## 2015 Regular Session

HOUSE BILL NO. 66

## BY REPRESENTATIVE CARMODY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

STUDENT/TUITION: Provides for setting tuition and fees at public postsecondary education institutions

1	AN ACT
2	To enact Part I of Chapter 5 of Title 17 of the Louisiana Revised Statutes of 1950, to be
3	comprised of R.S. 17:1651, to repeal R.S. 17:1501.2, 1835, 1855, 1855.1, 1871(C),
4	1997.1, 1997.2, 2136, 3129.5, 3139.5(1) through (4), 3223(B)(5), 3351(A)(5),
5	3351.1, 3351.3, 3351.5 through 3351.15, 3351.17, 3351.18, and 3351.19, and to
6	redesignate R.S. 17:3139.5(5) and (6), relative to tuition and fees at public
7	postsecondary education institutions; to authorize each institution to establish tuition
8	and fees charged to its students; to provide for the continuation of existing tuition
9	and fees; to eliminate the grant of tuition and fee autonomies under the Louisiana
10	Granting Resources and Autonomy for Diplomas (GRAD) Act; and to provide for
11	related matters.
12	Be it enacted by the Legislature of Louisiana:
13	Section 1. Part I of Chapter 5 of Title 17 of the Louisiana Revised Statutes of 1950,
14	to be comprised of R.S. 17:1651, is hereby enacted to read as follows:
15	Part I. Tuition and Fees
16	§1651. Tuition and fees; authority to set; continuation of established tuition and fees
17	A.(1) Each institution of public postsecondary education may establish the
18	tuition and fees that it charges students attending the institution.
19	B. The establishment of tuition and fees includes the authority to provide the
20	following:

1	(1) A base tuition and enhancements or supplements thereto for each unit or
2	program of the institution including postbaccalaureate programs.
3	(2) Differential tuition that deviates from base tuition rates for certain
4	courses or for courses based on a student's major or study program.
5	(3) Tiered tuition for students who enter in different years.
6	(4) Proportional tuition for students who are part-time and for students
7	enrolled for summer terms or for intersession terms.
8	(5) Per-credit-hour tuition. The total amount charged on a per-credit-hour
9	basis shall not exceed the maximum amounts for full-time status.
10	(6) Online, virtual, or distance education tuition.
11	(7) Tuition incentives in the form of financial credits or discounts if students
12	commit to meeting certain goals such as graduating early or not taking remedial or
13	repeat courses.
14	(8) Waivers in cases of financial hardship. Information relative to such
15	waivers and the criteria for waiving the tuition and fees authorized shall be made
16	available to all prospective students in a timely manner such that each student is
17	informed of the availability of a waiver prior to the student making a final decision
18	concerning attendance.
19	C.(1) Each institution of public postsecondary education shall establish a
20	procedure for setting the amount of tuition and fees and shall comply with its
21	procedure in setting such amounts. The procedure shall include at least one public
22	hearing on a proposed increase or new tuition or fee, with a minimum thirty-day
23	notice of such hearing.
24	(2)(a) Tuition attributable to any increase or new tuition approved or
25	implemented by an institution after December 1, 2015, shall not be payable by the
26	state under the Taylor Opportunity Program for Students.
27	(b) No increase in tuition or new tuition or fee shall become effective during
28	an ongoing semester or term.

1	(3) The fees to which this Subsection applies are only those fees that are
2	charges assessed for the provision of postsecondary education to the student.
3	D.(1) Subject to change as provided in this Section, all existing tuition and
4	fees at each respective institution are hereby retained and continued as the same type
5	of tuition or fee, in the same amount, and for the same purpose, including all
6	limitations imposed thereon and the same authority to impose proportional amounts
7	and waivers of such tuition or fees. All existing tuition or fees means those which
8	are statutorily provided in the Louisiana Revised Statues of 1950, as amended, as of
9	December 31, 2015, provided for by the management boards of the various
10	institutions, established in uncodified law, or otherwise imposed by the institution.
11	(2) Any fee that was not a cost that was payable by the state on behalf of any
12	student who is a recipient of an award under the Taylor Opportunity Program for
13	Students shall remain a nonpayable fee by the state.
14	(3) No provision of this Section shall affect fees that are not charges assessed
15	for the provision of education to the student, such as processing fees, those charged
16	by auxiliary or self-generated operation of the institution, or fees self-assessed by the
17	students.
18	Section 2. R.S. 17:1501.2, 1835, 1855, 1855.1, 1871(C), 1997.1, 1997.2, 2136,
19	3129.5, 3139.5(1) through (4), 3223(B)(5), 3351(A)(5), 3351.1, 3351.3, 3351.5 through
20	3351.15, 3351.17, 3351.18, and 3351.19 are hereby repealed in their entirety.
21	Section 3. R.S. 17:3139.5(5) and (6) are hereby redesignated as R.S. 17:3139.5(1)
22	and (2), respectively.
23	Section 4. This Act shall take effect and become operative if and when the proposed
24	amendment of Articles VIII of the Constitution of Louisiana contained in the Act which
25	originated as House Bill No. 61 of this 2015 Regular Session of the Legislature is adopted
26	at a statewide election and becomes effective.

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## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Authorizes public postsecondary education institutions to establish their own tuition and fees independent of legislative action or performance measures under the GRAD Act.

<u>Present constitution</u> (Art. VII, Sec. 2.1(A)) requires all fee increases to be enacted by a twothirds vote of the legislature, which includes student tuition and fees charged by public postsecondary education institutions. Absent this constitutional constraint, the institutions' management boards would have the ability to provide with respect to tuition and fees under their general managerial authorities (Art. VIII, Sec. 5(E)). <u>Proposed law</u> does not change <u>present law</u> but is conditioned on the passage of a constitutional amendment proposed in another legislative instrument (HB No. 61) that would, instead, provide that tuition and fees are to be enacted "as provided by law", which is set forth below.

<u>Proposed law</u> authorizes each public postsecondary education institution to establish its own tuition and fees, including the base tuition, tuition enhancements, differential tuition (amount that deviates from the base tuition based on the student's major), tiered tuition (amount that differs depending on the year the student entered the institution), proportional tuition (for part-time students or summer school), per-credit-hour tuition, online tuition, tuition incentives, and tuition waivers.

<u>Proposed law</u> requires each institution to establish a procedure for setting the amount of tuition and fees, which must include a public hearing, noticed 30 days in advance, for any new tuition or fee or an increase to existing costs. <u>Proposed law</u> specifically prohibits tuition attributable to an increase or new tuition approved or implemented after Dec. 1, 2015, from being paid under the TOPS program. Also prohibits a tuition increase or new tuition or from becoming effective during an ongoing semester or term.

Though statutorily provided tuition and fees of public postsecondary education institutions are being removed from the La. Revised Statutes (R.S. 17:1501.2, 1835, 1855, 1855.1, 1871(C), 1997.1, 1997.2, 2136, 3129.5, 3139.5(1)-(4), 3223(B)(5), 3351(A)(5), 3351.1, 3351.3, 3351.5-3351.15, 3351.17, 3351.18, and 3351.19) under proposed law, all such tuition and fees existing as of Dec. 31, 2015, are being retained, subject to change as provided by proposed law, in the same amounts, for the same purposes, and with the same limitations imposed. Such tuition and fees being retained include not only those which are statutorily provided but also those which were provided for by the management boards, established in uncodified law, or otherwise imposed by the institution.

Under <u>proposed law</u>, the only substantive change with respect to any existing tuition or fee is the severing of tuition autonomies from the La. Granting Resources and Autonomy for Diploma (GRAD) Act. While all tuition increases authorized under the GRAD Act are being retained, tuition incentives are being removed as a GRAD Act autonomy under <u>proposed law</u>.

<u>Proposed law</u> retains <u>present law</u> with respect to notice of tuition waivers and the required tuition for nonresident students.

Effective if and when the proposed amendment of Arts. VII and VIII, Sec. 2.1(C) of the Constitution of La. contained in the Act which originated as House Bill No. 61 of this 2015 R.S. of the Legislature is adopted at a statewide election and becomes effective.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

(Adds R.S. 17:1651; Repeals R.S. 17:1501.2, 1835, 1855, 1855.1, 1871(C), 1997.1, 1997.2, 2136, 3129.5, 3139.5(1)-(4), 3223(B)(5), 3351(A)(5), 3351.1, 3351.3, 3351.5-3351.15, 3351.17, 3351.18, and 3351.19; Redesignates R.S. 17:3139.5(5) and (6))

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Education</u> to the <u>original</u> bill:
- 1. Remove requirement that tuition and fee amounts for nonresident students be at least equal to the average amount for such students at peer institutions in other Southern Regional Education Bd. states.
- 2. Make technical changes.