

BILL ANALYSIS

Senate Research Center
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S.B. 876
By: West
Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

College tuition and debt is a national topic subject to increasing concern. Many students take on debt to be able to afford college, and the more tuition costs, the more debt students will take on. The rate of tuition increases has outpaced the Texas Consumer Price Index ever since tuition deregulation happened.

S.B. 876 would restrict overall tuition increases of public institutions of higher education to the average increase in the consumer price index over the previous calendar year.

As proposed, S.B. 876 amends current law relating to a limitation on the amount of tuition and fees charged to students by public institutions of higher education.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 54.0514, Education Code) and SECTION 4 (Section 54.5001, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 54, Education Code, by adding Section 54.0514, as follows:

Sec. 54.0514. LIMITATION ON TUITION CHARGES. (a) Defines "tuition" as:

(1) tuition for which the rates are prescribed by this chapter (Tuition and Fees); 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) Provides that 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. 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 tuition charged to the student. Provides that this subsection does not ensure that the total amount of tuition charged to an individual student does not increase based on a change in the student's residency status, degree program, course load, course level, tuition exemption status, or other circumstance affecting the tuition charged to the student.

(c) Authorizes the Texas Higher Education Coordinating Board (THECB) to adopt rules as necessary to administer this section.

SECTION 2. Amends Sections 54.0513(a) and (b), Education Code, as follows:

(a) Authorizes the governing board of an institution of higher education to charge any student an amount designated as tuition not to exceed the amount that enables the institution to comply with Section 54.0514 that the governing board considers necessary for the effective operation of the institution, rather than authorizing the governing board, under the term the governing board considers appropriate, to change any student an amount designated as tuition that the governing board considers necessary for the effective operation of the institution.

(b) Authorizes a governing board, subject to the limit provided by Subsection (a) 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, or enhance employee performance. Deletes text relating to authorizing the governing board to set a different rate.

SECTION 3. 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, rather than providing that it is the legislature's intent that each institution of higher education as a condition to deregulation under Section 54.0513, reasonably implement the following:

(1) each institution is required to make satisfactory progress towards the goals provided in its master plan for higher education and in the state's master plan for higher education, rather than in "Closing the Gaps," the state's master plan for higher education; and

(2) makes no changes to this subdivision.

(f) Requires the committee to perform certain actions, including to receive and review information concerning the affordability and accessibility of higher education, rather than the affordability and accessibility of higher education including the impact of tuition deregulation including the impact of tuition deregulation.

SECTION 4. Amends Subchapter E, Chapter 54, Education Code, by adding Section 54.5001, as follows:

Sec. 54.5001. LIMITATIONS ON FEE INCREASES WITHOUT STUDENT APPROVAL. (a) Prohibits the governing board of an institution, notwithstanding any other provision of this subchapter or other law and except as provided by Subsection (b), from increasing the amount of a fee charged under this subchapter to an amount that is greater than the amount charged by the institution in the preceding academic year as adjusted by applying the inflation rate determined by the comptroller on the basis of changes in the Texas Consumer Price Index.

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

(c) Provides that this section does not:

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

(2) authorize the governing board of an institution of higher education to increase the amount of a fee charged under this subchapter to an amount

that exceeds the maximum amount prescribed by the law authorizing the fee's imposition, if that law prescribes a maximum amount.

(d) Authorizes THECB to adopt rules as necessary to administer this section.

SECTION 5. (a) Makes application of this Act prospective to the 2020–2021 academic school year.

(b) Makes application of Section 54.5001, Education Code, as added by this Act, prospective to the 2020 fall semester.

SECTION 6. Effective: date: January 1, 2020.