

SECOND REGULAR SESSION

SENATE BILL NO. 939

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS BARNITZ AND MAYER.

Read 1st time February 15, 2010, and ordered printed.

TERRY L. SPIELER, Secretary.

5037S.011

AN ACT

To repeal section 173.1003, RSMo, and to enact in lieu thereof one new section relating to the consumer price index used to measure tuition rates for public institutions for 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Section A. Section 173.1003, RSMo, is repealed and one new section
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

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

19 the general revenue fund unless the institution appeals, within thirty days of
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 **percentage change in the annual average of** the Consumer Price Index for
45 All Urban Consumers (CPI-U), 1982-1984 = 100, not seasonally adjusted, as
46 defined and officially recorded by the United States Department of Labor, or its
47 successor agency, from January first of the [current] **preceding** year [compared]
48 to January first of the [preceding] **current** year. The term "state appropriation"
49 shall mean the state operating appropriation for the prior year per full-time
50 equivalent student for the prior year compared to state operating appropriation
51 for the current year per full-time equivalent student for the prior year. The term
52 "tuition" shall mean the amount of tuition and required fees, excluding any fee
53 established by the student body of the institution, charged to a Missouri resident
54 undergraduate enrolled in fifteen credit hours at the institution.

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

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