

By: Rose

H.B. No. 3448

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to limiting the amount of designated tuition that a public  
3 institution of higher education may charge if legislative  
4 appropriations are sufficient to pay certain costs of the  
5 institution.

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

7 SECTION 1. Section 54.0513, Education Code, is amended by  
8 adding Subsection (g) to read as follows:

9 (g) Notwithstanding any other provision of this section,  
10 the amount of tuition charged to a student under this section for an  
11 academic year may exceed the total amount of tuition that the  
12 institution would have charged under this section to a similarly  
13 situated student in the preceding academic year only if for either  
14 year of the state fiscal biennium preceding the biennium that  
15 includes the academic year for which the tuition rates are  
16 established, the legislature failed to appropriate an amount of  
17 general revenue for the institution's maintenance and operations  
18 costs that is equal to or greater than the state's share of those  
19 costs as established under Section 61.0592 for the relevant  
20 academic year. For purposes of this subsection, students are  
21 similarly situated if they share the same residency status, degree  
22 program, course load, course level, tuition exemption status, and  
23 other circumstances affecting the tuition charged to the student.  
24 The Texas Higher Education Coordinating Board may adopt rules as

1 necessary to administer this subsection.

2 SECTION 2. Subchapter C, Chapter 61, Education Code, is  
3 amended by adding Section 61.0592 to read as follows:

4 Sec. 61.0592. STATE SHARE OF MAINTENANCE AND OPERATIONS  
5 COSTS. (a) In this section, "maintenance and operations costs"  
6 means the general costs of maintaining and operating an institution  
7 of higher education:

8 (1) including:

9 (A) the costs of employee salaries and benefits  
10 and other costs related to instruction;

11 (B) the costs of students services;

12 (C) the costs of administration;

13 (D) the costs of physical plant operation and  
14 maintenance;

15 (E) the costs of Texas Public Educational Grants;

16 and

17 (F) excellence expenditures; and

18 (2) excluding:

19 (A) new construction and other capital costs; or

20 (B) special items support, as designated in the  
21 General Appropriations Act.

22 (b) This section applies only to an institution of higher  
23 education authorized to charge designated tuition under Section  
24 54.0513.

25 (c) In connection with the formulas established under  
26 Section 61.059 for a state fiscal biennium, the board shall  
27 establish for each fiscal year of the biennium:

1           (1) the maintenance and operations costs of each  
2 institution of higher education; and

3           (2) the state's share of those maintenance and  
4 operations costs determined as provided by Subsection (d).

5           (d) The state's share of an institution of higher  
6 education's maintenance and operations costs for a state fiscal  
7 year is an amount equal to 105 percent of the amount appropriated  
8 from the general revenue fund for maintenance and operations costs  
9 of the institution for the preceding fiscal year.

10           (e) Not later than September 30 of each even-numbered year,  
11 the board shall:

12           (1) determine whether the amount of general revenue  
13 appropriated for maintenance and operations costs of each  
14 institution of higher education to which this section applies is  
15 less than the state's share of those costs for either year of the  
16 current state fiscal biennium; and

17           (2) notify each of those institutions of that  
18 determination.

19           SECTION 3. Section 54.0513(g), Education Code, as added by  
20 this Act, does not affect tuition charged under Section 54.0513,  
21 Education Code, for a term or semester before the 2009-2010  
22 academic year.

23           SECTION 4. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2007.