

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 912

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:

1 Section A. Section 173.1003, RSMo, is repealed and one new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

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

10 2. [For institutions whose] In any state fiscal year
11 following a fiscal year where an institution's state operating
12 support increased from the previous fiscal year's state operating
13 support, and such institution's tuition is greater than the
14 average tuition, the percentage change in tuition shall not
15 exceed the percentage change of the consumer price index or zero,
16 whichever is greater. In any state fiscal year following a

1 fiscal year where an institution's state operating support did
2 not increase from the previous fiscal year's state operating
3 support, and such institution's tuition is greater than the
4 average tuition, the percentage change in tuition shall not
5 exceed five percent plus the percentage change of the consumer
6 price index or zero, whichever is greater.

7 3. [For institutions whose] In any state fiscal year
8 following a fiscal year where an institution's state operating
9 support increased from the previous fiscal year's state operating
10 support, and such institution's tuition is less than the average
11 tuition, the dollar increase in tuition shall not exceed the
12 product of zero or the percentage change of the consumer price
13 index, whichever is greater, times the average tuition. In any
14 state fiscal year following a fiscal year where an institution's
15 state operating support did not increase from the previous fiscal
16 year's state operating support, and such institution's tuition is
17 less than the average tuition, the dollar increase in tuition
18 shall not exceed the product of zero or the percentage change of
19 the consumer price index plus ten percent, whichever is greater,
20 times the average tuition.

21 4. In any state fiscal year following a fiscal year where
22 an institution's state operating support increased from the
23 previous fiscal year's state operating support, the percentage
24 change in any fee charged by the institution to students shall
25 not exceed the percentage change of the consumer price index or
26 zero, whichever is greater. In any state fiscal year following a
27 fiscal year where an institution's state operating support did
28 not increase from the previous fiscal year's state operating

1 support, the percentage change in any fee charged by the
2 institution to students shall not exceed ten percent plus the
3 percentage change of the consumer price index or zero, whichever
4 is greater. The provisions of this subsection shall apply to any
5 fee charged to a Missouri resident undergraduate.

6 5. If a tuition or fee increase exceeds the limits set
7 forth in subsections 2 [or], 3, or 4 of this section, then the
8 institution shall be subject to the provisions of subsection [5]
9 6 of this section.

10 [5.] 6. Any institution that exceeds the limits set forth
11 in subsections 2 [or], 3, or 4 of this section shall remit [to
12 the board] back to the state an amount equal to five percent of
13 its current year state operating appropriation amount which shall
14 be deposited into the general revenue fund unless the institution
15 appeals, within thirty days of such notice, to the commissioner
16 of higher education for a waiver of this provision. The
17 commissioner, after meeting with appropriate representatives of
18 the institution, shall determine whether the institution's waiver
19 request is sufficiently warranted, in which case no fund
20 remission shall occur. In making this determination, the factors
21 considered by the commissioner shall include but not be limited
22 to the relationship between state appropriations and the consumer
23 price index and any extraordinary circumstances. If the
24 commissioner determines that an institution's tuition percent
25 increase is not sufficiently warranted and declines the waiver
26 request, the commissioner shall recommend to the full
27 coordinating board that the institution shall remit an amount up
28 to five percent of its current year state operating appropriation

1 to the board, which shall deposit the amount into the general
2 revenue fund. The coordinating board shall have the authority to
3 make a binding and final decision, by means of a majority vote,
4 regarding the matter.

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

12 [7.] 8. For purposes of this section, the term "average
13 tuition" shall be the sum of the tuition amounts for the previous
14 academic year for each approved public institution that is not
15 excluded under subsection [6] 7 of this section, divided by the
16 number of such institutions. The term "consumer price index"
17 shall mean the Consumer Price Index for All Urban Consumers
18 (CPI-U), 1982-1984 = 100, not seasonally adjusted, as defined and
19 officially recorded by the United States Department of Labor, or
20 its successor agency, from January first of the current year
21 compared to January first of the preceding year. The term "state
22 appropriation" shall mean the state operating appropriation for
23 the prior year per full-time equivalent student for the prior
24 year compared to state operating appropriation for the current
25 year per full-time equivalent student for the prior year. The
26 term "tuition" shall mean the amount of tuition [and required
27 fees, excluding any fee established by the student body of the
28 institution,] charged to a Missouri resident undergraduate

1 enrolled in fifteen credit hours at the institution. The term
2 "state operating support" shall mean the funding actually
3 disbursed from state operating appropriations to approved public
4 institutions and shall not include appropriations or
5 disbursements for special initiatives or specific program
6 additions or expansions.

7 [8.] 9. Nothing in this section shall be construed to usurp
8 or preclude the ability of the governing board of an institution
9 of higher education to establish tuition or required fee rates.

10 10. The provisions of this section shall expire on August
11 28, 2023.