayer with the tax payment to provide for contribution of all or part of the reimbursement provided by this section for use as student financial assistance grants offered under Chapter 56, Education Code. If the taxpayer chooses to contribute the reimbursement for the student grants, the taxpayer shall include the amount of the reimbursement contribution with the tax payment. The comptroller shall transfer money contributed under this section for student grants to the appropriate fund.

SECTION 19. In addition to other funds appropriated for that purpose, funds transferred under Section 151.423, Tax Code, as amended by this Act, are appropriated to the Coordinating Board, Texas College and University System, for the purpose of making student financial assistance grants under Chapter 56, Education Code.

SECTION 20. The Coordinating Board, Texas College and University System, shall conduct a study of the operation of the Texas Public Educational Grant Program in conjunction with other student financial aid programs to determine the adequacy of the programs in meeting the financial aid requirements of students attending public institutions of higher education in this state. The coordinating board shall present a report of its findings in the study to the 70th Legislature.

SECTION 21. The change in Section 54.207, Education Code, made by this Act does not affect the validity of actions taken by the State Board of Education under that section in anticipation of the 1985-1986 academic year.

SECTION 22. This Act applies only to tuition for courses and to funds set aside for Texas Public Educational Grants from tuition for courses beginning with the fall semester, 1985, and thereafter. Tuition for courses and funds set aside for Texas Public Educational Grants from tuition for courses beginning before the fall semester, 1985, are governed by the laws in effect on January 1, 1985, and those laws are continued in effect for that purpose.

SECTION 23. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on March 20, 1985, by a non-record vote; House concurred in Senate amendments to H.B. No. 1147 on May 8, 1985, by the following vote: Yeas 85, Nays 60; passed subject to the provisions of Article III, Section 49a, of the

Constitution of the State of Texas; passed by the Senate, with amendments, on May 1, 1985, by the following vote: Yeas 24, Nays 7; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Certified by Comptroller of Public Accounts, May 16, 1985, that the amounts appropriated herein are within amounts estimated to be available in the affected fund.

Approved: June 14, 1985

Effective: August 26, 1985