

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 912
99TH GENERAL ASSEMBLY

Reported from the Committee on Appropriations, February 12, 2018, with recommendation that the Senate Committee Substitute do pass.

5852S.03C

ADRIANE D. CROUSE, Secretary.

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Section A. Section 173.1003, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 173.1003, to read as follows: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 public institution, as such term is defined in section 173.1102, shall submit its percentage change in the amount of tuition from the current academic year compared to the upcoming academic year to the coordinating board for higher education by July first preceding such academic year.

2. [For institutions whose] **In any state fiscal year following a fiscal year where an institution's state operating support increased from the previous fiscal year's state operating support, and such institution's tuition is greater than the average tuition, the percentage change in tuition shall not exceed the percentage change of the consumer price index or zero, whichever is greater. In any state fiscal year following a fiscal year where an institution's state operating support did not increase from the previous fiscal year's state operating support, and such institution's tuition is greater than the average tuition, the percentage change in tuition shall not exceed ten percent plus the percentage change of the consumer price index or zero, whichever is greater.**

3. [For institutions whose] **In any state fiscal year following a fiscal year where an institution's state operating support increased from the previous fiscal year's state operating support, and such institution's tuition is less than the average tuition, the dollar increase in tuition shall not**

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

21 exceed the product of zero or the percentage change of the consumer price index,
22 whichever is greater, times the average tuition. **In any state fiscal year**
23 **following a fiscal year where an institution's state operating support**
24 **did not increase from the previous fiscal year's state operating support,**
25 **and such institution's tuition is less than the average tuition, the dollar**
26 **increase in tuition shall not exceed the product of zero or the**
27 **percentage change of the consumer price index plus ten percent,**
28 **whichever is greater, times the average tuition.**

29 4. **In any state fiscal year following a fiscal year where an**
30 **institution's state operating support increased from the previous fiscal**
31 **year's state operating support, the percentage change in fees charged**
32 **by the institution to students shall not exceed the percentage change**
33 **of the consumer price index or zero, whichever is greater. In any state**
34 **fiscal year following a fiscal year where an institution's state operating**
35 **support did not increase from the previous fiscal year's state operating**
36 **support, the percentage change in fees charged by the institution to**
37 **students shall not exceed ten percent plus the percentage change of the**
38 **consumer price index or zero, whichever is greater. The provisions of**
39 **this subsection shall apply to any fee charged to a Missouri resident**
40 **undergraduate enrolled in fifteen credit hours at the institution.**

41 5. If a tuition or fee increase exceeds the limits set forth in subsections
42 2 [or], 3, or 4 of this section, then the institution shall be subject to the
43 provisions of subsection [5] 6 of this section.

44 [5.] 6. Any institution that exceeds the limits set forth in subsections 2
45 [or], 3, or 4 of this section shall remit [to the board] **back to the state** an
46 amount equal to five percent of its current year state operating appropriation
47 amount which shall be deposited into the general revenue fund unless the
48 institution appeals, within thirty days of such notice, to the commissioner of
49 higher education for a waiver of this provision. The commissioner, after meeting
50 with appropriate representatives of the institution, shall determine whether the
51 institution's waiver request is sufficiently warranted, in which case no fund
52 remission shall occur. In making this determination, the factors considered by
53 the commissioner shall include but not be limited to the relationship between
54 state appropriations and the consumer price index and any extraordinary
55 circumstances. If the commissioner determines that an institution's tuition
56 percent increase is not sufficiently warranted and declines the waiver request, the

57 commissioner shall recommend to the full coordinating board that the institution
58 shall remit an amount up to five percent of its current year state operating
59 appropriation to the board, which shall deposit the amount into the general
60 revenue fund. The coordinating board shall have the authority to make a binding
61 and final decision, by means of a majority vote, regarding the matter.

62 [6.] 7. The provisions of subsections 2 to [5] 6 of this section shall not
63 apply to any community college unless any such community college's tuition for
64 any Missouri resident is greater than or equal to the average tuition. If the
65 provisions of subsections 2 to [5] 6 of this section apply to a community college,
66 subsections 2 to [5] 6 of this section shall only apply to out-of-district Missouri
67 resident tuition.

68 [7.] 8. For purposes of this section, the term "average tuition" shall be
69 the sum of the tuition amounts for the previous academic year for each approved
70 public institution that is not excluded under subsection [6] 7 of this section,
71 divided by the number of such institutions. The term "consumer price index"
72 shall mean the Consumer Price Index for All Urban Consumers (CPI-U),
73 1982-1984 = 100, not seasonally adjusted, as defined and officially recorded by the
74 United States Department of Labor, or its successor agency, from January first
75 of the current year compared to January first of the preceding year. The term
76 "state appropriation" shall mean the state operating appropriation for the prior
77 year per full-time equivalent student for the prior year compared to state
78 operating appropriation for the current year per full-time equivalent student for
79 the prior year. The term "tuition" shall mean the amount of tuition [and required
80 fees, excluding any fee established by the student body of the institution,]
81 charged to a Missouri resident undergraduate enrolled in fifteen credit hours at
82 the institution. **The term "state operating support" shall mean the**
83 **funding actually disbursed from state operating appropriations to**
84 **approved public institutions and shall not include appropriations or**
85 **disbursements for special initiatives or specific program additions or**
86 **expansions.**

87 [8.] 9. Nothing in this section shall be construed to usurp or preclude the
88 ability of the governing board of an institution of higher education to establish
89 tuition or required fee rates.

90 **10. The provisions of this section shall expire on August 28, 2023.**