

§ 54.0065. TUITION REBATE FOR CERTAIN UNDERGRADUATES.

(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; and

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

(A) transfer credits; and

(B) 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.

(b) The amount of tuition to be rebated to a student under this section is \$1,000, unless the total amount of undergraduate tuition paid by the student to the institution of higher education awarding the degree was less than \$1,000, in which event the amount of tuition to be rebated is an amount equal to the amount of undergraduate tuition paid by the student to the institution. However, a student who paid the institution awarding the degree an amount of undergraduate tuition less than \$1,000 may qualify for an increase in the amount of the rebate, not to exceed a total rebate of \$1,000, for any amount of undergraduate tuition the student paid to other institutions of higher education by providing the institution with proof of the total amount of that tuition paid to other institutions of higher education.

(c) A student who has transferred from another institution of higher education shall provide the institution awarding the degree an official transcript from each institution attended by the student in order that the total number of hours attempted by the student can be verified.

(d) To qualify for a rebate under this section, the student must have been a resident of this state and entitled to pay tuition at the rate provided by this chapter for a resident student at all times while pursuing the degree.

(e) All institutions of higher education shall notify each first-time freshman student of the tuition rebate program.

(f) The institution awarding the degree shall pay the rebate under this section from local funds.

(g) If a student entitled to a rebate under this section has an outstanding student loan, including an emergency loan, owed or guaranteed by this state, including the Texas Guaranteed Student Loan Corporation, the institution shall apply the amount of the rebate to the student's loan. If a student has more than one outstanding loan, the institution shall apply the amount of the rebate to the loans as directed by the student or, if the student fails to provide timely instructions on the application of the amount, the institution shall apply the amount of the rebate to the loans according to priorities established by the coordinating board. If the amount of the rebate exceeds the amount of the loan indebtedness, the institution shall pay the student the excess amount.

(h) The legislature shall account in the General Appropriations Act for the rebates authorized by this section in a way that provides a corresponding increase in the general revenue

funds appropriated to the institution. It is the intent of the legislature that rebates authorized by this section shall be financed by savings to the state resulting from reductions in the number of courses taken by undergraduate students.

(i) The coordinating board, in consultation with the institutions of higher education, shall adopt rules for the administration of this section.

Added by Acts 1997, 75th Leg., ch. 1073, § 1.09, eff. Aug. 1, 1997. Amended by Acts 2003, 78th Leg., ch. 611, § 1, eff. June 20, 2003.