

BILL ANALYSIS

Senate Research Center
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S.B. 579
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S/C on Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The effect of tuition deregulation has been a dramatic increase in tuition costs. According to the Texas Higher Education Coordinating Board, tuition has increased statewide by 61 percent and by as much as 102 percent at The University of Texas at Austin. The increase in tuition has made it more difficult for families to afford to pay for college tuition. Tuition deregulation heavily impacts grant programs, by increasing students' reliance on these funds; 66,000 students lost the grant they received from the TEXAS Grant program.

As proposed, S.B. 579 places a cap on tuition increases for institutions of higher education. The bill requires the total amount of tuition and fees to be determined using a certain calculation.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 54.016, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 54, Education Code, by adding Section 54.016, as follows:

Sec. 54.016. LIMITATION ON INCREASE IN TOTAL AMOUNT OF TUITION AND COMPULSORY FEES. (a) Defines "compulsory fee."

(b) Prohibits the total amount of tuition and compulsory fees charged by an institution of higher education to a student in an academic year from exceeding an amount determined by a certain formula.

(c) Sets forth the factors that determine when students are considered to be similarly situated, for purposes of Subsection (b).

(d) Provides that Subsection (b) does not ensure that the total amount of tuition and compulsory fees charged to an individual student will not increase to an amount that exceeds the amount permitted by that subsection based on a change in the circumstances affecting tuition and compulsory fees charged to the student.

(e) Requires an institution, if a required statutory increase results in charging students more in tuition and compulsory fees for an academic period than permitted by Subsection (b), because the institution does not have sufficient time before the beginning of the academic year to make a necessary adjustment, to adjust tuition fees and compulsory fee charges in the manner prescribed by this subsection.

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

SECTION 2. Makes application of changes made by this Act, to the total amount of tuition and compulsory fees charged by public institutions of higher education, prospective to the 2007-2008 academic year.

SECTION 3. Effective date: upon passage or September 1, 2007.