

## **BILL ANALYSIS**

Senate Research Center  
85R6005 KSD-D

S.B. 18  
By: Seliger  
Higher Education  
2/17/2017  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Created in 2003, the designated tuition set-aside requires public institutions of higher education to set aside at least 15 percent of the amount of resident undergraduate and graduate designated tuition charged above \$46 per semester credit hour. Funds collected through this set-aside are required to be used for financial. In 2004, the statewide average tuition set-aside was \$2.55 per semester credit hour. Ten years later, in 2014, that average was \$19.18 per semester credit hour. This is an increase of almost 654 percent.

Tuition set-asides affect students paying for, or taking out loans for, the cost of attending college. S.B. 18 repeals Subchapter B, Chapter 56, Education Code, which mandates all public general academic institutions in Texas set-aside 15 percent of collected designated tuition charged above \$46 per semester credit hour.

This bill would eliminate the collection of designated tuition set-asides beginning with the 2018 spring semester at all Texas public four-year institutions.

As proposed, S.B. 18 amends current law relating to eliminating provisions requiring public institutions of higher education to set aside portions of designated tuition for student financial assistance.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Higher Education Coordinating Board is rescinded in SECTION 1 (Subchapter B, Chapter 56, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Repealer: Subchapter B (Financial Assistance Funded From Designated Tuition), Chapter 56, Education Code.

SECTION 2. Makes application of this Act prospective to the 2018 spring semester.

SECTION 3. Effective date: September 1, 2017.