

BILL ANALYSIS

Senate Research Center

S.B. 1735
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Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Hazlewood Act currently provides an exemption from tuition and required fees to veterans and certain dependents for up to 150 semester credit hours at a public institution of higher education (IHE) in Texas. In order to qualify, veterans must have entered the service in Texas, been a Texas resident, or declared Texas as their home of record upon entering the service. Additionally, the veteran must serve a minimum of 180 days and be honorably discharged. In 2009, the 81st Legislature made it possible for a qualified veteran to pass his or her unused Hazlewood hours to a dependent child, age 25 or younger, through the Hazlewood Legacy Program. Since 2009, the amount of tuition exempted by Texas IHEs has risen dramatically. This places a burden on IHEs, which must be absorbed by the institution or passed on to other tuition payers. S.B. 1735 makes adjustments to eligibility criteria for the Hazlewood Legacy Program in order to reduce associated costs and ensure that Texas can continue to sustainably provide this well-deserved benefit to our veterans.

As proposed, S.B. 1735 amends current law relating to tuition and fee exemptions at public institutions of higher education for certain military personnel and their dependents.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.341, Education Code, by amending Subsections (a), (b-1), and (l) and adding Subsections (a-0), (a-5), and (p), as follows:

(a) Requires the governing board of each institution of higher education to exempt the following persons from the payment of tuition, dues, fees, and other required charges, including fees for correspondence courses but excluding general deposit fees, student services fees, and any fees or charges for lodging, board, or clothing, provided the person seeking the exemption established and maintained a domicile in this state as described by Section 54.052(a)(1) (relating to a person who established a domicile in this state not later than one year before the census date of the academic term in which the person is enrolled in an institution of higher education and maintained that domicile continuously for the year preceding that census date), and satisfies the residency requirement under Subsection (a-0):

(1)-(4) Makes no change to these subdivisions.

Deletes existing text exempting a person who currently resides in this state and entered the service at a location in this state, declared this state as the person's home of record in the manner provided by the applicable military or other service, or would have been determined to be a resident of this state for purposes of Subchapter B at the time the person entered the service.

(a-0) Requires a person to have resided in this state continuously for the eight years immediately preceding the first class date of the semester or term to which the exemption would apply to be eligible for an exemption provided by this section. Provides that this subsection does not apply to a person who was born in this state.

(a-5) Provides that a person who received an exemption under this section for an academic year before the 2015-2016 academic year continues to be eligible for the exemption provided by this section as this section existed on January 1, 2015.

(b-1) Requires the spouse or child, to qualify for an exemption under Subsection (a-2) or (b), to have established and maintained a domicile in this state as described by Section 54.052(a)(1) or (2) (relating to a dependent whose parent established a domicile in this state not later than one year before the census date of the academic term in which the dependent is enrolled in an institution of higher education and maintained that domicile continuously for the year preceding that census date) as applicable, and satisfy the residency requirement under Subsection (a-0), rather than be classified as a resident under Subchapter B on the date of the spouse's or child's registration.

(l) Requires a child, to be eligible to receive an exemption under Subsection (k), to:

(1) have established and maintained a domicile in this state as described by Section 54.052(a)(1) or (2), as applicable, and satisfy the residency requirement under Subsection (a-0), rather than be a student who is classified as a resident under Subchapter B when the child enrolls in an institution of higher education;

(2) and (3) Makes no change to these subdivisions.

(p) Requires an institution of higher education to require a person receiving an exemption under this section to complete a Free Application for Federal Student Aid (FAFSA). Prohibits the institution from using the information obtained from a person's FAFSA to encourage or require the person to obtain a student loan, but authorizes the institution to use the information to make a person aware of grant opportunities.

SECTION 2. Provides that the changes in law made by this Act to Section 54.341, Education Code, apply beginning with tuition and fees charged for the 2015 fall semester. Provides that tuition and fees charged for a term or semester before the 2015 fall semester are governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 3. Effective date: upon passage or September 1, 2015.