

BILL ANALYSIS

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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Current Texas law authorizes public institutions of higher education to only charge resident students in-state tuition rates regardless of the number of hours they accumulate.

As in most other states, students in Texas public institutions of higher education are taking longer to complete their baccalaureate degree programs. This increases the cost of education, both to students and to the state, and negatively impacts graduation rates.

Extended time-to-degree is not a new phenomenon, and some students have always spread their studies out over longer than normal periods of time. The normal period of time for a baccalaureate degree is considered to be four years. Although some students complete their degrees in as few as three years, many students are taking longer than four years to complete their degrees. The National Center for Educational Statistics reports that the percentage of students who received baccalaureate degrees in four years decreased from 45.4 percent in 1977 to 31.1 percent in 1990.

In Texas, approximately 23 percent of full-time students earn a baccalaureate degree within four years of entering Texas higher education, 23 percent (46 percent in total) within five years and an additional 6.6 percent (52.6 percent in total) within six years, according to the most recent data from the Texas Higher Education Coordinating Board (THECB).

A THECB analysis of the number of semester credit hours for full-time students who entered Texas higher education in 1998 indicates that students who earned a baccalaureate degree within four years attempted a median of 130 semester credit hours. Students who earned a baccalaureate degree within five years attempted a median of 147 semester credit hours.

Students who earned a baccalaureate degree within six years attempted a median of 166 semester credit hours. Full-time students who took five or six years to graduate attempted a total of 311,202 more hours than full-time students who took only four years to graduate.

If these trends continue, the cost to the state, based on an average of general revenue per full-time undergraduate student of \$2,837 for calendar year 2004, will total \$29.4 million over the fifth and sixth years together. Based on average tuition fees for fall 2004 of \$2,214 per 15 undergraduate hours, the total cost to parents/students would be approximately \$45.9 million.

As proposed, S.B. 1529 authorizes institutions to charge students out-of-state tuition rates for any additional coursework they undertake, if they exceed the number of credit hours required for their degree by 115 percent.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 51.4032, Education Code) and SECTION 3 (Section 61.0515, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter H, Chapter 51, Education Code, by adding Section 51.4032, as follows:

Sec. 51.4032. REPORT OF EFFORTS CONCERNING TIMELY GRADUATION. (a) Requires the president of each general academic teaching institution, no later than November 1 of each year, to provide a report for the preceding academic year to the governing board of the institution that examines the institution's efforts concerning timely graduation of its undergraduate students.

(b) Requires the report to include specific information concerning the average number of semester credit hours attempted, implementation efforts for timely graduation, and information required by the Texas Higher Education Coordinating Board (coordinating board).

(c) Requires an institution's report to be in the form prescribed by coordinating board rule adopted in consultation with general academic teaching institutions.

SECTION 2. Amends Sections 54.068(a) and (c), Education Code, as follows:

(a) Authorizes an institution of higher education to charge a resident undergraduate student tuition at a higher rate than the rate charged to other undergraduate students, not to exceed the rate charged to nonresident undergraduate students, if before the semester or other academic session begins the student has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that equals or exceeds 115 percent of the minimum number of semester credit hours required for completion of the degree program in which the student is enrolled.

(c) Provides that Subsection (a) applies only to the tuition charged to a student who initially enrolled as an undergraduate student in an institution of higher education during or after the 1999 fall semester, except the institution of higher education is prohibited from requiring a student who initially enrolls as an undergraduate student in an institution of higher education before the 2006 fall semester to pay higher tuition as permitted by Subsection (a) until the number of semester credit hours previously attempted by the student as described by that subsection exceeds the number of semester credit hours required for the student's degree program by at least 45 hours.

SECTION 3. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0515, as follows:

Sec. 61.0515. SEMESTER CREDIT HOURS REQUIRED FOR BACCALAUREATE DEGREE. (a) Prohibits a general academic teaching institution from requiring a student, in order to earn a baccalaureate degree, to complete more than the minimum number of semester credit hours required for the degree by the Southern Association of Colleges and Schools or its successor unless the institution determines that there is a compelling academic reason for requiring completion of additional semester credit hours for the degree under the standards prescribed by the coordinating board.

(b) Requires the coordinating board, by rule, to prescribe standards for determining whether there is a compelling academic reason for an institution to require completion of additional semester credit hours for a particular baccalaureate degree. Authorizes a compelling academic reason to include certification, industry, or national academic accreditation requirements.

(c) Authorizes the coordinating board to review one or more of an institution's baccalaureate degree programs to ensure compliance with this section.

(d) Provides that Subsection (a) does not apply to a baccalaureate degree awarded by an institution to a student enrolled in the institution before the 2008 fall semester. Provides that this subsection does not prohibit the institution from reducing the number of semester credit hours the student is required to complete to receive the degree.

SECTION 4. Amends Section 61.0595, Education Code, by amending Subsections (a) and (e), and adding Subsection (f), as follows:

(a) Prohibits the coordinating board, in the formulas established under Section 61.0595, from including funding for semester credit hours earned by a resident undergraduate student who before the semester or other academic session begins has previously attempted a number of semester credit hours for courses taken at any institution of higher education while classified as a resident student for tuition purposes that equals or exceeds 115 percent of the minimum number of semester credit hours required for completion of the degree program in which the student is enrolled.

(e) Provides that Subsection (a) applies only to the tuition charged to a student who initially enrolled as an undergraduate student in an institution of higher education during or after the 1999 fall semester, except the board is prohibited from reducing funding until the number of semester credit hours previously attempted by the student as described by this section exceeds the number of semester credit hours required for the student's degree program by at least 45 hours.

(f) Requires the coordinating board to include, in the formulas established under Section 61.059, without consideration of Subsection (a) funding for semester credit hours earned by a student who initially enrolled as an undergraduate student in any institution of higher education before the 1999 fall semester.

SECTION 5. Amends Sections 61.822(a), (b), and (c), Education Code, as follows:

(a) Requires the coordinating board, with the assistance of advisory committees composed of representatives of institutions of higher education, to develop recommendations for a core curriculum that can be satisfied through completion of a number of semester credit hours permitted by Subsection (b). Requires the recommendations to include a statement of the content, component areas, and objectives of the core curriculum. Requires at least a majority of the members of any advisory committee named under this section to be faculty members of an institution of higher education.

(b) Requires each institution of higher education to adopt a core curriculum of not fewer than 36 and not more than 42 semester credit hours, including specific courses comprising the curriculum. Requires the core curriculum to be consistent with the common course numbering system approved by the coordinating board and with the statement, recommendations, and rules issued by the board. Deletes existing text authorizing an institution to have a curriculum of other than 42 semester hours.

(c) Requires a student to receive academic credit for each of the courses transferred and prohibits the institution from requiring the student to take additional core curriculum courses at the receiving institution unless the receiving institution, rather than the coordinating board, has adopted a core curriculum that requires completion of more semester credit hours than the sending institution.

SECTION 6. Repealer: Sections 51.301 (Government or Political Science) and 51.302 (American or Texas History), Education Code.

SECTION 7. (a) Makes application of Sections 54.068 and 61.0595, Education Code, prospective to the 2005 fall semester.

(b) Requires the coordinating board, no later than May 31, 2006, to adopt the rules required by Section 61.0515, Education Code, as added by this Act.

(c) Requires the coordinating board, no later than May 31, 2006, to develop recommendations for the core curriculum to conform to the requirement of Section 61.822, Education Code, as amended by this Act. Requires each institution of public education to revise its core curriculum as necessary to conform to the requirements of Section 61.822, Education Code, as amended by this Act, and requires the students to

comply with the institution's revised core curriculum beginning with the 2008 fall semester, except that an institution is required to permit a student to comply with the core curriculum requirement applicable to that student before that semester. Requires each institution of higher education to issue course catalogs that reflect the applicable core curriculum under Section 61.822, Education Code, consistent with this subsection. Provides that this subsection expires at the beginning of the 2010 fall semester.

(d) Makes application of Section 61.822(c), as amended by this Act, prospective to the 2008 fall semester.

SECTION 8. Effective date: upon passage or September 1, 2005.