

By: West

S.B. No. 876

A BILL TO BE ENTITLED

AN ACT

relating to a limitation on the amount of tuition and fees charged to students by public institutions of higher education.

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

SECTION 1. Subchapter B, Chapter 54, Education Code, is amended by adding Section 54.0514 to read as follows:

Sec. 54.0514. LIMITATION ON TUITION CHARGES. (a) In this section, "tuition" includes:

(1) tuition for which the rates are prescribed by this chapter; and

(2) tuition charged by an institution of higher education under Section 54.0513 or another law authorizing an institution to establish tuition rates.

(b) The total amount of tuition charged by an institution of higher education to a student for an academic year may not exceed the total amount of tuition that the institution would have charged under this chapter to a similarly situated student for the 2019-2020 academic year, as that amount is adjusted for inflation for each academic year by applying the inflation rate determined by the comptroller on the basis of changes in the Texas Consumer Price Index. For purposes of this subsection, students are similarly situated if they share the same residency status, degree program, course load, course level, tuition exemption status, and other circumstances affecting the tuition charged to the student. This

1 subsection does not ensure that the total amount of tuition charged
2 to an individual student does not increase based on a change in the
3 student's residency status, degree program, course load, course
4 level, tuition exemption status, or other circumstance affecting
5 the tuition charged to the student.

6 (c) The Texas Higher Education Coordinating Board may adopt
7 rules as necessary to administer this section.

8 SECTION 2. Sections 54.0513(a) and (b), Education Code, are
9 amended to read as follows:

10 (a) In addition to amounts that a governing board of an
11 institution of higher education is authorized to charge as tuition
12 under the other provisions of this chapter, the governing board[~~7~~
13 ~~under the terms the governing board considers appropriate,~~] may
14 charge any student an amount designated as tuition not to exceed the
15 amount that enables the institution to comply with Section 54.0514
16 that the governing board considers necessary for the effective
17 operation of the institution.

18 (b) Subject to the limit provided by Subsection (a) on the
19 amount designated as tuition charged under this section, a [A]
20 governing board may set a different tuition rate under this section
21 for each program and course level offered by each institution of
22 higher education[~~7~~ ~~A governing board may set a different tuition~~
23 ~~rate~~] as the governing board considers appropriate to increase
24 graduation rates, encourage efficient use of facilities, or enhance
25 employee performance.

26 SECTION 3. Sections 54.0515(e) and (f), Education Code, are
27 amended to read as follows:

1 (e) It is the legislature's intent that each institution of
2 higher education[~~, as a condition to tuition deregulation under~~
3 ~~Section 54.0513,~~] reasonably implement the following:

4 (1) each institution shall make satisfactory progress
5 towards the goals provided in its master plan for higher education
6 and in [~~"Closing the Gaps,"~~] the state's master plan for higher
7 education; and

8 (2) each institution shall meet acceptable
9 performance criteria, including measures such as graduation rates,
10 retention rates, enrollment growth, educational quality, efforts
11 to enhance minority participation, opportunities for financial
12 aid, and affordability.

13 (f) The committee shall:

14 (1) meet at the call of either chair;

15 (2) monitor and regularly report to the legislature on
16 each institution of higher education's compliance with the
17 requirements of Subsection (e); and

18 (3) receive and review information concerning the
19 affordability and accessibility of higher education[~~, including~~
20 ~~the impact of tuition deregulation~~].

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

23 Sec. 54.5001. LIMITATIONS ON FEE INCREASES WITHOUT STUDENT
24 APPROVAL. (a) Notwithstanding any other provision of this
25 subchapter or other law and except as provided by Subsection (b),
26 the governing board of an institution of higher education may not
27 increase the amount of a fee charged under this subchapter to an

1 amount that is greater than the amount charged by the institution in
2 the preceding academic year as adjusted by applying the inflation
3 rate determined by the comptroller on the basis of changes in the
4 Texas Consumer Price Index.

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

9 (c) This section does not:

10 (1) provide independent authority for the governing
11 board of an institution of higher education to increase the amount
12 of a fee or to call a student election to approve an increase in the
13 amount of a fee; or

14 (2) authorize the governing board of an institution of
15 higher education to increase the amount of a fee charged under this
16 subchapter to an amount that exceeds the maximum amount prescribed
17 by the law authorizing the fee's imposition, if that law prescribes
18 a maximum amount.

19 (d) The Texas Higher Education Coordinating Board may adopt
20 rules as necessary to administer this section.

21 SECTION 5. (a) The changes in law made by this Act to
22 Subchapter B, Chapter 54, Education Code, apply beginning with
23 tuition charged by public institutions of higher education for the
24 2020-2021 academic year. Tuition charged by an institution of
25 higher education in an academic year before that academic year is
26 covered by the law in effect before the effective date of this Act,
27 and the former law is continued in effect for that purpose.

1 (b) Section 54.5001, Education Code, as added by this Act,
2 applies beginning with fee increases for the 2020 fall semester.

3 SECTION 6. This Act takes effect January 1, 2020.