

Tuition-Setting in Postsecondary Education

NOV 2018

What Is the Issue and Why Does It Matter?

Students and policy leaders alike lament [growing tuition prices](#) in public postsecondary institutions; indeed, while published in-state tuition and fees were \$3,190 in 1987-88, they amounted to \$9,970 in the 2017-18 academic year. While there is no consensus nationally on what the price of higher education ought to be, many are concerned that current rates are too high. In response, some policy leaders have sought control over tuition-setting in public institutions, and a small number of states maintain direct legislative control of tuition-setting. Most states, however, have adopted statute delegating the authority to single- or multi-institutional boards.

This Policy Snapshot gives a national perspective on tuition-setting authority in 2018, as well as a sampling of recently proposed legislation related to tuition-setting. Very few states maintain legislative control of tuition-setting, with more states decentralizing this authority over time. Legislative interest in curbing tuition prices remains, however, as evidenced by introduced legislation across the states related to the process of tuition-setting.

45 STATES + D.C.

outline tuition-setting

authority in state

statute for four-year

public institutions ...

46 STATES + D.C.

do so for two-year

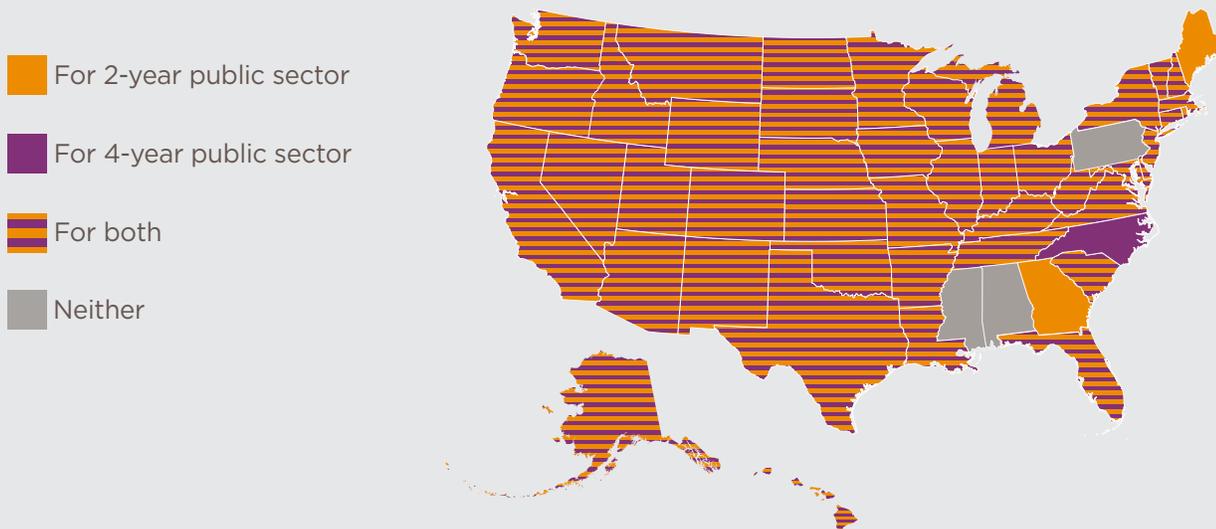
public institutions.

For more on trends in state action to cap or freeze college tuition increases, see the companion Policy Snapshot, [Postsecondary Tuition Capping and Freezing](#).

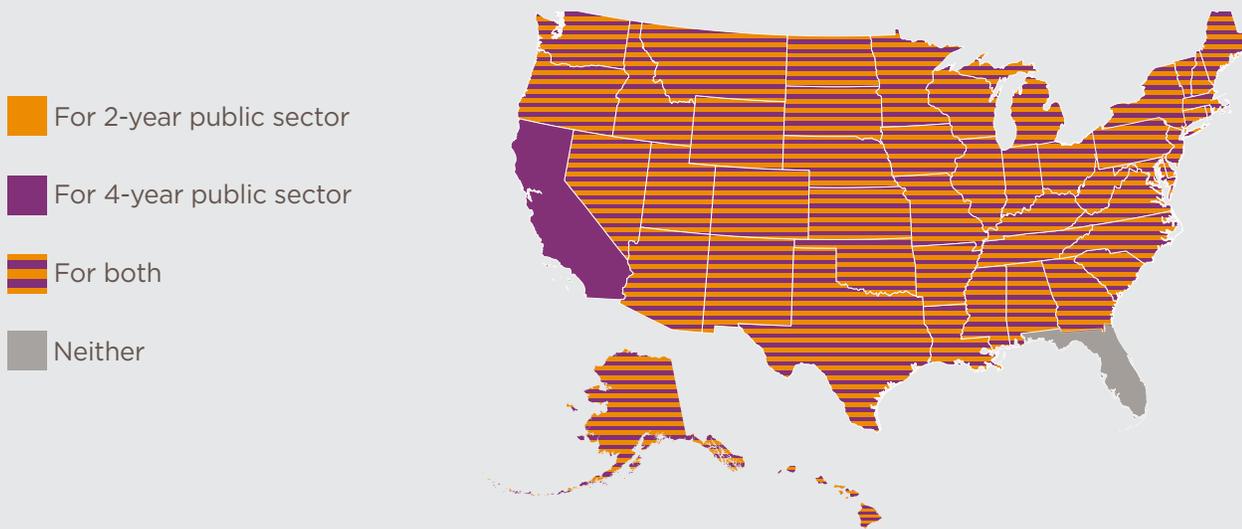
Landscape of Tuition-Setting Authority in 2018

In the majority of cases, states have adopted statute that delegates the authority to set tuition rates to another body – most commonly, single- or multi-institutional boards. In the four-year public sector, this is the case in 45 states, plus the District of Columbia; and 46 states, plus the District of Columbia, do so for the two-year public sector.

States Where Statute Grants Tuition-Setting Authority to Another Body



States Where Single-/Multi-Campus Board Rule/Policy Sets Tuition Rates



Examples of Recently Enacted Legislation

Twenty-three states considered 60 pieces of legislation related to postsecondary tuition in the 2017-18 legislative session. These proposed policies do not reflect that states are seeking to gain or re-gain tuition-setting authority. Rather, enacted measures more frequently address the disclosure of tuition rates and fees to the public. Examples of new enactments include:



Arizona S.B. 1422 adds that the board of regents must approve tuition rate changes for online programs and academic fees. The bill also requires public disclosure by the board of regents and each university of any final action on changes in tuition or academic fees.



Oregon H.B. 4141 establishes an advisory body to assist public university presidents on recommendations to the state governing board regarding resident tuition and mandatory enrollment fees.



Texas S.B. 537 requires each institution of higher education to include a description and amount of any special course fee in the institution's online course catalog.

Changes Since 2012

In the past six years, three states have altered tuition-setting policies. In **Alabama**, legislators repealed statute granting tuition-setting authority to institutional boards for both the two- and four-year sectors. While tuition rates are still determined by board policy, **Pennsylvania** adopted a [state rule](#) formalizing this arrangement for four-year institutions (the rule already existed for two-year institutions). Perhaps the largest change in the past six years is in **Louisiana**, where the state moved from setting tuition at the legislative level to [allowing single- or multi-institutional boards to set tuition at both the two- and four-year levels](#). However, state statute still stipulates a dollar amount cap on tuition growth.

Resources

Education Commission of the States has a [full dataset](#) ready to support policymakers in their analyses of tuition-setting authority.

AUTHOR

Sarah Pingel is a senior policy analyst at Education Commission of the States. Sarah supports states by providing analyses tailored to student financial aid and college affordability policies. When she isn't knee-deep in policy research, Sarah spends time in the small Rocky Mountain town where she is from and enjoys finding opportunities to practice her French. Contact Sarah at spingel@ecs.org, **303.299.3695**, or on Twitter at [@sarah_pingel](https://twitter.com/sarah_pingel).

About Education Commission of the States Legislative Tracking

Education Commission of the States tracks legislation on education issues from early learning through postsecondary and workforce. The team follows the bill's status from introduction through its final action, summarizes key provisions and assigns topics. The policy tracking helps keep an eye on trends, innovative policy approaches and the overall landscape of education-focused activity. This information is leveraged for several purposes, including Policy Snapshots that offer a brief background on a topic, a visual take on recent bills and summaries of selected state legislation.