

By: Dutton

H.B. No. 898

A BILL TO BE ENTITLED

AN ACT

1
2 relating to limiting the tuition rates that certain public
3 institutions of higher education may charge to resident students.

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

5 SECTION 1. Section 54.0513, Education Code, is amended by
6 amending Subsections (a) and (b) and adding Subsections (b-1) and
7 (b-2) to read as follows:

8 (a) In addition to amounts that a governing board of an
9 institution of higher education is authorized to charge as tuition
10 under the other provisions of this chapter, the governing board,
11 under the terms the governing board considers appropriate and
12 subject to Subsection (b), may charge any student an amount
13 designated as tuition that the governing board considers necessary
14 for the effective operation of the institution.

15 (b) A governing board may set a different tuition rate for
16 each program and course level offered by each institution of higher
17 education, except that for a program or course level for an academic
18 year a governing board may not set a resident tuition rate under
19 this section that, when combined with any other amount of tuition
20 the governing board charges under the other provisions of this
21 chapter, exceeds the rate determined by the Texas Higher Education
22 Coordinating Board to be the national average tuition rate for that
23 type of program or course level that public senior colleges and
24 universities of states other than this state charge to similarly

1 situated students who pay resident tuition. In determining a
2 national average tuition rate for a program or course level under
3 this subsection, the coordinating board shall use the resident
4 tuition rates in effect at appropriate institutions of other states
5 for the academic year in progress when the board makes the
6 determination and may use resident tuition rates from not fewer
7 than five states to the extent that the board determines that those
8 rates would fairly represent the national average tuition rate for
9 the program or course level. The coordinating board shall
10 determine the national average tuition rates to be used by
11 governing boards to set resident tuition rates for an academic year
12 and shall report those national rates to each appropriate
13 institution in this state not later than January 1 of the calendar
14 year in which that academic year begins, or as soon after that
15 January 1 as practicable. The coordinating board may adopt rules as
16 necessary to administer this subsection.

17 (b-1) For purposes of Subsection (b), students are
18 similarly situated if they share the same residency status, degree
19 program, course load, course level, tuition exemption status, and
20 other circumstances affecting the tuition charged to the student.

21 (b-2) Except as provided by Subsection (b), a [A] governing
22 board may set a different tuition rate under this section as the
23 governing board considers appropriate to increase graduation
24 rates, encourage efficient use of facilities, or enhance employee
25 performance.

26 SECTION 2. The changes in law made by this Act apply
27 beginning with tuition charged by a public institution of higher

1 education for the 2010-2011 academic year. Tuition charged by a
2 public institution of higher education for an academic year before
3 that academic year is covered by the law in effect immediately
4 before the effective date of this Act, and the former law is
5 continued in effect for that purpose.

6 SECTION 3. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2009.