

SECOND REGULAR SESSION

SENATE BILL NO. 759

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHATZ.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4166S.01I

AN ACT

To repeal section 173.1003, RSMo, and to enact in lieu thereof one new section relating to tuition at public higher education institutions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 173.1003, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 173.1003, to read as follows:

173.1003. 1. Beginning with the 2008-09 academic year, each approved
2 public institution, as such term is defined in section 173.1102, shall submit its
3 percentage change in the amount of tuition from the current academic year
4 compared to the upcoming academic year to the coordinating board for higher
5 education by July first preceding such academic year.

6 2. For institutions whose tuition is greater than the average tuition, the
7 percentage change in tuition shall not exceed the percentage change of the
8 consumer price index or zero, whichever is greater.

9 3. For institutions whose tuition is less than the average tuition, the
10 dollar increase in tuition shall not exceed the product of zero or the percentage
11 change of the consumer price index, whichever is greater, times the average
12 tuition.

13 4. If a tuition increase exceeds the limits set forth in subsections 2 or 3
14 of this section, then the institution shall be subject to the provisions of subsection
15 5 of this section.

16 5. Any institution that exceeds the limits set forth in subsections 2 or 3
17 of this section shall remit to the board an amount equal to five percent of its
18 current year state operating appropriation amount which shall be deposited into
19 the general revenue fund unless the institution appeals, within thirty days of

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

20 such notice, to the commissioner of higher education for a waiver of this
21 provision. The commissioner, after meeting with appropriate representatives of
22 the institution, shall determine whether the institution's waiver request is
23 sufficiently warranted, in which case no fund remission shall occur. In making
24 this determination, the factors considered by the commissioner shall include but
25 not be limited to the relationship between state appropriations and the consumer
26 price index and any extraordinary circumstances. If the commissioner determines
27 that an institution's tuition percent increase is not sufficiently warranted and
28 declines the waiver request, the commissioner shall recommend to the full
29 coordinating board that the institution shall remit an amount up to five percent
30 of its current year state operating appropriation to the board, which shall deposit
31 the amount into the general revenue fund. The coordinating board shall have the
32 authority to make a binding and final decision, by means of a majority vote,
33 regarding the matter.

34 6. The provisions of subsections 2 to 5 of this section shall not apply to
35 any community college unless any such community college's tuition for any
36 Missouri resident is greater than or equal to the average tuition. If the
37 provisions of subsections 2 to 5 of this section apply to a community college,
38 subsections 2 to 5 of this section shall only apply to out-of-district Missouri
39 resident tuition.

40 7. For purposes of this section, the term "average tuition" shall be the sum
41 of the tuition amounts for the previous academic year for each approved public
42 institution that is not excluded under subsection 6 of this section, divided by the
43 number of such institutions. The term "consumer price index" shall mean the
44 Consumer Price Index for All Urban Consumers (CPI-U), 1982-1984 = 100, not
45 seasonally adjusted, as defined and officially recorded by the United States
46 Department of Labor, or its successor agency, from January first of the current
47 year compared to January first of the preceding year. The term "state
48 appropriation" shall mean the state operating appropriation for the prior year per
49 full-time equivalent student for the prior year compared to state operating
50 appropriation for the current year per full-time equivalent student for the prior
51 year. The term "tuition" shall mean the amount of tuition [and], required fees,
52 **course fees, and supplementary fees**, excluding any fee established by the
53 student body of the institution, charged to a Missouri resident undergraduate
54 enrolled in fifteen credit hours at the institution **or a Missouri resident**
55 **graduate student enrolled in nine credit hours at the institution.**

56 8. **Beginning with the 2016-2017 academic year, each approved**

57 public institution shall be prohibited from increasing the tuition
58 charged to Missouri resident undergraduate and graduate students for
59 four years from the date of the student's initial enrollment at the
60 institution. If the normal time of completion for a program is more than
61 four years, as determined by the institution, the amount of tuition
62 charged to students in that program shall not increase during the
63 normal completion period of the program. If a student enrolled at an
64 institution for the first time prior to the 2018-2019 academic year, the
65 student shall be refunded any difference in tuition from the 2016-2017
66 amount. The institution of enrollment shall determine how and in what
67 form to refund the money.

68 9. Any institution that fails to comply with the provisions of
69 subsection 8 of this section shall remit to the board an amount equal to
70 five percent of its current year state operating appropriation amount
71 which shall be deposited into the general revenue fund. Such funds
72 shall be returned to the institution once the institution demonstrates
73 compliance with the provisions of subsection 8 of this section to the
74 board.

75 10. Nothing in this section shall be construed to usurp or preclude the
76 ability of the governing board of an institution of higher education to establish
77 tuition or required fee rates.

78 11. The coordinating board for higher education is authorized to
79 adopt rules, regulations, and standards regarding the establishment and
80 implementation of policies created under this section. Any rule or
81 portion of a rule, as that term is defined in section 536.010 that is
82 created under the authority delegated in this section shall become
83 effective only if it complies with and is subject to all of the provisions
84 of chapter 536, and, if applicable, section 536.028. This section and
85 chapter 536 are nonseverable and if any of the powers vested with the
86 general assembly pursuant to chapter 536, to review, to delay the
87 effective date, or to disapprove and annul a rule are subsequently held
88 unconstitutional, then the grant of rulemaking authority and any rule
89 proposed or adopted after August 28, 2018, shall be invalid and void.