

AN ACT

relating to state funding and designated tuition charged for courses provided during off-peak hours at certain public institutions of higher education.

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

SECTION 1. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.0592 to read as follows:

Sec. 61.0592. FUNDING FOR COURSES PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. (a) The purposes of this section are:

(1) to ensure that student demand for courses is met;

and

(2) to encourage the efficient use of existing instructional facilities while reducing the need for new instructional facilities.

(b) This section applies only to funding for a course provided by:

(1) The University of Texas at Austin;

(2) Texas A&M University; or

(3) Texas Tech University.

(c) To carry out the purposes of this section, for each institution of higher education listed under Subsection (b), the board shall include in the formulas established under Section 61.059 funding in amounts sufficient to cover the institution's

1 revenue loss resulting from any reduction in tuition rates under  
2 Section 54.061.

3 (d) In addition to the funding included under Subsection  
4 (c), in the formulas established under Section 61.059, as an  
5 incentive for the institutions to reduce tuition rates under  
6 Section 54.061, the board may include additional funding that  
7 represents a portion of the savings to the state resulting from the  
8 institution's efficient use of resources.

9 SECTION 2. Subchapter B, Chapter 54, Education Code, is  
10 amended by adding Section 54.061 to read as follows:

11 Sec. 54.061. REDUCED DESIGNATED TUITION RATES FOR COURSES  
12 PROVIDED DURING OFF-PEAK HOURS AT CERTAIN INSTITUTIONS. (a) This  
13 section applies only to a course offered by an institution of higher  
14 education:

15 (1) beginning at 6 p.m. or later during a weekday;

16 (2) on weekends; or

17 (3) at other times when the institution's  
18 instructional facilities would otherwise be underutilized, as  
19 determined by the governing board of the institution.

20 (b) In accordance with coordinating board rules and for the  
21 purposes stated in Section 61.0592, the governing board of an  
22 institution of higher education to which Section 61.0592 applies  
23 may establish tuition rates under Section 54.0513 for a course  
24 described by Subsection (a) that are not more than 25 percent lower  
25 than the rates that would otherwise apply to the course under that  
26 section.

27 (c) This section applies only if the legislature

1 specifically appropriates money to institutions to which Section  
2 61.0592 applies for the state fiscal biennium ending August 31,  
3 2009, to cover the tuition revenue lost to the institutions by the  
4 application of this section.

5 SECTION 3. As soon as practicable after the effective date  
6 of this Act, the Texas Higher Education Coordinating Board shall  
7 adopt rules under which public institutions of higher education may  
8 establish lower tuition rates in accordance with Section 54.061,  
9 Education Code, as added by this Act.

10 SECTION 4. This Act takes effect immediately if it receives  
11 a vote of two-thirds of all the members elected to each house, as  
12 provided by Section 39, Article III, Texas Constitution. If this  
13 Act does not receive the vote necessary for immediate effect, this  
14 Act takes effect September 1, 2007.

David Newkumst  
President of the Senate

Jim Caddick  
Speaker of the House

I certify that H.B. No. 120 was passed by the House on April 19, 2007, by the following vote: Yeas 140, Nays 2, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 120 on May 22, 2007, by the following vote: Yeas 141, Nays 0, 2 present, not voting.

Robert Haney  
Chief Clerk of the House

I certify that H.B. No. 120 was passed by the Senate, with amendments, on May 18, 2007, by the following vote: Yeas 29, Nays 0.

Patsy Saw  
Secretary of the Senate

APPROVED: 15 JUN 07  
Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
5 PM O'CLOCK  
JUN 15 2007  
Roger Winnif  
Secretary of State