As I travel around Texas, I often encounter the perception that the "top 10 percent law" is causing a large number of qualified applicants to be denied admission to the University of Texas at Austin.

That is not really the case. It is true that admissions have become much tighter, and it is true that many qualified students are not gaining admission.

But the increased competitiveness is the result of the growth in the population of 18-year-olds and a very sharp rise in the number of applications.

In 1997, UT Austin received 14,982 applications compared to more than 21,000 this year, an increase of 43 percent.

The top 10 percent law (officially House Bill 588) guarantees that Texas high school graduates who rank in the top 10 percent of their senior class will be admitted to any state institution of higher learning.

Two years ago, 42 percent of UT-Austin freshmen were top-10-percent graduates. This year, the figure is 47 percent. So more than half the spaces in the freshman class remain available to non-top-10-percent graduates.

Furthermore, because the freshman class has increased in size to more than 7,600, there are about as many spaces for non-top-10-percent graduates as in past years.

Meanwhile, the law has enabled us to diversify enrollment at UT-Austin with talented students who succeed.

Our 1999 enrollment levels for African-American and Hispanic freshmen have returned to those of 1996, the year before the Hopwood decision prohibited the consideration of race in admissions policies.

And minority students earned higher grade-point averages last year than in 1996, and they have higher retention rates. An impressive 94.9 percent of 1998 African-American freshmen returned for their sophomore year in 1999. Among Hispanics, 85.8 percent
returned for their second year.

So the law is helping us to create a more representative student body and enroll students who perform well academically.

Critics contend the top 10 percent law requires admission of some students who have lower standardized test scores than those who are rejected.

This does occur. However, students in the top 10 percent of their high school class make much higher grades in college than those who weren't in the top 10 percent.

In fact, top-10-percent students who scored at every level of the SAT earn grade-point averages that exceed those of non-top-10-percent students who have SAT scores 200 to 300 points higher.

Strong academic performance in high school is an even better predictor of success in college than standardized test scores.

Because the pool of applicants is rising, admission to the state's leading universities will continue to be more selective.

That is a result of a growing population, improved schools and the hard work of students.

Throughout the University of Texas system, we are developing innovative ways to increase educational capacity. Our state will need increased intellectual capital to sustain economic growth in the 21st century.

The top 10 percent law is helping us to achieve that, while building a stronger Texas for us all.

Larry R. Faulkner is president of the University of Texas at Austin.