



Tab 3

Higher Education Student Funding Act Reminder

Coordinating Board for Higher Education

June 12, 2024

BACKGROUND

In 2007 the Missouri legislature enacted the Higher Education Student Funding Act (HESFA) in §§ 173.1003-173.1006, RSMo. Historically, HESFA limited tuition and required fees increase by the consumer price index plus an amount (no greater than five percent) that would produce an increase in net tuition revenue no greater than the dollar amount by which state operating support was reduced in the prior fiscal year.

In 2021, the Missouri legislature significantly changed HESFA to remove all restrictions placed on schools related to tuition increases. The changes took effect July 1, 2022. The changes now only require IHEs to notify the department of their percentage tuition increase from the current academic year compared to the upcoming academic year, by July 1 preceding such academic year. It also still requires an IHE to notify the department if it plans to implement differential tuition, and, if it does, prohibits the IHE from charging course fees.

CURRENT STATUS

Each approved 2-year and 4-year public institution must provide the department with notice of its percentage change increase in tuition and required fees for the upcoming academic year by July 1.

If an IHE intends to implement differential tuition for any program for the upcoming academic year, the IHE must submit that notice to the department before implementing the differential tuition.

NEXT STEPS

The department will gather the information and retain it for data collection and analysis purposes.

RECOMMENDATION

This is an information item only.

NO ATTACHMENTS