

By: Branch

H.B. No. 4222

A BILL TO BE ENTITLED

AN ACT

1
2 relating to limitations on increases in designated tuition charged
3 by general academic teaching institutions and a biennial report to
4 the legislature regarding the operational costs of those
5 institutions.

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 Subsections (g), (g-1), (g-2), (h), (i), (j), and (k) to read
9 as follows:

10 (g) Except as provided by Subsection (j), the amount of
11 tuition the governing board of a general academic teaching
12 institution charges under this section to a student for an academic
13 year may not exceed the total amount of tuition that the governing
14 board would have charged under this section to a similarly situated
15 student in the preceding academic year by more than the greater of:

16 (1) 3.95 percent; or

17 (2) \$280.

18 (g-1) Notwithstanding Subsection (g), for the 2010-2011
19 academic year, the amount of tuition the governing board of a
20 general academic teaching institution charges under this section to
21 a student may not exceed the total amount of tuition that the
22 governing board would have charged under this section to a
23 similarly situated student in the 2008-2009 academic year by more
24 than the greater of:

1 (1) 3.95 percent; or

2 (2) \$280.

3 (g-2) Subsection (j) applies to Subsection (g-1) in the same
4 manner as Subsection (j) applies to Subsection (g). This
5 subsection and Subsection (g-1) expire September 1, 2011.

6 (h) For purposes of Subsection (g), students are similarly
7 situated if they share the same residency status, degree program,
8 course load, course level, tuition exemption status, and other
9 circumstances affecting the tuition charged to a student.

10 (i) Subsection (g) does not ensure that the designated
11 tuition charged to an individual student will not increase by more
12 than the limitation prescribed by that subsection based on a change
13 in the student's residency status, degree program, course load,
14 course level, tuition exemption status, or other circumstance
15 affecting the amount of tuition charged to the student.

16 (j) The Texas Higher Education Coordinating Board shall
17 adopt rules authorizing a general academic teaching institution to
18 increase the amount of designated tuition charged to students by
19 more than the limitation prescribed by Subsection (g) in the event
20 of an emergency, as defined by the coordinating board for purposes
21 of this subsection.

22 (k) In this section, "general academic teaching
23 institution" has the meaning assigned by Section 61.003.

24 SECTION 2. Subchapter Z, Chapter 51, Education Code, is
25 amended by adding Section 51.973 to read as follows:

26 Sec. 51.973. BIENNIAL REPORT BY LEGISLATIVE BUDGET BOARD
27 REGARDING UNIVERSITY CORE OPERATIONAL COSTS. Not later than

1 December 1 of each even-numbered year, the Legislative Budget Board
2 shall submit to the senate finance committee, the house
3 appropriations committee, and the standing committee of each house
4 with primary jurisdiction over higher education, for consideration
5 by the members of those committees in determining the amount of
6 general revenue appropriations to general academic teaching
7 institutions and tuition rates at those institutions, a report that
8 includes:

9 (1) each general academic teaching institution's
10 actual core operational costs for the current state fiscal biennium
11 according to the institution's most recent annual financial
12 reports; and

13 (2) the Legislative Budget Board's estimate of the
14 core operational costs for the next state fiscal biennium for each
15 general academic teaching institution, based on a methodology that:

16 (A) projects for each year of the next biennium:
17 (i) changes in student enrollment for each
18 institution; and

19 (ii) a rate of inflation; and

20 (B) uses data from each institution's annual
21 financial report regarding costs for instruction, academic
22 support, institutional support, operations and maintenance of
23 physical plants, and student services.

24 SECTION 3. Section 54.0513, Education Code, as amended by
25 this Act, applies beginning with tuition charged by a general
26 academic teaching institution for the 2010-2011 academic year.
27 Tuition charged by a general academic teaching institution in an

1 academic year before that academic year is covered by the law in
2 effect before the effective date of this Act, and the former law is
3 continued in effect for that purpose.

4 SECTION 4. The Texas Higher Education Coordinating Board
5 shall adopt the rules required by Section 54.0513(j), Education
6 Code, as added by this Act, as soon as practicable after this Act
7 takes effect.

8 SECTION 5. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2009.