An Act
relating to conditions on the receipt of tuition and fee exemptions and waivers at public institutions of higher education.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter D, Chapter 54, Education Code, is amended by adding Sections 54.2001 and 54.2002 to read as follows:

Sec. 54.2001. CONTINUED RECEIPT OF EXEMPTIONS OR WAIVERS CONDITIONAL.
(a) Notwithstanding any other law but subject to Subsection (f), after initially qualifying under this subchapter for a mandatory or discretionary exemption or waiver from the payment of all or part of the tuition or other fees for enrollment during a semester or term at an institution of higher education, a person may continue to receive the exemption or waiver for a subsequent semester or term only if the person:

(1) as a graduate or undergraduate student, maintains a grade point average that satisfies the institution's grade point average requirement for making satisfactory academic progress toward a degree or certificate in accordance with the institution's policy regarding eligibility for financial aid; and

(2) as an undergraduate student, has not completed as of the beginning of the semester or term a number of semester credit hours that is considered to be excessive under Section 54.014, unless permitted to complete those hours by the institution on a showing of good cause.

(b) In determining whether a person has completed a number of semester credit hours that is considered to be excessive for purposes of Subsection (a)(2), semester credit hours completed include transfer credit hours that count toward the person's undergraduate degree or certificate program course requirements but exclude:

(1) hours earned exclusively by examination;

(2) hours earned for a course for which the person received credit toward the person's high school academic requirements; and

(3) hours earned for developmental coursework that an institution of higher education required the person to take under Section 51.352 or under the former provisions of Section 51.356.

(c) If on the completion of any semester or term a person fails to meet any requirement of Subsection (a), for the next semester or term in which the person enrolls the person may not receive the exemption or waiver described by Subsection (a). A person may become eligible to receive an exemption or waiver in a subsequent semester or term if the person:

(1) completes a semester or term during which the person is not eligible for an exemption or waiver; and

(2) meets each requirement of Subsection (a), as applicable.

(d) Each institution of higher education shall adopt a policy to allow a student who fails to maintain a grade point average as required by Subsection (a)(1) to receive an exemption or waiver in any semester or term on a showing of hardship or other good cause, including:

(1) a showing of a severe illness or other debilitating condition that could affect the student's academic performance;

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care could affect the student's academic performance;

(3) the student's active duty or other service in the United States armed forces or the student's active duty in the Texas National Guard; or

(4) any other cause considered acceptable by the institution.

(e) An institution of higher education shall maintain documentation of each exception granted to a student under Subsection (d).

(f) If a requirement imposed by this section for the continued receipt of a specific exemption or waiver conflicts with another requirement imposed by statute for that exemption or waiver, the stricter requirement prevails.

(g) This section does not apply to:

(1) the waiver provided by Section 54.216 or any other reduction in tuition provided to a high school student for enrollment in a dual credit course or other course for which the student may earn joint high school and college credit;

(2) the exemption provided by Section 54.341(a-2)(1)(A), (B), (C), or (D) or (b)(1)(A), (B), (C), or (D); or

(3) the exemption provided by Section 54.346, 54.360, or 54.366; or

(4) any provision of this code that authorizes or requires the payment of tuition or fees at the rates provided for residents of this state by a person who is not a resident of this state for purposes of Subchapter B.

Sec. 54.2002. EXEMPTIONS AND WAIVERS FOR STATE-FUNDED COURSES ONLY. Notwithstanding any other law, a mandatory or discretionary exemption or waiver from the payment of tuition or other fees under this subchapter or another provision of this code applies only to courses for which an institution of higher education receives formula funding.

SECTION 2. The change is made by this Act applies to a person's eligibility for an exemption or waiver from the payment of all or part of tuition or other fees beginning with tuition and fees charged for the 2014 fall semester.
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, 2013.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1210 passed the Senate on April 8, 2013, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2013, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1210 passed the House, with amendment, on May 22, 2013, by the following vote: Yeas 149, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor