

BILL ANALYSIS

Senate Research Center

S.B. 1131
By: Lucio
S/C on Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3015, as enacted by the 78th Legislature, Regular Session, 2003, authorized general academic teaching institutions to charge designated tuition above the \$46 per credit hour allowed by the legislature. Since tuition deregulation in 2004, tuition rates have been rapidly rising and putting the cost of a higher education out of reach for many students. The increase in tuition, coupled with the increased cost of living and limited access to financial aid, is making it harder for students to reach their educational goals in a timely manner. Since 2004, Texas public universities have increased total designated tuition charged to students from \$51,825,005 per year to \$318,138,290 in the 2006 school year. In the past three years the statewide tuition average has increased \$374 per 15 credit hours.

As proposed, S.B. 1131 repeals tuition deregulation.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 54.0513, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.0513, Education Code, by amending Subsections (a) and (b) and adding Subsection (a-1), as follows:

(a) Authorizes the governing board of an institution of higher education (governing board) to charge any student for an academic period an amount designated as tuition not to exceed the amount charged to the student under Section 54.051 (Tuition Rates) or 54.0512 (Interim Tuition Rates), as applicable, for that academic period, rather than an amount designated as tuition that the governing board considers necessary for the effective operation of the institution.

(a-1) Provides that if the amount of tuition authorized under Subsection (a) is less than the amount the governing board charged a similarly situated student for tuition in the 2006-2007 academic year, the governing board is authorized to charge the student a total amount of tuition not to exceed the amount the governing board charged a similarly situated student for tuition for the 2006-2007 academic year. Provides that, 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 amount of tuition the student is charged. Authorizes the Texas Higher Education Coordinating Board to adopt rules as necessary to administer this subsection.

(b) Authorizes a governing board, subject to the limits provided by Subsections (a) and (a-1) on the amount designated as tuition charged under this section, to set a different tuition rate under this section for each program and course level offered by each institution of higher education as the governing board considers appropriate to increase graduation rates, encourage efficient use of facilities, enhance employee performance, or further another legitimate purpose of the institution.

SECTION 2. Amends Sections 54.0515(e) and (f), Education Code, as follows:

(e) Provides that it is the legislature's intent that each institution of higher education reasonably implements certain efforts to meet state goals for improvement. Deletes existing text providing that implementation of such goals is a condition to tuition deregulation under Section 54.0513 (Designated Tuition).

(f) Makes a conforming change.

SECTION 3. Makes application of this Act prospective to the 2007-2008 academic year.

SECTION 4. Effective date: upon passage or September 1, 2007.