

By: Meza

H.B. No. 3240

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a study by the Texas Higher Education Coordinating  
3 Board concerning the long-term effects of regulating tuition rates  
4 and amounts charged by public institutions of higher education.

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

6 SECTION 1. Subchapter C, Chapter 61, Education Code, is  
7 amended by adding Section 61.06695 to read as follows:

8 Sec. 61.06695. STUDY CONCERNING REGULATION OF TUITION. (a)

9 The board shall conduct a study to examine the long-term costs,  
10 benefits, and other effects of any legislative action that may be  
11 taken to regulate the rates and amounts of tuition charged by  
12 institutions of higher education, including by repealing the  
13 statutory authority of those institutions to establish tuition  
14 rates as they determine appropriate. The study may explore all  
15 topics relevant to the matter but, in assessing the effects of  
16 regulation, must strive to strike a balance between promoting the  
17 affordability and accessibility of higher education in this state  
18 and the institutions' need for sufficient revenue to maintain  
19 educational quality for students and competitiveness with other  
20 institutions outside this state. In the study, the board shall:

21 (1) recommend to the legislature an appropriate rate  
22 or rates of tuition for institutions of higher education compared  
23 to the rates currently established by the institutions;

24 (2) evaluate the potential effects of regulating

1 tuition rates and amounts on student access to higher education  
2 opportunities in this state, including the effect on enrollment by  
3 disadvantaged or underrepresented Texans, and the potential  
4 effects on affordability, student financial aid, and student loan  
5 debt;

6 (3) estimate the potential loss or gain of funding or  
7 revenue by the institutions as a result of any repeal of the  
8 existing statutory authority of those institutions to establish  
9 tuition rates; and

10 (4) if the board projects that regulating tuition  
11 rates and amounts would result in a loss of revenue under  
12 Subdivision (3):

13 (A) identify any sources of funding or revenue,  
14 such as institutional endowments, that would be available or  
15 necessary to offset the projected decrease in revenue; and

16 (B) recommend a specific portion or amount of  
17 endowment money that could be used to offset the reduced tuition  
18 revenues.

19 (b) Not later than December 1, 2020, the board shall submit  
20 to the governor, the lieutenant governor, the speaker of the house  
21 of representatives, and the presiding officer of each standing  
22 legislative committee having jurisdiction over higher education or  
23 state appropriations a report on the results of the study and the  
24 board's recommendations for legislative or other action.

25 (c) This section expires September 1, 2021.

26 SECTION 2. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2019.