AN ACT
relating to the automatic admission of undergraduate students to
certain general academic teaching institutions and to scholarship
and other programs to facilitate enrollment at institutions of
higher education.

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

SECTION 1. Section 51.803, Education Code, is amended by
amending Subsection (a) and adding Subsections (a-1), (a-2), (a-3),
(a-4), (a-5), (a-6), (g), (h), (i), (j), (k), and (l) to read as
follows:

(a) Subject to Subsection (a-1), each [Each] general
academic teaching institution shall admit an applicant for
admission to the institution as an undergraduate student if the
applicant graduated with a grade point average in the top 10 percent
of the student’s high school graduating class in one of the two
school years preceding the academic year for which the applicant is
applying for admission and:

(1) the applicant graduated from a public or private
high school in this state accredited by a generally recognized
accrediting organization or from a high school operated by the
United States Department of Defense;

(2) the applicant:

(A) successfully completed:

(i) at a public high school, the curriculum
requirements established under Section 28.025 for the recommended
or advanced high school program; or

(ii) at a high school to which Section
28.025 does not apply, a curriculum that is equivalent in content
and rigor to the recommended or advanced high school program; or

(B) satisfied ACT's College Readiness Benchmarks
on the ACT assessment applicable to the applicant or earned on the
SAT assessment a score of at least 1,500 out of 2,400 or the
equivalent; and

(3) if the applicant graduated from a high school
operated by the United States Department of Defense, the applicant
is a Texas resident under Section 54.052 or is entitled to pay
tuition fees at the rate provided for Texas residents under Section
54.058(d) for the term or semester to which admitted.

(a-1) Beginning with admissions for the 2011-2012 academic
year, The University of Texas at Austin is not required to offer
admission to applicants who qualify for automatic admission under
Subsection (a) in excess of the number required to fill 75 percent
of the university's enrollment capacity designated for first-time
resident undergraduate students in an academic year. If the number
of applicants who qualify for automatic admission to The University
of Texas at Austin under Subsection (a) for an academic year exceeds
75 percent of the university's enrollment capacity designated for
first-time resident undergraduate students for that academic year,
the university may elect to offer admission to those applicants as
provided by this subsection and not as otherwise required by
Subsection (a). If the university elects to offer admission under
this subsection, the university shall offer admission to those applicants by percentile rank according to high school graduating class standing based on grade point average, beginning with the top percentile rank, until the applicants qualified under Subsection (a) have been offered admission in the number estimated in good faith by the university as sufficient to fill 75 percent of the university's enrollment capacity designated for first-time resident undergraduate students, except that the university must offer admission to all applicants with the same percentile rank. After the applicants qualified for automatic admission under Subsection (a) have been offered admission under this subsection in the number estimated in good faith as sufficient to fill 75 percent of the designated enrollment capacity described by this subsection, the university shall consider any remaining applicants qualified for automatic admission under Subsection (a) in the same manner as other applicants for admission as first-time undergraduate students in accordance with Section 51.805.

(a-2) If the number of applicants who apply to a general academic teaching institution during the current academic year for admission in the next academic year and who qualify for automatic admission to a general academic teaching institution under Subsection (a) exceeds 75 percent of the institution's enrollment capacity designated for first-time resident undergraduate students for that next academic year and the institution plans to offer admission under Subsection (a-1) during the next school year, the institution shall, in the manner prescribed by the Texas Education Agency and not later than September 15, provide to each school
district, for dissemination of the information to high school
junior-level students and their parents, notice of which percentile
ranks of high school senior-level students who qualify for
automatic admission under Subsection (a) are anticipated by the
institution to be offered admission under Subsection (a-1) during
the next school year.
(a-3) Notwithstanding Subsection (a-1), The University of
Texas at Austin may not offer admission under that subsection for an
academic year after the 2015-2016 academic year.
(a-4) If The University of Texas at Austin elects to offer
admission to first-time resident undergraduate students under
Subsection (a-1) for an academic year, the university must continue
its practice of not considering an applicant's legacy status as a
factor in the university's decisions relating to admissions for
that academic year.
(a-5) A general academic teaching institution that offers
admission to first-time resident undergraduate students under
Subsection (a-1) shall require that a student admitted under that
subsection complete a designated portion of not less than six
semester credit hours of the student's coursework during evening
hours or other low-demand hours as necessary to ensure the
efficient use of the institution's available classrooms.
(a-6) Not later than December 31 of each academic year in
which The University of Texas at Austin offers admission under
Subsection (a-1), the university shall deliver a written report to
the governor, the lieutenant governor, and speaker of the house of
representatives regarding the university's progress in each of the
following matters:

(1) increasing geographic diversity of the entering freshman class;

(2) counseling and outreach efforts aimed at students qualified for automatic admission under this section;

(3) recruiting Texas residents who graduate from other institutions of higher education to the university's graduate and professional degree programs;

(4) recruiting students who are members of underrepresented demographic segments of the state's population; and

(5) assessing and improving the university's regional recruitment centers.

(g) The Texas Higher Education Coordinating Board by rule shall develop and implement a program to increase and enhance the efforts of general academic teaching institutions in conducting outreach to academically high-performing high school seniors in this state who are likely to be eligible for automatic admission under Subsection (a) to provide to those students information and counseling regarding the operation of this section and other opportunities, including financial assistance, available to those students for success at public institutions of higher education in this state. Under the program, the coordinating board, after gathering information and recommendations from available sources and examining current outreach practices by institutions in this state and in other states, shall prescribe best practices guidelines and standards to be used by general academic teaching
institutions in conducting the student outreach described by this subsection.

(h) An institution that admits under this section an applicant qualified for automatic admission under Subsection (a) may admit the applicant for either the fall semester of the academic year for which the applicant applies or for the summer session preceding that fall semester, as determined by the institution.

(i) If a general academic teaching institution denies admission to an applicant for an academic year, in any letter or other communication the institution provides to the applicant notifying the applicant of that denial, the institution may not reference the provisions of this section, including using a description of a provision of this section such as the top 10 percent automatic admissions law, as a reason the institution is unable to offer admission to the applicant unless the number of applicants for admission to the institution for that academic year who qualify for automatic admission under Subsection (a) is sufficient to fill 100 percent of the institution's enrollment capacity designated for first-time resident undergraduate students.

(j) A general academic teaching institution that elects to offer admission under Subsection (a-1) for an academic year may not offer admission to first-time undergraduate students who are not residents of this state for that academic year in excess of the number required to fill 10 percent of the institution's enrollment capacity designated for first-time undergraduate students for that academic year.
(k) A general academic teaching institution may not offer admission under Subsection (a-1) for an academic year if, on the date of the institution’s general deadline for applications for admission of first-time undergraduate students for that academic year:

(1) a final court order applicable to the institution prohibits the institution from considering an applicant's race or ethnicity as a factor in the institution's decisions relating to first-time undergraduate admissions; or

(2) the institution's governing board by rule, policy, or other manner has provided that an applicant's race or ethnicity may not be considered as a factor in the institution's decisions relating to first-time undergraduate admissions, except that this subdivision does not apply to an institution that did not consider, on or before June 1, 2009, an applicant's race or ethnicity as a factor in its admissions of first-time resident undergraduate students for the 2009-2010 academic year.

(1) The Texas Higher Education Coordinating Board shall publish an annual report on the impact of Subsection (a-1) on the state's goal of closing college access and achievement gaps under "Closing the Gaps," the state's master plan for higher education, with respect to students of an institution that offers admission under that subsection, disaggregated by race, ethnicity, socioeconomic status, and geographic region and by whether the high school from which the student graduated was a small school, as defined by the commissioner of education, or a public high school that is ranked among the lowest 20 percent of public high schools
according to the percentage of each high school's graduates who enroll in a four-year institution, including a general academic teaching institution, in one of the two academic years following the year of the applicant's high school graduation. On request, a general academic teaching institution that offers admission under Subsection (a-1) shall provide the board with any information the board considers necessary for the completion of the report required by this subsection.

SECTION 2. Subchapter U, Chapter 51, Education Code, is amended by adding Section 51.8035 to read as follows:

Sec. 51.8035. AUTOMATIC ADMISSION OF APPLICANTS COMPLETING CORE CURRICULUM AT ANOTHER INSTITUTION. (a) In this section:

(1) "Core curriculum" means the core curriculum adopted by an institution of higher education under Section 61.822.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003.

(b) A general academic teaching institution shall admit an applicant for admission to the institution as a transfer undergraduate student who:

(1) graduated from high school not earlier than the fourth school year before the academic year for which the applicant seeks admission to the institution as a transfer student and:

(A) qualified for automatic admission to a general academic teaching institution under Section 51.803 at the time of graduation; or

(B) was previously offered admission under this subchapter to the institution to which the applicant seeks
admission as a transfer student;

(2) first enrolled in a public junior college or other public or private lower-division institution of higher education not earlier than the third academic year before the academic year for which the applicant seeks admission;

(3) completed the core curriculum at a public junior college or other public or private lower-division institution of higher education with a cumulative grade point average of at least 2.5 on a four-point scale or the equivalent; and

(4) submits a completed application for admission as a transfer student before the expiration of any application filing deadline established by the institution.

(c) For purposes of this section, transfer semester credit hours from a different institution of higher education and semester credit hours earned by examination shall be included in determining whether the person completed the core curriculum at an institution of higher education.

(d) It is the responsibility of the applicant for admission under this section to:

(1) expressly and clearly claim in the application entitlement to admission under this section; and

(2) timely provide to the general academic teaching institution the documentation required by the institution to determine the student's entitlement to admission under this section.

SECTION 3. Section 28.026, Education Code, is amended to read as follows:
Sec. 28.026. NOTICE OF AUTOMATIC COLLEGE ADMISSION.

(a) The board of trustees of a school district shall require each high school in the district to post appropriate signs in each counselor's office, in each principal's office, and in each administrative building indicating the substance of Section 51.803 regarding automatic college admission. To assist in the dissemination of this information, the school district shall:

(1) require that each high school counselor and class advisor be provided a detailed explanation of the substance of Section 51.803;

(2) provide each district student, at the time the student first registers for one or more classes required for high school graduation, with a written notification of the substance of Section 51.803;

(3) require that each high school counselor and senior class advisor explain to eligible students the substance of Section 51.803; and

(4) not later than the 14th day after the last day of classes for the fall semester or an equivalent date in the case of a school operated on a year-round system under Section 25.084, [43] provide each eligible senior student under Section 51.803 and each student enrolled in the junior year of high school who has a grade point average in the top 10 percent of the student's high school class, and the student's parent or guardian [at the commencement of a class's senior year], with a written notification of the student's eligibility with a detailed explanation in plain language of the substance of Section 51.803.
(b) The commissioner shall adopt forms to use in providing notice under Subsections (a)(2) and (4). In providing notice under Subsection (a)(2) or (4), a school district shall use the appropriate form adopted by the commissioner. The notice to a student and the student's parent or guardian under Subsection (a)(4) must be on a single form that may contain one or more signature lines to indicate receipt of notice by the student or the student's parent or guardian.

(c) The commissioner shall adopt procedures to ensure that, as soon as practicable after this subsection becomes law, each school district provides written notification of the substance of Section 51.803, as amended by the 81st Legislature, Regular Session, 2009, to each district student who, for the 2009-2010 school year, registers for one or more courses required for high school graduation. The commissioner may adopt rules under this subsection in the manner provided by law for emergency rules. Each district shall comply with the procedures adopted by the commissioner under this subsection. This subsection expires September 1, 2010.

SECTION 4. Section 33.007, Education Code, is amended by adding Subsection (c) to read as follows:

(c) At the beginning of grades 10 and 11, a school counselor certified under the rules of the State Board for Educator Certification shall explain the requirements of automatic admission to a general academic teaching institution under Section 51.803 to each student enrolled in a high school or at the high school level in an open-enrollment charter school who has a grade
point average in the top 25 percent of the student's high school class.

SECTION 5. Chapter 56, Education Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. SCHOLARSHIPS FOR STUDENTS GRADUATING IN TOP 10 PERCENT OF HIGH SCHOOL CLASS

Sec. 56.481. PURPOSE. The purpose of this program is to encourage attendance at public institutions of higher education in this state by outstanding high school students in the top 10 percent of their graduating class.

Sec. 56.482. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Institution of higher education" has the meaning assigned by Section 61.003.

(3) "Program" means the scholarship program authorized by this subchapter.

Sec. 56.483. AWARD OF SCHOLARSHIP. (a) The coordinating board shall award scholarships to eligible students under this subchapter.

(b) An institution of higher education shall provide to a student who receives a scholarship under the program for a semester or other academic term:

(1) a credit in the amount of the scholarship, to be applied toward the payment of any amount of educational costs charged by the institution for that semester or term; and

(2) a check, electronic transfer, or other
disbursement of any remaining scholarship amount.

(c) An amount paid under Subsection (b)(2) may be applied only to any usual and customary cost incurred by the student to attend the institution of higher education.

Sec. 56.484. INITIAL ELIGIBILITY FOR SCHOLARSHIP. To be eligible for a scholarship under this subchapter, a student must:

(1) have graduated from a public or accredited private high school in this state while ranked in the top 10 percent of the student's graduating class, subject to Section 56.487(b);

(2) have completed the recommended or advanced high school curriculum established under Section 28.025 or its equivalent;

(3) have applied for admission as a first-time freshman student for the 2010-2011 academic year or a subsequent academic year to an institution of higher education that has elected to offer admissions for that academic year to applicants as provided by Section 51.803(a-1);

(4) enroll as a first-time freshman student in an institution of higher education not later than the 16th month after the date of the student's high school graduation;

(5) have been awarded a TEXAS grant under Subchapter M for the same semester or other academic term for which the scholarship will be awarded;

(6) be a Texas resident under Section 54.052; and

(7) comply with any other eligibility requirements established by coordinating board rule.

Sec. 56.485. INELIGIBILITY FOR SCHOLARSHIP.
Notwithstanding Section 56.484, a student is not eligible for an
initial or subsequent scholarship under this subchapter if the
student was offered admission as a first-time freshman student to
any institution of higher education for an academic year for which
that institution made admissions under Section 51.803(a-1),
regardless of whether the student subsequently enrolls at that
institution.

Sec. 56.486. AMOUNT OF SCHOLARSHIP. (a) Except as
provided by Subsection (b), the amount of a scholarship for each
semester or other academic term in which an eligible student is
enrolled at an institution of higher education is an amount
sufficient to cover, but not exceed, the amount of tuition charged
to the student for that semester or term.

(b) The amount of a scholarship for each semester or other
academic term may not exceed the amount of the student's unmet
financial need for that semester or term after any other gift aid
has been awarded.

(c) The coordinating board shall issue to each eligible
student a certificate indicating the amount of the scholarship
awarded to the student.

Sec. 56.487. APPLICATION PROCEDURE. (a) The coordinating
board shall establish application procedures for the program. The
procedures may require an officer of the applicable high school or
school district to verify the eligibility of a student to receive a
scholarship under the program.

(b) The coordinating board may permit a student to establish
initial eligibility based on the student's class rank at the end of
the student's seventh semester in high school. The board may revoke
an initial scholarship awarded to a student who subsequently loses
eligibility based on the student's class rank on graduation from
high school.

(c) The coordinating board may consider applications
received after the application deadline only if sufficient funding
for scholarships remains after the board awards scholarships to all
eligible students who applied on or before the deadline.

(d) The coordinating board shall establish procedures to
notify each eligible student of the receipt of a scholarship under
the program and to enable an institution of higher education to
verify the award of a scholarship to a student who is enrolled at
that institution.

Sec. 56.488. CONTINUING ELIGIBILITY FOR SCHOLARSHIP.

(a) After establishing eligibility to receive an initial
scholarship under the program, a student may continue to receive
additional scholarships during each subsequent semester or other
academic term in which the student is enrolled at an institution of
higher education if the student:

(1) makes satisfactory academic progress as required
by Section 56.489;

(2) submits to the institution transcripts for any
coursework completed at other public or private institutions of
higher education;

(3) has been awarded a TEXAS grant under Subchapter M
for the same semester or other academic term for which the
scholarship will be awarded; and
(4) complies with any other eligibility requirements established by coordinating board rule.

(b) If a student fails to meet any of the requirements of Subsection (a) after completing a semester or other academic term, the student may not receive a scholarship during the next semester or other academic term in which the student enrolls. A student may become eligible to receive a scholarship in a subsequent semester or term if the student:

(1) completes a semester or term during which the student is not eligible for a scholarship; and

(2) meets all the requirements of Subsection (a).

(c) Except as provided by Section 56.490(b), a student's eligibility for a scholarship under the program ends on the fourth anniversary of the first day of the semester or other academic term for which the student was awarded an initial scholarship under the program.

Sec. 56.489. SATISFACTORY ACADEMIC PROGRESS. For each academic year in which a student receives one or more scholarships under the program, the student must:

(1) complete for that year:

(A) at least 75 percent of all credit hours attempted, as determined by the institution of higher education in which the student is enrolled; and

(B) at least 30 credit hours or the number of credit hours needed to complete the student's degree or certificate program, whichever is less; and

(2) maintain an overall grade point average of at
least 3.25 on a four-point scale or its equivalent for all coursework attempted at any public or private institution of higher education.

Sec. 56.490. EXCEPTION FOR HARDSHIP OR OTHER GOOD CAUSE. (a) Each institution of higher education shall adopt a policy to allow a student who fails to make satisfactory academic progress as required by Section 56.489 to receive a scholarship in a subsequent semester or other academic 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; or

(3) any other cause considered acceptable by the coordinating board.

(b) An institution of higher education may extend the eligibility period described by Section 56.488(c) in the event of hardship or other good cause as provided by the institution's policy adopted under Subsection (a).

(c) An institution of higher education shall maintain documentation of each exception granted to a student under this section and shall provide timely notice of those exceptions to the coordinating board.

Sec. 56.491. PUBLICATION OF PROGRAM INFORMATION. (a) The
coordinating board shall publish and disseminate general information and rules for the program as provided by Subsection (b) and as otherwise considered appropriate by the board.

(b) The coordinating board shall provide application instructions to:

(1) each school district and each institution of higher education; and

(2) an individual student on request.

Sec. 56.492. REIMBURSEMENT. (a) Each institution of higher education that provides scholarships under the program to eligible students enrolled at the institution is entitled to reimbursement by the coordinating board of the amounts provided. The institution must request reimbursement in the manner specified by coordinating board rule.

(b) On approval of an institution's request for reimbursement, the coordinating board shall direct the comptroller to transfer the appropriate amount to the institution. The institution may use the transferred funds as reimbursement for any credits provided to students under this subchapter, to reimburse students for charges previously paid to the institution, or to make scholarship payments to students, as applicable.

Sec. 56.493. RULES. The coordinating board shall adopt rules as necessary to administer the program under this subchapter.

SECTION 6. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.07622 to read as follows:

Sec. 61.07622. HIGHER EDUCATION ASSISTANCE PLAN. (a) The board shall develop a plan under which each public high school in
this state that is, as determined by the board in accordance with board rule, substantially below the state average in the number of graduates who attend public or private or independent institutions of higher education is required to:

(1) provide to prospective students information related to enrollment in public or private or independent institutions of higher education, including admissions and financial aid information; and

(2) assist those prospective students in completing applications related to enrollment in those institutions, including admissions and financial aid applications.

SECTION 7. The purpose of the reforms provided for in this Act is to continue and facilitate progress in general academic teaching institutions in this state with regard to the racial, ethnic, demographic, geographic, and rural/urban diversity of the student bodies of those institutions in undergraduate, graduate, and professional education, including the participation goals identified in the "Closing the Gaps" initiative, the state's master plan for higher education. Nothing in this Act prevents a general academic teaching institution in this state from engaging in appropriate individualized holistic review, consistent with that purpose, for the admission of students who are not entitled to automatic admission under Section 51.803, Education Code, as amended by this Act.

SECTION 8. The commissioner of education shall adopt a form for notifying eligible high school seniors and their parents or guardians of automatic college admission as required by Section
28.026, Education Code, as amended by this Act, as soon as practicable after the effective date of this Act.

SECTION 9. (a) The Texas Higher Education Coordinating Board shall adopt rules to administer Subchapter R, Chapter 56, Education Code, as added by this Act, as soon as practicable after the effective date of this Act. For that purpose, the coordinating board may adopt the initial rules in the manner provided by law for emergency rules.

(b) The Texas Higher Education Coordinating Board shall begin awarding scholarships under Subchapter R, Chapter 56, Education Code, as added by this Act, for the first academic year for which money is appropriated for that purpose, except that the coordinating board may not award scholarships under that subchapter for an academic year before the 2010-2011 academic year.

SECTION 10. Section 51.8035, Education Code, as added by this Act, applies beginning with admissions to a general academic teaching institution for the 2010 spring semester.

SECTION 11. 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, 2009.
President of the Senate  
I hereby certify that S.B. No. 175 passed the Senate on March 25, 2009, by the following vote: Yeas 24, Nays 7; and that the Senate concurred in House amendments on May 30, 2009, by the following vote: Yeas 27, Nays 4.

Secretary of the Senate  
I hereby certify that S.B. No. 175 passed the House, with amendments, on May 26, 2009, by the following vote: Yeas 123, Nays 20, two present not voting.

Chief Clerk of the House

Approved:

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Date

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Governor

S.B. No. 175