



Texas Higher Education
Coordinating Board

Exemptions & Waivers

Presentation for the
Senate Higher Education Committee
Interim Charge #1

April 26, 2010

Exemptions & Waivers

Definitions



Texas Higher Education
Coordinating Board

*Exemption & Waiver programs are **authorized by the Texas Legislature** and provide a monetary benefit to qualifying students via a reduction in tuition, fees, or both.*

Exemptions:

Allow special groups of resident or non-resident students to pay a reduced amount of tuition and fees.

Waivers:

Allow special groups of non-resident students to pay a reduced nonresident tuition rate.

Exemptions & Waivers

Implementation



Implementation of exemption & waiver programs vary by statute.

Mandatory:

Require all institutions to honor provisions in statute for all qualifying students

Optional:

Allow governing boards to choose whether to implement the program or not.

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Funding



*With few exceptions, exemption and waiver programs **do not receive state appropriations**. Instead, institutions are required to cover the "costs" of the programs via foregone tuition and fees.*

FY2009

- ✓ 209,200 students served
- ✓ Approx. **\$359 million** in foregone tuition and fees (FY 09 dollars).

Mandatory:

\$264 million

Optional:

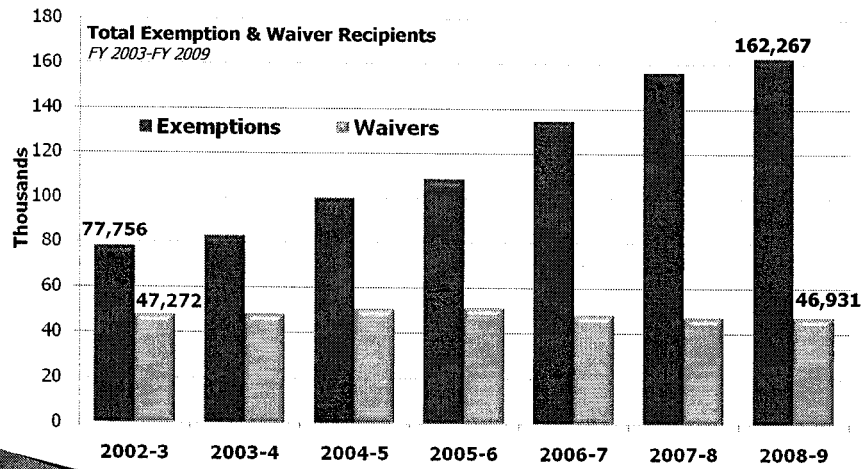
\$95 million

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Recipient Trends

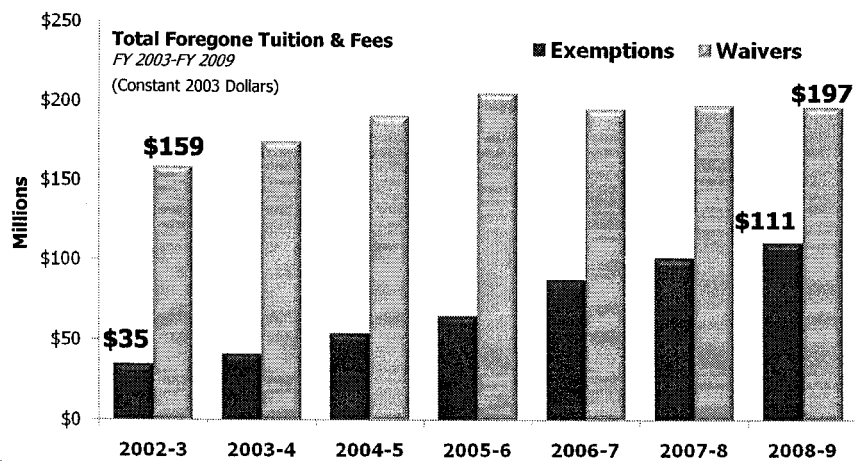


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Financial Impact

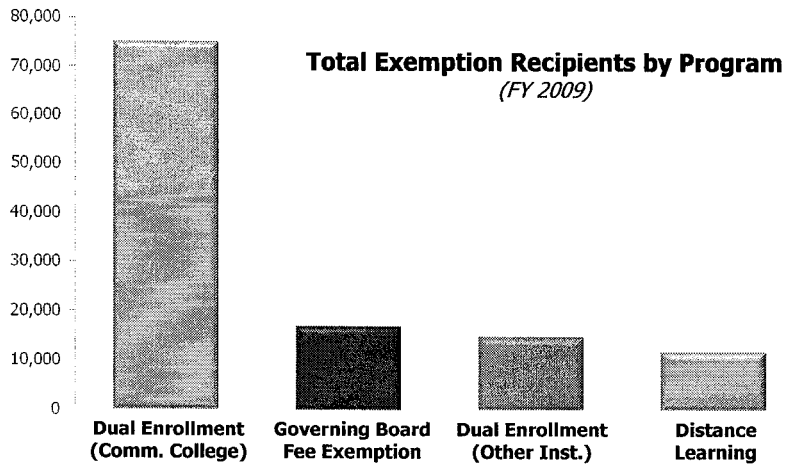


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Exemptions

Top 4 Programs

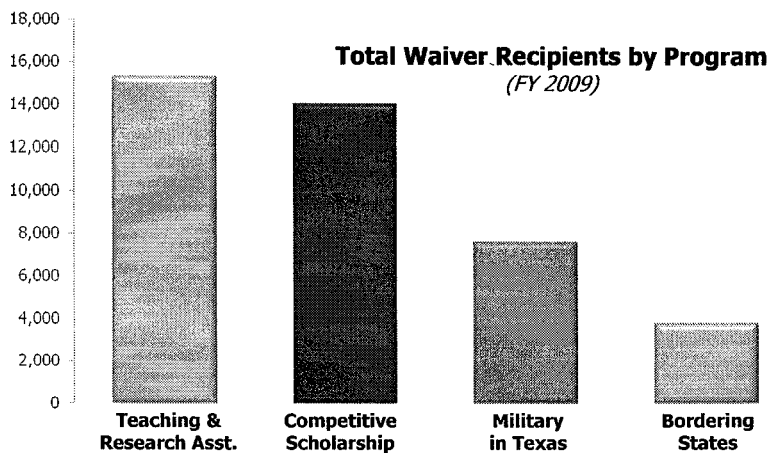


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Waivers

Top 4 Programs



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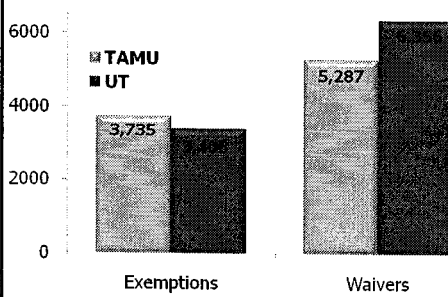
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UT Austin vs. Texas A&M



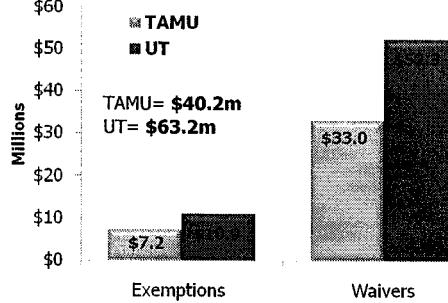
Total Exemption & Waiver Recipients
FY2009



Texas A&M Univ.
Total Tuition & Fees Collected (FY 2009)
\$323.2 million

Univ. of Texas-Austin
Total Tuition & Fees Collected (FY 2009)
\$403.2 million

Total Foregone Tuition & Fees
FY2009



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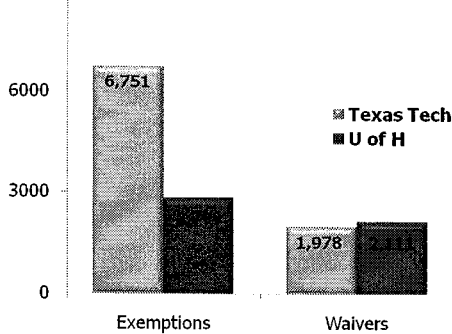
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Emerging Research Institutions



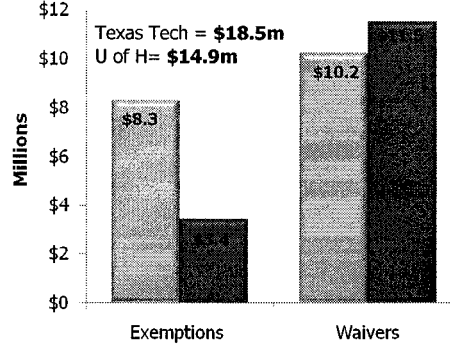
Total Exemption & Waiver Recipients
FY2009



Texas Tech Univ.
Total Tuition & Fees Collected (FY 2009)
\$192.7 million

Univ. of Houston
Total Tuition & Fees Collected (FY 2009)
\$233.2 million

Total Foregone Tuition & Fees
FY2009

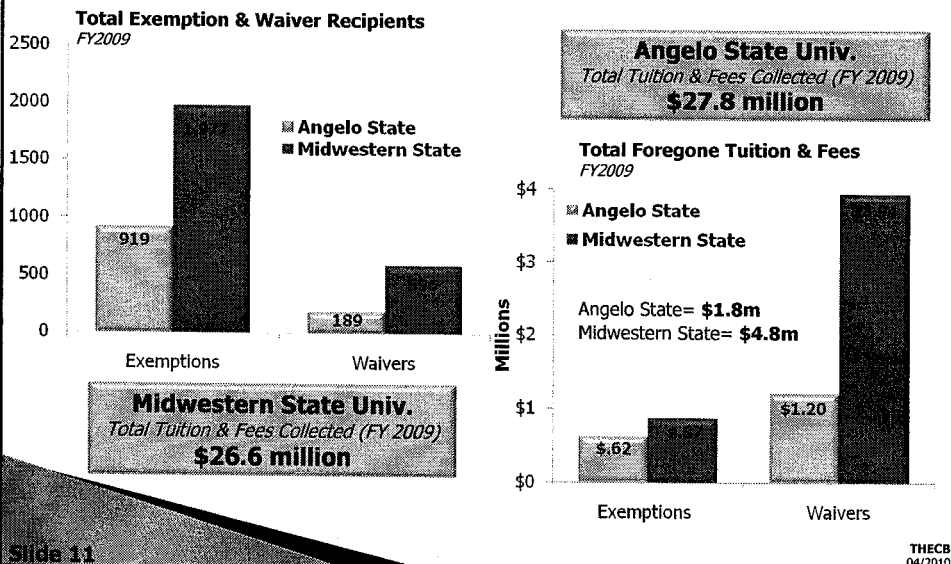


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Regional Institutions



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Considerations



- ✓ Include **Satisfactory Academic Progress** requirements for all exemption programs.
- ✓ Close the **"repeated courses"** and **"excessive hours"** loophole for all exemption programs.
- ✓ Provide institutions flexibility to deny exemptions and waivers to students **who do not provide proof of eligibility in a timely manner.**
- ✓ Identify duplicative programs and, where appropriate, **consolidate requirements and administration.**