

By: Schwertner

S.B. No. 250

A BILL TO BE ENTITLED

AN ACT

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

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

SECTION 1. This Act shall be known as the Higher Education Accountability Restoration Act.

SECTION 2. 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) In this section, "general academic teaching institution" and "public state college" have the meanings assigned by Section 61.003.

(b) 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 general academic teaching institution other than a public state college the inflation rate to be used for purposes of Sections 54.0513 and 54.5001 for the next academic year.

(b-1) For purposes of applying Section 54.5001 for the 2017-2018 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, 2018.

(c) The inflation rate is the percentage increase, if any,

1 as expressed in decimal form rounded to the nearest thousandth of
2 one percent, in the consumer price index, as defined by Section
3 341.201, Finance Code, for the preceding calendar year as compared
4 to the consumer price index for the year preceding that year.

5 SECTION 3. Section 54.0513, Education Code, is amended by
6 adding Subsections (g), (g-1), (g-2), and (h) to read as follows:

7 (g) The amount of tuition the governing board of a general
8 academic teaching institution other than a public state college
9 charges under this section to a student of the institution for an
10 academic year may not exceed the total amount of tuition that the
11 governing board would have charged under this section to a
12 similarly situated student of the institution for the preceding
13 academic year, as that amount is adjusted for each academic year for
14 inflation according to the inflation rate determined under Section
15 54.0095. The governing board may not increase the amount of tuition
16 charged under this section to a student more than once in any
17 academic year. For purposes of this subsection, 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 (g-1) Notwithstanding Subsection (g), for the 2017-2018
22 academic year, the amount of tuition charged to a student under this
23 section by a general academic teaching institution other than a
24 public state college may not exceed the total amount of tuition that
25 the institution would have charged under this section to a
26 similarly situated student for the 2016-2017 academic year, except
27 that if the institution's governing board, before January 1, 2017,

1 gave final approval to increased tuition rates to be charged by the
2 institution under this section for the 2017-2018 academic year, the
3 institution may charge tuition under this section for that year at
4 those increased rates. For purposes of this subsection, students
5 are similarly situated if they share the same residency status,
6 degree program, course load, course level, tuition exemption
7 status, and other circumstances affecting the tuition charged to
8 the student. This subsection expires September 1, 2018.

9 (g-2) If a student has paid an amount of tuition charged
10 under this section by a general academic teaching institution other
11 than a public state college for the 2017 fall semester in excess of
12 the maximum amount permitted by this section, the institution, not
13 later than January 1, 2018, shall refund to the student the excess
14 amount of tuition paid. This subsection expires September 1, 2018.

15 (h) In this section, "general academic teaching
16 institution" and "public state college" have the meanings assigned
17 by Section 61.003.

18 SECTION 4. Subchapter E, Chapter 54, Education Code, is
19 amended by adding Section 54.5001 to read as follows:

20 Sec. 54.5001. LIMITATIONS ON FEE INCREASES WITHOUT STUDENT
21 APPROVAL. (a) In this section, "general academic teaching
22 institution" and "public state college" have the meanings assigned
23 by Section 61.003.

24 (b) This section applies only to a general academic teaching
25 institution other than a public state college.

26 (c) Notwithstanding any other provision of this subchapter
27 or other law and except as provided by Subsection (d), the governing

1 board of an institution to which this section applies may not
2 increase the amount of a fee charged under this subchapter to an
3 amount that is greater than the amount charged by the institution in
4 the preceding academic year as adjusted for inflation according to
5 the inflation rate determined under Section 54.0095.

6 (c-1) Notwithstanding Subsection (c) and except as provided
7 by Subsection (d), for the 2017-2018 academic year, the amount of a
8 fee charged under this subchapter by an institution to which this
9 section applies may not exceed the amount of the fee charged by that
10 institution under this subchapter in the 2016-2017 academic year,
11 if the institution charged the fee in that academic year, except
12 that if the institution's governing board, before January 1, 2017,
13 gave final approval to an increase in the fee to be charged for the
14 2017-2018 academic year, the institution may charge the fee for
15 that year at that increased rate. This subsection expires
16 September 1, 2018.

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

21 (e) This section does not:

22 (1) provide independent authority for the governing
23 board of an institution to which this section applies to increase
24 the amount of a fee or to call a student election to approve an
25 increase in the amount of a fee; or

26 (2) authorize the governing board of an institution to
27 which this section applies to increase the amount of a fee charged

1 under this subchapter to an amount that exceeds the maximum amount
2 prescribed by the law authorizing the fee's imposition, if that law
3 prescribes a maximum amount.

4 SECTION 5. (a) Section 54.0513, Education Code, as amended
5 by this Act, applies beginning with tuition charged by general
6 academic teaching institutions other than public state colleges for
7 the 2017-2018 academic year. Tuition charged by an institution for
8 an academic year before that academic year is covered by the law in
9 effect before the effective date of this Act, and the former law is
10 continued in effect for that purpose.

11 (b) Section 54.5001, Education Code, as added by this Act,
12 applies beginning with fee increases for the 2017 fall semester.

13 SECTION 6. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2017.