BILL ANALYSIS

S.B. 1121 By: Estes Higher Education Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.B. 1121 will allow the Board of Regents of Midwestern State University (MSU) to increase the university center fee if the increase is approved through a student vote. The purpose of the fee is to operate, maintain, improve, equip, and finance the Clark Student Center and acquire or construct additions to the center. The board of regents and the MSU student body have voted in support of increasing this fee from the current \$15 to \$35 per student. The bill includes a clause whereby the fee increase would sunset after the fifth year unless the university has issued bonds payable in whole, or in part, from the fee. Any future fee increase change must be approved by a majority of students participating in an election called for that purpose.

As proposed, S.B. 1121 amends current law relating to the student fees for the university center at Midwestern State University.

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

SECTION 1. Amends Section 54.518, Education Code, by amending Subsections (a) and (b) and adding Subsection (d), as follows:

(a) Provides that to the extent approved by the students under Subsection (b), rather than Subsection (b) of this section, the Board of Regents of Midwestern State University (board) is hereby authorized to levy a regular, fixed student fee not to exceed, except as authorized under Subsection (d), \$15 per student for each semester of the long session and not to exceed \$7.50 per student for all or part of each term of the summer session for the purpose of operating, maintaining, improving, equipping, and financing the university center and acquiring or constructing additions to the center. Authorizes the amount of the fee to be changed at any time within the limits specified by this subsection in order to provide sufficient funds to support the university center.

(b) Requires that the decision to levy such a fee, the amount of the initial fee, and any increase in the fee within the limits specified by Subsection (a) be approved by a majority vote of those students participating in a general election called for that purpose.

(d) Authorizes the board to increase the amount of the fee for a semester or summer session in excess of the applicable amount provided by Subsection (a) if the increase is approved by a majority vote of those students participating in a general election called for that purpose. Prohibits the increased amount under this subsection from being charged after the fifth academic year in which the increased amount is first charged unless, before the end of that academic year, the institution has issued bonds payable from the fee, in which event the increased amount may not be charged after the academic year in which all such bonds, including refunding bonds for those bonds, have been fully paid.

SECTION 2. Provides that the change in law made by this Act applies only to fees imposed for a semester or term that begins on or after the effective date of this Act.

SECTION 3. Effective date: upon passage or September 1, 2011.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2011.