

BILL ANALYSIS

Senate Research Center
76R11067 KEL-D

C.S.S.B. 1527
By: Carona
Higher Education
4/9/1999
Committee Report (Substituted)

DIGEST

The Texas Tomorrow Fund was created by the legislature in 1995 to allow Texas families to prepay tuition for students attending public and private institutions of higher education. C.S.S.B. 1527 would authorize the inclusion of prepaid tuition contracts for proprietary schools under the prepaid higher education tuition program.

PURPOSE

As proposed, C.S.S.B. 1527 establishes provisions regarding the authorization of prepaid tuition contracts for proprietary schools under the prepaid higher education tuition program.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Higher Education Coordinating Board in SECTION 5 (Section 54.619(h), Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.6001, Education Code, to increase opportunities for young Texans to take advantage of a wide variety of higher education opportunities in order to preserve the partnership between the state and private or independent institutions of higher education and between the state and proprietary schools, that offer a two-year associate degree approved by the Texas Higher Education Coordinating Board (THECB).

SECTION 2. Amends Section 54.601, Education Code, to define "proprietary schools." Makes conforming changes.

SECTION 3. Amends Section 54.605(a), Education Code, to make conforming changes.

SECTION 4. Amends Section 54.618(b), Education Code, to make conforming changes.

SECTION 5. Amends Section 54.619, Education Code, by adding Subsection (h), to authorize any contract benefits purchased under this subchapter to be applied to the payment of tuition and required fees at a proprietary school as if the proprietary school were an institution of higher education or private or independent institution of higher education. Requires THECB, upon request, to apply any existing amount of prepaid tuition and required fees at a proprietary school. Provides that THECB is not responsible in excess of that amount. Authorizes THECB to adopt rules as necessary to implement this section.

SECTION 6. Makes application of this Act retroactive.

SECTION 7. Effective date: September 1, 1999.

SECTION 8. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 54.6001, Education Code, to require the proprietary school to offer a two-year associate degree that is approved by the THECB.

SECTION 5.

Amends Section 54.619, Education Code, by adding Subsection (h), to authorize the payment of tuition and fees to a proprietary school with an existing prepaid tuition contract. Authorizes THECB to adopt rules as necessary to implement this subsection. Deletes proposed SECTIONS 5-11.

SECTION 6.

Makes application of this Act prospective.

SECTION 7-8.

Renumbered from proposed SECTIONS 12-13.