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AN ACT

relating to state formula funding to an institution of higher education and tuition costs for certain resident doctoral students.

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

SECTION 1. Section 54.066, Education Code, is amended to read as follows:

Sec. 54.066. TUITION RATES FOR CERTAIN DOCTORAL STUDENTS. The governing board of an institution of higher education may charge a resident doctoral student who has more semester credit hours of doctoral work than allowed for purposes of state funding for the current state fiscal biennium under Section 61.059(1) tuition at the rate charged nonresident doctoral students. Tuition charged at the rate provided by this section shall be accounted for as if collected under Section 54.008.

SECTION 2. Subsection (1), Section 61.059, Education Code, is amended to read as follows:

- (1) (1) Except as provided by Subdivision (2), the [Tho] board may not include in any formula under this section funding based on the number of doctoral students who have a total of [100] [121] or more semester credit hours of doctoral work at an institution of higher education.
- (2) Notwithstanding Subdivision (1), the board may approve formula funding for semester credit hours in excess of 100, not to exceed 130 total semester credit hours, for a doctoral student if the institution:
- (A) provides the board with substantial evidence that the particular field of study in which the student is enrolled requires a higher number of semester credit hours to maintain nationally competitive standards;
- (B) provides the board with evidence that the student's program or research is likely to provide substantial benefit to medical or scientific advancement and that the program or research requires the additional semester credit hours; or
 - (C) provides the board with other compelling

academic reasons that support the finding of an exception.

- (3) The board shall report to the Legislative Budget Board, as part of its report on formula funding recommendations, a listing of the exceptions approved under Subdivision (2) and the associated costs in formula-based funding.
- SECTION 3. (a) The change in law made by Section 1 of this Act applies beginning with the 1997 fall semester. For the 1997-1998 and 1998-1999 academic years, the number of semester credit hours in excess of which Section 54.066, Education Code, as amended by this Act, allows an institution to charge tuition at the nonresident rate is 131 semester credit hours.
- (b) Subsection (1), Section 61.059, Education Code, as amended by this Act, applies only to formulas established under Section 61.059, Education Code, for fiscal years that begin on or after September 1, 1999.
- (c) Any savings resulting from implementation of Subsection (1), Section 61.059, Education Code, shall not serve as a basis for reducing the amount of the total general revenue available for funding any formula on a basis other than that prohibited by Subsection (1), Section 61.059, Education Code.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

President of the Senate I hereby certify that S.B. No. May 1, 1997, by the following vote:	Speaker of the House 961 passed the Senate on Yeas 31, Nays 0.
I hereby certify that S.B. No. May 21, 1997, by a non-record vote.	Secretary of the Senate 961 passed the House on
	Chief Clerk of the House
Approved:	
Date	
Governor	