

FIRST REGULAR SESSION

SENATE BILL NO. 496

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EMERY.

Read 1st time February 28, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

2453S.01I

AN ACT

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

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Section A. Section 173.1003, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 173.1003, to read as follows: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 tuition is greater than the average tuition, the percentage change in tuition shall not exceed the percentage change of the consumer price index plus a percentage of not more than five percent that would produce an increase in net tuition revenue no greater than the dollar amount by which the state operating support was reduced for the prior fiscal year, if applicable.

3. For institutions whose tuition is less than the average tuition, the dollar increase in tuition shall not exceed the product of the percentage change of the consumer price index times the average tuition, plus a percentage of not more than five percent that would produce an increase in net tuition revenue no greater than the dollar amount by which the state operating support was reduced for the prior fiscal year, if applicable.

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

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

20 5 of this section.

21 5. Any institution that exceeds the limits set forth in subsection 2 or 3 of
22 this section shall remit to the board an amount equal to five percent of its current
23 year state operating support amount which shall be deposited into the general
24 revenue fund unless the institution appeals, within thirty days of such notice, to
25 the commissioner of higher education for a waiver of this provision. The
26 commissioner, after meeting with appropriate representatives of the institution,
27 shall determine whether the institution's waiver request is sufficiently warranted,
28 in which case no fund remission shall occur. In making this determination, the
29 factors considered by the commissioner shall include but not be limited to the
30 relationship between state appropriations and the consumer price index and any
31 extraordinary circumstances. If the commissioner determines that an
32 institution's tuition percent increase is not sufficiently warranted and declines
33 the waiver request, the commissioner shall recommend to the full coordinating
34 board that the institution shall remit an amount up to five percent of its current
35 year state operating appropriation to the board, which shall deposit the amount
36 into the general revenue fund. The coordinating board shall have the authority
37 to make a binding and final decision, by means of a majority vote, regarding the
38 matter.

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

45 7. For purposes of this section, the term "average tuition" shall be the sum
46 of the tuition amounts for the previous academic year for each approved public
47 institution that is not excluded under subsection 6 of this section, divided by the
48 number of such institutions. The term "consumer price index" shall mean the
49 Consumer Price Index for All Urban Consumers (CPI-U), 1982-1984 = 100, not
50 seasonally adjusted, as defined and officially recorded by the United States
51 Department of Labor, or its successor agency, from January first of the current
52 year compared to January first of the preceding year. The term "state
53 appropriation" shall mean the state operating appropriation for the prior year per
54 full-time equivalent student for the prior year compared to state operating
55 appropriation for the current year per full-time equivalent student for the prior

56 year. The term "tuition" shall mean the amount of tuition and required fees,
57 **supplementary fees, course fees, laboratory fees, and all other fees**
58 excluding any fee established by the student body of the institution, charged to
59 a Missouri resident undergraduate [enrolled in fifteen credit hours at the
60 institution] **or graduate student**. The term "state operating support" shall
61 mean the funding actually disbursed from state operating appropriations to
62 approved public institutions and shall not include appropriations or disbursement
63 for special initiatives or specific program additions or expansions. The term "net
64 tuition revenue" shall mean the net amount of resident undergraduate tuition and
65 required fees reduced by institutional aid only. "Institutional aid" includes all aid
66 awarded to the student by the student's institution of higher education only from
67 such institution's funds. Institutional aid does not include the following: Pell
68 Grants; state awards such as the Missouri higher education academic scholarship
69 program, the A+ schools program, and the access Missouri financial aid program;
70 foundation scholarships; third-party scholarships; employee and dependent fee
71 waivers; and student loans.

72 8. Nothing in this section shall be construed to usurp or preclude the
73 ability of the governing board of an institution of higher education to establish
74 tuition or required fee rates.

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