Amend **SB 175**, on third reading, by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill appropriately:

SECTION \_\_\_\_. Subchapter A, Chapter 54, Education Code, is amended by adding Section 54.016 to read as follows:

Sec. 54.016. LIMITATION ON TUITION INCREASES FOR UNDERGRADUATE STUDENTS AUTOMATICALLY ADMITTED TO GENERAL ACADEMIC TEACHING INSTITUTIONS. (a) In this section:

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

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

(b) This subsection applies only to a student admitted automatically to an institution of higher education under Section 51.803.

(c) Beginning with the second academic year in which a student to whom this section applies is enrolled in a general academic teaching institution, the governing board of the institution may not charge the student for that academic year tuition under Section 54.0513 or under any other law granting the institution discretion to set the tuition rate, in an amount that exceeds the amount that the institution would have charged to a similarly situated student in the preceding academic year, as that amount is adjusted for the current academic year for inflation as provided by Subsection (f).

(d) For purposes of this section, students are similarly situated if they share the same residency status, degree program, course load, course level, tuition exemption status, and other circumstances affecting the total academic costs charged to the student.

(e) This section does not ensure that the tuition charged to an individual student will not increase by more than the limitation prescribed by Subsection (c) based on a change in the student's residency status, degree program, course load, course level, tuition exemption status, or other circumstance affecting the total academic costs charged to the student.

(f) Not later than March 1 of each year, the Texas Higher

Education Coordinating Board by rule shall determine the inflation rate to be used for purposes of Subsection (c) for the next academic year and shall certify that rate to the governing board of each institution of higher education. For purposes of Subsection (c), the inflation rate is the percentage increase, if any, as expressed in decimal form rounded to the nearest thousandth, in the consumer price index, as defined by Section 341.201, Finance Code, for the preceding calendar year as compared to the consumer price index for the year preceding that year.

(g) This section does not apply to a student who enters a general academic teaching institution for the first time before the 2010 fall semester.