

BILL ANALYSIS

Senate Research Center
79R856 JRJ-D

C.S.S.B. 32
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S/C on Higher Education
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Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Students enrolled in Texas public institutions of higher education, like their counterparts in other states, 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, usually considered to be four years for a baccalaureate degree. Although some students complete their undergraduate studies in as few as three years, many students are taking longer 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 institutions, 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 system 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 a full-time students who took only four years to graduate. If these trends continue, the cost to the state and to parents and students will increase dramatically.

Current law does not encourage students to take more hours per semester or to enroll in summer school. The flat rate tuition pilot project statute expired in September 2004. Also, four-year institutions currently have the authority through tuition deregulation to offer flexible tuition rates. This legislation will encourage students to take more hours per semester and enroll in summer school, thus decreasing their time-to-degree.

C.S.S.B. 32 clarifies institutions' authority to offer flat-rate and special summer tuition.

RULEMAKING AUTHORITY

This bill does not expressly grant additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 54, Education Code, by adding Section 54.0514, as follows:

Sec. 54.0514. SPECIAL SUMMER TUITION RATES. Authorizes the governing board of an institution of higher education (board) to charge a resident undergraduate student enrolled for a summer term or session at the institution an amount of tuition that is less

than the amount of tuition otherwise charged under Section 54.0513 (Designated Tuition), but not less than one-half of that amount.

SECTION 2. Amends Section 54.072, Education Code, as follows:

Sec. 54.072. New heading. FLAT RATE TUITION AND FEES. (a) Defines "flat rate tuition and fees" and "tuition and fees."

(b) Authorizes the board, rather than board of regents of The University of Texas System, to charge flat rate tuition and fees, in a different amount for each group, to certain groups of students enrolled in a college or degree program at the institution. Deletes existing text regarding the pilot project.

(c) Prohibits the board, rather than board of regents, from requiring a full-time student who pays flat rate tuition and fees under this section, to pay more tuition and fees than the average amount of tuition and fees that a student would pay for enrolling in the institution, rather than university, for a certain number of hours for an undergraduate or a graduate student. Deletes existing text relating to the pilot project.

Deletes existing text of relating Subsections (d) and (e) relating to the evaluation of the pilot project, a timeline for the results of the evaluation, and the expiration date of this section.

SECTION 3. Effective date: upon passage or the 91st day after adjournment.