MEMORANDUM

TO: Chief Academic Officers at Public Universities

FROM: Dr. MacGregor M. Stephenson, Assistant Commissioner
Academic Affairs & Research Division

DATE: June 14, 2011

Subject: 82nd Texas Legislature SB 176: Changes to Tuition Rebate Program Effective Immediately

The recently-concluded 82nd regular session of the Texas Legislature enacted SB 176, which changes the existing tuition rebate program. These changes became effective immediately, and will affect August 2011 graduates. In order to enact the changes in a timely manner, the Coordinating Board will consider adopting rules on an emergency basis during the July Board meeting. The emergency rules will apply to August 2011 graduates who apply to receive the rebate. A copy of the bill is attached for your convenience.

Two changes to current rules reflect legislative action in the two most recent regular sessions of the Legislature. Each change concerns courses that should be exempted from consideration for eligibility for the tuition rebate: (1) course credit that is earned to satisfy requirements for a Reserve Officers' Training Corps (ROTC) program but that is not required to complete the degree program; and (2) course credit, other than course credit earned exclusively by examination, that is earned before graduating from high school.

Because there is such a short time between the conclusion of the recent regular session and August 2011 graduation, your institution will need to make certain changes immediately in the method of evaluating a request for eligibility to receive the rebate. The determination of course credit, other than course credit earned exclusively by examination, that is earned before graduating from high school may require you to request additional information from the student applying for the tuition rebate.

Current Coordinating Board rules require that a determination regarding the status of a graduating student's tuition rebate application must be communicated to the student within 60 days after graduation, along with payment of the rebate or a reason for denial of eligibility, if that is the finding.
Your institution should take steps immediately to modify the process and forms used for application and determination of eligibility to receive the tuition rebate. Permanent rules will be considered at the October 2011 Board meeting, following posting of changes in the *Texas Register.* Once those permanent rules have been approved by the Board, they will affect graduates beginning in December 2011.

If you have questions regarding this change, please contact Dr. Catherine Parsoneault at catherine.parsoneault@thecb.state.tx.us, or 512-427-6214.

S.B. No. 176

AN ACT

relating to student eligibility for tuition rebates offered by general academic teaching institutions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (a), Section 54.0065, Education Code, is amended to read as follows:

(a) A qualified student is eligible for a rebate of a portion of the undergraduate tuition the student has paid if the student:

(1) is awarded a baccalaureate degree from a general academic teaching institution within the period prescribed by Section 56.462(1)(A) or (B), as applicable, to qualify for forgiveness of a Texas B-On-time loan; and

(2) has attempted no more than three hours in excess of the minimum number of semester credit hours required to complete the degree program:

(A) including:

(i) transfer credits; and

(ii) course credit earned exclusively by examination, except that, for purposes of this subsection, only the number of semester credit hours earned exclusively by examination in excess of nine semester credit hours is treated as hours attempted; and

(B) excluding:

(i) course credit that is earned to satisfy requirements for a Reserve Officers' Training Corps (ROTC) program but that is not required to complete the degree program; and

(ii) course credit, other than course credit earned exclusively by examination, that is earned before graduating from high school.

SECTION 2. The change in law made by this Act applies only to a student who is awarded a baccalaureate degree from a general academic teaching institution on or after the effective date of this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 176 passed the Senate on March 17, 2011, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 176 passed the House, with amendment, on May 20, 2011, by the following vote: Yeas 149, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor