

By: Schwertner

S.B. No. 233

A BILL TO BE ENTITLED

AN ACT

relating to limitations on increases in fees and designated tuition charged by public institutions of higher education.

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

SECTION 1. Subchapter A, Chapter 54, Education Code, is amended by adding Section 54.0095 to read as follows:

Sec. 54.0095. INFLATION RATE APPLICABLE TO CERTAIN TUITION OR FEE INCREASES. (a) Not later than January 31 of each year, or as soon thereafter as practicable, the Legislative Budget Board shall publish and certify to the governing board of each institution of higher education the inflation rate to be used for purposes of Section 54.0513 or 54.5001 for the next academic year.

(a-1) For purposes of applying Section 54.5001 for the 2015-2016 academic year, the Legislative Budget Board shall publish and certify the applicable inflation rate as soon as practicable after this section takes effect. This subsection expires September 1, 2016.

(b) The inflation rate is the percentage increase, if any, as expressed in decimal form rounded to the nearest thousandth of one percent, 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.

SECTION 2. Section 54.0513, Education Code, is amended by adding Subsections (g), (h), and (i) to read as follows:

1       (g) The amount of tuition the governing board of an  
2 institution of higher education charges under this section to a  
3 student for an academic year may not exceed the total amount of  
4 tuition that the governing board would have charged under this  
5 section to a similarly situated student for the preceding academic  
6 year, as that amount is adjusted for each academic year for  
7 inflation according to the inflation rate determined under Section  
8 54.0095. The governing board may not increase the amount of tuition  
9 charged under this section to a student more than once in any  
10 academic year. For purposes of this subsection, students are  
11 similarly situated if they share the same residency status, degree  
12 program, course load, course level, tuition exemption status, and  
13 other circumstances affecting the tuition charged to the student.

14       (h) Notwithstanding Subsection (g), for the 2015-2016  
15 academic year, the amount of tuition charged to a student under this  
16 section may not exceed the total amount of tuition that the  
17 institution would have charged under this section to a similarly  
18 situated student for the 2014-2015 academic year, except that if  
19 the institution's governing board, before January 1, 2015, gave  
20 final approval to increased tuition rates to be charged under this  
21 section for the 2015-2016 academic year, the institution may charge  
22 tuition under this section for that year at those increased rates.  
23 For purposes of this subsection, students are similarly situated if  
24 they share the same residency status, degree program, course load,  
25 course level, tuition exemption status, and other circumstances  
26 affecting the tuition charged to the student. This subsection  
27 expires September 1, 2016.

1       (i) If a student has paid an amount of tuition charged under  
2 this section for the 2015 fall semester in excess of the maximum  
3 amount permitted by this section, the institution, not later than  
4 January 1, 2016, shall refund to the student the excess amount of  
5 tuition paid. This subsection expires September 1, 2016.

6       SECTION 3. Subchapter E, Chapter 54, Education Code, is  
7 amended by adding Section 54.5001 to read as follows:

8       Sec. 54.5001. LIMITATIONS ON FEE INCREASES WITHOUT STUDENT  
9 APPROVAL. (a) Notwithstanding any other provision of this  
10 subchapter or other law and except as provided by Subsection (b),  
11 the governing board of an institution of higher education may not  
12 increase the amount of a fee charged under this subchapter to an  
13 amount that is greater than the amount charged by the institution in  
14 the preceding academic year as adjusted for inflation according to  
15 the inflation rate determined under Section 54.0095.

16       (b) Subsection (a) does not apply to an increase in the  
17 amount of a fee if the increase is approved by a vote of the students  
18 of the institution voting in a student election authorized by law  
19 for that purpose.

20       (c) This section does not:

21               (1) provide independent authority for the governing  
22 board of an institution of higher education to increase the amount  
23 of a fee or to call a student election to approve an increase in the  
24 amount of a fee; or

25               (2) authorize the governing board of an institution of  
26 higher education to increase the amount of a fee charged under this  
27 subchapter to an amount that exceeds the maximum amount prescribed

1 by the law authorizing the fee's imposition, if that law prescribes  
2 a maximum amount.

3 SECTION 4. (a) Section 54.0513, Education Code, as amended  
4 by this Act, applies beginning with tuition charged by public  
5 institutions of higher education for the 2015-2016 academic year.  
6 Tuition charged by an institution of higher education for an  
7 academic year before that academic year is covered by the law in  
8 effect before the effective date of this Act, and the former law is  
9 continued in effect for that purpose.

10 (b) Section 54.5001, Education Code, as added by this Act,  
11 applies beginning with fee increases for the 2015 fall semester.

12 SECTION 5. This Act takes effect immediately if it receives  
13 a vote of two-thirds of all the members elected to each house, as  
14 provided by Section 39, Article III, Texas Constitution. If this  
15 Act does not receive the vote necessary for immediate effect, this  
16 Act takes effect September 1, 2015.