

## **BILL ANALYSIS**

Senate Research Center  
86R231 KSD-F

S.B. 143  
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Higher Education  
3/31/2019  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 143 returns control of college tuition to the Texas Legislature. Prior to 2003, the legislature had regulatory authority to set tuition rates, generally mandating that the same tuition rate be charged across the state. Then the legislature passed H.B. 3015 (78R), which allowed unelected governing boards of public universities to set higher tuition rates.

Since tuition deregulation, the average cost of higher education at public universities in Texas has more than doubled. Tuition and fees at Texas' 38 academic institutions climbed 78 percent between 2003 and 2016, according to data compiled by the Texas Higher Education Coordinating Board. To make matters worse, the state's per-student funding has declined 27 percent since tuition deregulation in 2003, when adjusted for inflation. But Texas has continued to grow, and higher education enrollment has skyrocketed. The combination of these factors means that taxpayers are bearing the burden. Most families are having to make the choice between taking on larger debt loads or simply forgoing higher education altogether.

S.B. 143 will cap tuition beginning in Fall 2020 at the amount charged during the 2019–2020 school year, require the legislature to authorize any increases in tuition after that academic year, and allow students and families to hold lawmakers accountable for funding higher education.

As proposed, S.B. 143 amends current law relating to a limitation on the amount of tuition charged by public institutions of higher education.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **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 TOTAL AMOUNT OF TUITION. (a) Defines "tuition," for the purposes of this section.

(a-1) Provides that this section does not apply to tuition charged by an institution of higher education for an academic period before the 2020–2021 academic year. Provides that this subsection expires January 1, 2021.

(b) Prohibits the total amount of tuition charged by an institution of higher education to a student for an academic year from exceeding 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. Provides that, for the 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 students. 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.

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

(a) Authorizes a governing board of an institution of higher education, in addition to amounts the governing board is authorized to charge as tuition under the other provisions of this chapter, 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. Deletes existing text authorizing the governing board, under the terms the governing board considers appropriate, to charge 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 existing text authorizing a governing board to set a different tuition rate as considered appropriate to increase graduation rates, encourage efficient use of facilities, or enhance employee performance.

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 reasonably make satisfactory progress toward the goals of any successor to the "Closing the Gaps" state master plan for higher education. Deletes existing text establishing such progress and certain other criteria as a condition to tuition deregulation under Section 54.0513 (Designated Tuition).

(f) Deletes existing text requiring the legislative oversight committee on higher education to receive and review information concerning the impact of tuition deregulation.

SECTION 4. Provides that this Act applies beginning with tuition charged by public institutions of higher education for the 2020 fall semester. Provides that tuition charged by an institution of higher education in an academic period before that semester is covered by the law in effect before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 5. Effective date: January 1, 2020.