

BILL ANALYSIS

Senate Research Center
81R1545 JRJ-D

S.B. 326
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Higher Education
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Variable rates on tuition and mandatory fees at Texas colleges and universities have made it hard for students and parents to financially plan for college. This is exacerbated when the costs change drastically while the student is enrolled in the college or university. Tuition and mandatory fee increases have made it hard for many people to graduate from Texas colleges and universities in four years because many need to work to pay for these variable costs.

As proposed, S.B. 326 requires general academic teaching institutions to freeze tuition and mandatory fees when a student enters a college or university. The tuition and mandatory fees would be frozen for four years, or the length of the student's program, if the program is more than four years. The bill also provides that if a student does not graduate within four years or the length of their program, the tuition and mandatory fee costs rise to the level the college or university is charging new incoming students, unless the student demonstrates a hardship or other good cause shown that prevents him or her from remaining continuously enrolled at a general academic teaching institution or to complete the student's degree program before the applicable date.

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. TUITION STABILIZATION. (a) Defines "coordinating board" and "general academic teaching institution."

(b) Provides that this section applies only to a student who:

- (1) enrolls at a general academic teaching institution as a first-time freshman;
- (2) after satisfying the requirement of Subdivision (1), remains continuously enrolled at a general academic teaching institution until graduation, except as provided under rules adopted under Subsection (g); and
- (3) at all times while the student is enrolled at a general academic teaching institution, is a resident of this state for purposes of Subchapter B (Tuition Rates) or is otherwise entitled to pay tuition and fees at the rate provided for residents of this state.

(c) Provides that, except as provided under rules adopted under Subsection (g), this section applies only to the amount of tuition charged under this chapter to a student as follows:

(1) for a student enrolled in a four-year degree program, on or before the fourth anniversary of the date the student first enrolls in a general academic teaching institution; or

(2) for a student enrolled in a degree program of any other length, not later than the end of the standard completion period of that program, as established by the general academic teaching institution awarding the degree.

(d) Prohibits a general academic teaching institution, notwithstanding any other provision of this chapter but subject to the applicability provisions of this section, from charging a student for any course in which the student enrolls after the student's freshman year tuition at a rate that exceeds the rate in effect for that course during the student's freshman year or, for a course that was not offered during the student's freshman year, a rate that exceeds the rate in effect for an equivalent course during the student's freshman year.

(e) Prohibits the institution to which the student transfers, notwithstanding any other provision of this chapter but subject to the applicability provisions of this section, if a student transfers from one general academic teaching institution to another, from charging to the student for any course in which the student enrolls after the student's freshman year tuition at a rate that exceeds the rate in effect for that course at the receiving institution during the student's freshman year or, for a course that was not offered at the receiving institution during the student's freshman year, a rate that exceeds the rate in effect for an equivalent course at the receiving institution during the student's freshman year.

(f) Requires the Texas Higher Education Coordinating Board (THECB), in consultation with general academic teaching institutions, to adopt any rules necessary to administer this section, including rules relating to the equivalency of courses offered during a student's freshman year and courses in which the student enrolls after the student's freshman year; rules consistent with Subsection (e) that provide for determining tuition rates for students who transfer among general academic teaching institutions and prescribe the types of documentation a transfer student is required to submit to establish eligibility under that subsection; and rules as described by Subsection (g) to allow students to suspend their enrollment or giving students additional time to complete their degree programs.

(g) Requires THECB to adopt rules to allow a student to pay the tuition rates as provided by Subsection (d) or (e), as applicable, if the student satisfies the other requirements of this section but, solely as a result of a hardship or other good cause shown, is unable to remain continuously enrolled at a general academic teaching institution as required by Subsection (b)(2) or to complete the student's degree program before the applicable date described by Subsection (c). Provides that for purposes of this subsection, a hardship or other good cause shown includes a showing of a severe illness or other debilitating condition that affects the student's ability to satisfy the requirement of Subsection (b)(2) or (c), or the student's responsibility for the care of a sick, injured, or needy person if the provision of care affects the student's ability to satisfy the requirement of Subsection (b)(2) or (c).

(h) Provides that this section does not apply to a student who enters a general academic teaching institution for the first time before the 2009 fall semester. Provides that this subsection expires January 1, 2015.

SECTION 2. Requires THECB to adopt rules for the administration of Section 54.016, Education Code, as added by this Act, as soon as practicable after this Act takes effect. Authorizes THECB to adopt the initial rules in the manner provided by law for emergency rules for that purpose.

SECTION 3. Effective date: upon passage or September 1, 2009.