

SUBJECT: In-state tuition for children of former Texas residents

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 6 ayes — Rangel, Solis, Bailey, Cuellar, Dunnam, Kamel
2 nays — Rabuck, E. Reyna
1 absent— Rodriguez

WITNESSES: None

BACKGROUND : Chapter 54 of the Education Code exempts certain individuals from paying nonresident tuition rates at Texas institutions of higher education, including children of former residents so long they are 18 years old or younger or dependents and stay continuously enrolled in a state-supported school.

Tuition and fee exemptions currently allowed in Texas total \$115.6 million for universities and \$10.3 million for community colleges.

DIGEST: HB 2159 would extend eligibility for in-state tuition and fee rates to students whose parents or guardians were residents of Texas for at least 10 consecutive years and ended their residency not more than five years before the date on which a term would commence. These students would remain eligible for in-state tuition as long as they remained continuously enrolled in a regular session of a state-supported institution of higher education.

HB 2159 would take effect September 1, 1997, and would apply to tuition beginning with the 1997 fall semester.

SUPPORTERS SAY: HB 2159 would acknowledge the contributions of residents who spent much of their lives in Texas. Individuals who have given their time, talents and taxes to the state should be allowed to send their children to the Texas institutions they helped support without having to face an excessive financial burden. Often these individuals had to leave to accept a job in another state and wish to retain their connection with Texas by sending their children to college here. The fiscal note indicated that the fiscal impact of granting this exemption would not be significant.

Students eligible for in-state tuition under HB 2159 would likely have spent most of their school careers in Texas while their parents were residents. HB 2159 would encourage students with strong Texas roots to return to the state, further their educations and remain, joining the next generation to contribute their abilities and talents to the state of Texas.

**OPPONENTS
SAY:**

HB 2159 could result in significant loss of income to Texas higher education. The amount of tuition and fees exempted per student would be \$2,152 at universities and \$1,810 at community colleges. Such exemptions should not be granted to students whose parents are no longer contributing to the support of higher education in Texas.

Texas taxpayers cannot be asked to subsidize the education of out-of-state students who no longer have a connection to the state. If the Legislature allows this exemption now, next session it will surely see an attempt to amend the residency requirements to capture another segment of ex-Texans. All states have state-supported schools; residents of those states, no matter where they originally came from, are eligible for reduced tuition to these schools. Denying this proposed exemption to ex-Texans would in no way impede their opportunities for higher education at affordable rates.

**OTHER
OPPONENTS
SAY:**

This session has seen a proliferation of proposals to exempt certain groups — from foreign students to military reservists — either wholly or in part from tuition requirements. This piecemeal approach could endanger the stability of our tuition system. The Legislature needs to exercise both prudence and consistency in granting exemptions rather than rushing headlong into feel-good exemptions. Such caution is necessary to hold down the financial pressure on our already strapped institutions of higher education and maintain the quality of the education provided to students in Texas.