

BILL ANALYSIS

C.S.H.B. 3240
By: Meza
Higher Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Over a decade ago, the Texas Legislature deregulated tuition rates for Texas public universities. Although it appears that tuition rates have steadily increased since then, there are conflicting reports as to the actual effects of the deregulation of tuition. As such, there have been calls for a study to examine the long-term effects of regulating tuition rates charged by public institutions of higher education in Texas. C.S.H.B. 3240 seeks to provide for such a study that will recommend appropriate rates, evaluate the potential effects of regulating tuition rates, and estimate the potential loss or gain of funding or revenue by the institutions if tuition rates are again regulated.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 3240 amends the Government Code to require the Legislative Budget Board (LBB) to conduct a study to examine the long-term costs, benefits, and other effects of any legislative action that may be taken to regulate the rates and amounts of tuition charged by public institutions of higher education, including by repealing the statutory authority of those institutions to establish tuition rates as they determine appropriate. The bill authorizes the study to explore all topics relevant to the matter but requires the study, in assessing the effects of regulation, to strive to strike a balance between promoting the affordability and accessibility of higher education in Texas and the institutions' need for sufficient revenue to maintain educational quality for students and competitiveness with other institutions outside Texas. The bill sets out further requirements for the study.

C.S.H.B. 3240 requires the LBB, not later than December 1, 2020, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing legislative committee having jurisdiction over higher education or state appropriations a report on the results of the study and the LBB recommendations for legislative or other action. The bill's provisions expire September 1, 2021.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3240 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include Education Code provisions making the Texas Higher Education Coordinating Board responsible for conducting the study but includes Government Code provisions making the LBB responsible for conducting the study instead.

The substitute includes a provision defining "institution of higher education" by reference to the Education Code.