

BILL ANALYSIS

Senate Research Center
80R1343 CAS-D

S.B. 85
By: Hinojosa
S/C on Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, public university regents have the authority to increase tuition at their discretion. Since tuition deregulation in 2003, tuition and fees at public, four-year universities has increased by an average of 39 percent. The affordability of these universities is decreasing as a result of increasing tuition and fees and decreasing financial aid. Parents and students are unable to budget for college costs because tuition and fees are rising faster than family income and student financial aid.

As proposed, S.B. 85 mandates a three-year moratorium on tuition increases at Texas public universities. This bill authorizes tuition to be raised once a year with a five percent cap on yearly increases after the three-year period.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Coordinating Education 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 adding Subsections (g), (h), and (i), as follows:

(g) Prohibits the amount of tuition charged to a student under this section from exceeding more than five percent of the total amount of tuition the institution would have charged a similarly situated student in the preceding academic year. Prohibits a governing board from raising the tuition of a student if the governing board charged that student in excess of the amount that would have been charged in the preceding year. Sets forth conditions by which students are determined to be similarly situated for the purposes of this section. Authorizes the Texas Higher Education Coordinating Board (THECB) to adopt rules for the administration of this subsection.

(h) Prohibits the tuition charged to a student under this subsection for the 2007-2008, 2008-2009, and 2009-2010 academic years from exceeding the amount of tuition that would have been charged for a similarly situated student in the 2006-2007 academic year. Sets forth conditions by which students are determined to be similarly situated for the purposes of this section. Authorizes THECB to adopt rules for the administration of this subsection. Provides that this subsection expires September 1, 2010.

(i) Requires the institution charging tuition in excess of the amount authorized by this section to refund to the student any excess tuition paid for the 2007 fall semester not later than January 1, 2008. Provides that this subsection expires September 1, 2008.

SECTION 2. Effective date: upon passage or September 1, 2007.