

BILL ANALYSIS

C.S.H.B. 2024
By: Crownover
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The University of North Texas Student Government Association held an election October 13-17, 2008, during which students approved a referendum supporting the creation of an intercollegiate athletics fee. A portion of this fee would fund construction of a new football stadium. The fee will not be implemented until stadium construction is complete. If the fee is approved by the Texas Legislature, the new stadium will replace Fouts Field, which became the home of University of North Texas football and track in 1951. Much of the infrastructure at the current stadium is outdated. Originally opened to accommodate 20,000 fans, Fouts Field no longer is a viable home for the university's football program and other events. The university had an enrollment of fewer than 5,000 students in 1951, while today nearly 35,000 students attend the university. By current estimates a \$10 intercollegiate athletics fee would generate approximately \$8.7 million in fiscal year 2012, of which approximately \$3.9 million would be used for debt service on the new football stadium. The remainder of the fee would be used for athletic operating expenses. As a condition of the creation of the new intercollegiate athletics fee, the current compulsory students services fees at the university will be reduced by \$3 per semester credit hour effective the same semester the intercollegiate athletics fee is first implemented resulting in a net fee increase of \$7 per semester credit hour.

C.S.H.B. 2024 authorizes the University of North Texas System board of regents to impose an intercollegiate athletics fee on each student enrolled at the University of North Texas of an amount not to exceed \$10 per semester credit hour, capped at 15 hours.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2024 amends the Education Code to authorize the board of regents of the University of North Texas System to charge each student enrolled at the University of North Texas an intercollegiate athletics fee in an amount not to exceed \$10 per semester credit hour for each semester or summer session. The bill caps the fee for a student enrolled in more than 15 semester credit hours at an amount equal to the amount imposed on a student enrolled in 15 semester credit hours during the same semester or session. The bill prohibits the fee from being charged before the first semester a new football stadium is available for use at the university. The bill requires the total amount of compulsory student services fees, if those fees are charged to a student enrolled at the university, to be reduced by \$3 per semester credit hour for the first semester in which an intercollegiate athletics fee is charged under these provisions.

C.S.H.B. 2024 restricts the use of revenue from the intercollegiate athletics fee to financing, constructing, operating, maintaining, or improving an athletic facility or the operation of an intercollegiate athletics program at the university. The bill prohibits the fee from being charged unless approved by a majority vote of the students enrolled at the university who participate in a

general student election held for that purpose. The bill requires the ballot for the election to approve the fee to state a maximum amount of the fee that may be charged per semester credit hour, not to exceed the maximum amount of \$10 per semester credit hour for each semester or summer session. The bill prohibits any increase in the amount of the fee that exceeds by 10 percent or more the amount of the fee as last approved by a student vote for that purpose unless the increase has been approved by a majority vote of the students participating in a general student election held for that purpose. The bill requires the university's chief fiscal officer to collect the fee and to deposit the revenue from the fee in an account to be known as the intercollegiate athletics fee account. The bill prohibits a fee charged under these provisions from being considered in determining the maximum amount of student services fees that may be charged each student enrolled at the university.

C.S.H.B. 2024 prohibits the fee from being charged after the fifth academic year in which the fee is first charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2024 adds a provision not in the original prohibiting the intercollegiate athletics fee from being charged after the fifth academic year in which the fee is charged unless, before the end of that academic year, the university has issued bonds payable in whole or in part from the fee, in which event the fee may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.