

Regular Session, 2013

HOUSE BILL NO. 194

BY REPRESENTATIVES LEGER, WESLEY BISHOP, KLECKLEY, AND SHADOIN

STUDENT/TUITION: Provides relative to the authority of public postsecondary education management boards to increase tuition and mandatory fee amounts

1 AN ACT

2 To enact R.S. 17:3351(A)(5)(f), relative to tuition and mandatory fee amounts for public
3 postsecondary education institutions; to authorize the public postsecondary education
4 management boards to increase tuition and mandatory fee amounts in accordance
5 with the Board of Regents tuition policy, which is subject to legislative approval; to
6 provide for legislative approval of such policy and legislative approval for such
7 tuition and fee increases, including subsequent increases pursuant to such policy; to
8 require that a certain percentage of funds derived from such increases be utilized for
9 certain financial aid purposes; to authorize uniform imposition of tuition and
10 mandatory fee amounts on a per-credit-hour basis; to provide for applicability,
11 limitations, conditions, and exceptions; to provide for implementation; to provide an
12 effective date; and to provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 17:3351(A)(5)(f) is hereby enacted to read as follows:

15 §3351. General powers, duties, and functions of college and university boards

16 A. Subject only to the powers of the Board of Regents specifically
17 enumerated in Article VIII, Section 5 of the Constitution of Louisiana, and as
18 otherwise provided by law, each postsecondary system management board as a body
19 corporate shall have authority to exercise power necessary to supervise and manage

1 the day-to-day operations of institutions of postsecondary education under its
2 control, including but not limited to the following:

3 * * *

4 (5)

5 * * *

6 (f)(i) Notwithstanding any limitation on or any authority provided to the
7 boards by this Paragraph or any other provision of law, and in accordance with
8 Article VII, Section 2.1 of the Constitution of Louisiana, the Board of Supervisors
9 of Louisiana State University and Agricultural and Mechanical College, the Board
10 of Supervisors of Southern University and Agricultural and Mechanical College, the
11 Board of Supervisors for the University of Louisiana System, and the Board of
12 Supervisors of Community and Technical Colleges may increase the tuition amount
13 and mandatory fee amounts applicable to resident students at institutions under their
14 respective supervision and management in accordance with the tuition policy
15 established and implemented by the Board of Regents and approved by the
16 legislature as provided in R.S. 17:3129.5. Increases in tuition and mandatory fee
17 amounts pursuant to this Subparagraph shall be effective at such institutions as may
18 be provided by the tuition policy established and implemented by the Board of
19 Regents and approved by the legislature as provided in R.S. 17:3129.5. Additionally,
20 the Board of Supervisors of Louisiana State University and Agricultural and
21 Mechanical College, the Board of Supervisors of Southern University and
22 Agricultural and Mechanical College, the Board of Supervisors for the University of
23 Louisiana System, and the Board of Supervisors of Community and Technical
24 Colleges may provide for the uniform imposition of tuition and mandatory fee
25 amounts for students attending such institutions under their respective supervision
26 and management on a per-credit-hour basis.

27 (ii) The authority granted each management board by this Subparagraph to
28 establish tuition and mandatory fee amounts shall include the authority to establish

1 proportional amounts applicable to part-time students and to students enrolled for
2 summer and intersession terms.

3 (iii) Beginning with the 2015-2016 academic year and continuing thereafter,
4 the authority granted by this Subparagraph to each management board to establish
5 tuition and mandatory fee amounts shall be applicable only to institutions under its
6 supervision and management that fully achieve the performance metrics established
7 specifically for each such institution pursuant to the outcomes-based funding formula
8 developed and implemented by the Board of Regents pursuant to the Act that
9 originated as Senate Bill No. 117 of the 2013 Regular Session of the Legislature.

10 (iv) If the Act that originated as Senate Bill No. 117 of the 2013 Regular
11 Session of the Legislature is not enacted into law or is vetoed by the governor, or if
12 the Board of Regents fails to develop and implement the outcomes-based funding
13 formula as provided in such Act, the authority granted by this Subparagraph to each
14 management board to establish tuition and mandatory fee amounts shall be null,
15 void, and of no effect.

16 (v) Prior to imposing any increase or increases in tuition or mandatory fee
17 amounts pursuant to the provisions of this Subparagraph, the management board
18 shall establish criteria for waivers of such increase or increases in cases of financial
19 hardship. Information about such waivers, including the criteria and procedures for
20 obtaining a waiver, shall be made available to all prospective students affected by
21 the increase or increases in a timely manner such that the prospective student can be
22 aware of the increase or increases and the availability of waivers prior to the student
23 making any final decision concerning attendance at the college or university.

24 (vi) Each management board shall reserve and use at least ten percent of the
25 total amount derived from the increases in tuition and mandatory fees imposed
26 pursuant to the provisions of this Subparagraph to provide assistance to students with
27 demonstrated financial need as determined by the Board of Regents.

28 (vii) Any additional revenue resulting from the imposition of the tuition or
29 mandatory fee increase authorized in this Subparagraph shall not displace, replace,

both houses of the legislature. Provides that such approval by law shall constitute compliance with the requirements of Art. VII, §2.1 of the Const. of La. for any subsequent increases pursuant to the policy.

Requires the Board of Regents and each management board annually, not later than Feb.1, to report to the Joint Legislative Committee on the Budget on the status of policy implementation.

Proposed law authorizes the LSU board of supervisors, the SU board of supervisors, the University of La. board of supervisors, and the Board of Supervisors of Community and Technical Colleges to increase the tuition amount and mandatory fee amounts applicable to resident students in accordance with the tuition policy established and implemented by the Board of Regents and approved by the legislature pursuant to present law summarized above. Provides that tuition and fee increases pursuant to proposed law shall be effective at such institutions as may be provided by the Board of Regents policy approved by the legislature. Additionally authorizes the management boards to provide for the uniform imposition of tuition and mandatory fee amounts on a per-credit-hour basis.

Proposed law provides that the authority for such increases includes the authority to establish proportional amounts applicable to part-time students and to students enrolled for summer and intersession terms.

Proposed law provides that, beginning with the 2015-2016 academic year, the authority granted by proposed law applies only to institutions that fully achieve the performance metrics in conformity with the outcomes-based funding formula developed by the Board of Regents according to SB No. 117 of the 2013 R.S. Further provides that if SB No. 117 of the 2013 R.S. is not enacted into law or is vetoed by the governor, or if the Board of Regents fails to develop the outcomes-based funding formula as provided in such Act, proposed law shall be null, void, and of no effect.

Proposed law requires that, prior to imposing any such increase in tuition or fee amounts, the management board establish criteria for waivers of such increase in cases of financial hardship and make information about such waivers and the criteria and procedures for obtaining a waiver available to all prospective students affected by the increase.

Proposed law requires that each management board reserve and use at least 10% of the total amount derived from the increases in tuition and mandatory fees to provide assistance to students with demonstrated financial need. Further provides that additional revenue from the tuition or mandatory fee increase does not displace, replace, or supplant any funding for postsecondary education as required by the state constitution or any other laws of the state.

Present law (R.S. 17:3139 et seq.-GRAD Act) in part authorizes public postsecondary institutions who enter into performance agreements and meet certain goals in such agreements to increase tuition and fee amounts annually, without legislative approval, until the institution reaches the average tuition and fee amounts of its peer institutions, such amounts to be weighted based on the median household income in SREB states in which respective peer institutions are located. The median household income in such states shall be compared with the median household income in La., and any differences between the average of the states shall be factored into the allowable tuition and fee amount increase for the respective institution. Authorizes increases as necessary to maintain tuition and fee amounts as close to that average as practical. Includes provisions for waivers based upon financial hardship of students.

Proposed law is in addition to GRAD Act authority and any other authority of any of the boards to impose tuition or fees.

Proposed law provides that it is in accordance with Const. Art. VII, §2.1(A) which provides that any new fee imposed or assessed by a state board or agency must be enacted by law by a 2/3 vote of the elected members of each house of the legislature.

Proposed law specifies that proposed law constitutes legislative approval of the tuition policy adopted by the Board of Regents on Apr. 25, 2012, and presented to the legislature by the board and legislative approval, in compliance with Const. Art. VII, §2.1, of the authority for the public postsecondary education management boards to increase tuition or fees consistent with such policy, including initial and subsequent increases pursuant to such policy, all as authorized by present law (R.S. 17:3129.5).

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3351(A)(5)(f))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Education to the original bill.

1. Adds provision that specifies that, beginning with the 2015-2016 academic year, the authority granted by proposed law applies only to institutions that fully achieve the performance metrics in conformity with the outcomes-based funding formula developed by the Board of Regents according to SB No. 117 of the 2013 R.S.
2. Adds provision that provides that, if SB No. 117 of the 2013 R.S. is not enacted into law or is vetoed by the governor, or if the Board of Regents fails to develop the outcomes-based funding formula as provided in such Act, proposed law shall be null, void, and of no effect.
3. Adds requirement that each management board reserve and use at least 10% of the amount derived from the increases in tuition and mandatory fees to provide assistance to students with demonstrated financial need.
4. Adds provision that additional revenue from the tuition or mandatory fee increase does not displace, replace, or supplant any funding for postsecondary education as required by the state constitution or any other laws of the state.