OFFICE OF

THE GOVERNOR
STATE OF OKLAHOMA

No. HB 2103

OKLAHOMA CITY, OKLA., June 7, 20 07

TIME SIGNED: 1:00 PM

TO THE HONORABLE SPEAKER OF THE HOUSE
AND MEMBERS OF THE HOUSE OF REPRESENTATIVES
FIRST REGULAR SESSION OF THE
FIFTY-FIRST OKLAHOMA LEGISLATURE

ENROLLED HOUSE BILL NO. 2103:

I have signed House Bill 2103 and have caused same to be filed with the Office of the Secretary of State. Although a tuition lock program was part of the overall budget agreement between the executive and legislative branches, I have serious concerns about the long-term impact of the language contained in this measure. I want to ensure that this legislation does not inadvertently result in higher tuition rates for all students or adversely affect the financial health and quality of colleges and universities, especially during an economic downturn. This legislation does not take effect until the 2008-2009 school year, and I look forward to working with legislative leaders to address these issues in the next legislative session so there are no detrimental effects on the higher education system or the students it serves.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

By Susan Hill

Date/Time 6/7/07 2:05 pm

An Act

ENROLLED HOUSE
BILL NO. 2103

By: Cargill, Terrill, Martin (Steve), Sears, Wesselhoft, Kern, Key and Denney of the House

and

Johnson (Mike) and Reynolds of the Senate

An Act relating to schools; amending 70 O.S. 2001, Section 3218.8, as amended by Section 2, Chapter 4, O.S.L. 2003 (70 O.S. Supp. 2006, Section 3218.8), which relates to higher education tuition and mandatory fees; specifying application of tuition limits; directing the State Regents for Higher Education to anticipate certain revenue needs for certain period; directing institution to provide a guaranteed tuition rate to certain students for certain period; making guaranteed tuition rate optional for students; requiring institutions to provide certain information prior to enrollment; limiting tuition charged for certain period to participating students to amount charged upon initial enrollment; specifying limit for guaranteed rate; providing for extension of guaranteed time period for certain undergraduate program; providing for extension of guaranteed time period for students who withdraw for certain reasons; providing for an increase in tuition upon transfer to another institution; providing for tuition rate upon a change in majors or certain transfers; requiring participating students to be enrolled full-time; providing for determination of full-time enrollment; stating legislative findings; stating legislative intent; providing definitions; directing boards of regents to adopt certain instructional material policies; specifying contents of instructional material policies; directing boards of regents to

seek input from certain persons; requiring certain publishers to make certain information available to higher education institution faculty and staff; prohibiting higher education institution employees and departments from demanding or receiving certain payments; allowing higher education employees and departments to receive certain materials and compensation; prohibiting material vendors and bookstores from making certain solicitations; prohibiting bookstores from buying back certain instructional materials; prohibiting bookstores from engaging in the trade of certain instructional materials; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2001, Section 3218.8, as amended by Section 2, Chapter 4, O.S.L. 2003 (70 O.S. Supp. 2006, Section 3218.8), is amended to read as follows:

Section 3218.8 A. ~~The~~ Subject to the provisions of subsection D of this section, the Oklahoma State Regents for Higher Education are authorized to establish undergraduate resident tuition, nonresident tuition and mandatory fees, which students shall pay as a condition of enrollment, except as otherwise provided by law. The process for establishing tuition and mandatory fees shall incorporate the provisions of Section 3218.14 of this title.

1. At the comprehensive universities the combined average of the resident tuition and mandatory fees established for any school year for either the guaranteed or nonguaranteed rate, as determined by the State Regents, shall remain less than the combined average of the resident tuition and fees at the state-supported institutions of higher education that are members of the Big Twelve Conference on the effective date of this act. The combined average of the nonresident tuition and mandatory fees, as determined by the State Regents, shall remain less than one hundred five percent (105%) of the combined average of the nonresident tuition and fees at the state-supported institutions of higher education that are members of the Big Twelve Conference on the effective date of this act.

2. At the regional universities and two-year colleges the combined average of the resident tuition and mandatory fees established for any school year for either the guaranteed or nonguaranteed rate, as determined by the State Regents, shall remain less than the combined average of the resident tuition and mandatory fees at like-type state-supported institutions of higher education in states determined by the State Regents that include, but are not limited to, those adjacent to Oklahoma. The combined average of the nonresident tuition and mandatory fees, as determined by the State Regents, shall remain less than one hundred five percent (105%) of the combined average of the nonresident tuition and fees at like-type state-supported institutions of higher education in states determined by the State Regents that include, but are not limited to, those adjacent to Oklahoma.

B. In its deliberation on the establishment of resident tuition rates for undergraduate and graduate education, the Oklahoma State Regents for Higher Education shall balance the affordability of public higher education with the provision of available, diverse and high-quality learning opportunities. In this endeavor the State Regents shall give consideration to the level of state appropriations, the state economy, the per capita income and cost of living, the college-going and college-retention rates, and the availability of financial aid in Oklahoma. For any increase in the tuition rates, the State Regents shall demonstrate a reasonable effort to effect a proportionate increase in the availability of need-based student financial aid. Need-based financial aid shall include, but shall not be limited to, awards for the Oklahoma Higher Learning Access Program, Oklahoma Tuition Aid Grants, federal need-based financial aid and tuition waivers, and private donations. In addition, when determining the guaranteed tuition rates as provided for in subsection D of this section, the Regents shall consider the anticipated revenue needs during the four-year or two-year period of the guarantee.

C. Students permitted to audit courses shall pay the same resident tuition and nonresident tuition as required of students who enroll for course credit.

D. 1. Beginning with the 2008-2009 academic year, each institution within The Oklahoma State System of Higher Education shall offer to resident students enrolling for the first time as a full-time undergraduate a tuition rate that will be guaranteed for a period of not less than four (4) consecutive academic years at the comprehensive and regional institutions and for not less than two

consecutive years at the two-year institutions as provided for in this subsection. Students shall have the option to participate or not participate in the guaranteed tuition rate program and shall indicate their election at the time of enrollment. Each institution shall provide students with the following information prior to enrollment:

a. the annual tuition rate charged and the percentage increase for the previous four (4) academic years, and

b. the annual tuition and percentage increase that the nonguaranteed tuition rate would have to increase to equal or exceed the guaranteed tuition rate for the succeeding four (4) academic years.

2. Except as otherwise provided for in this subsection, for a student who elects to participate in the guaranteed tuition rate program, who is a resident of the state, and who enrolls for the first time as a full-time undergraduate student at an institution in the state after the 2007-2008 academic year, the amount of undergraduate resident tuition charged to the student for four (4) consecutive academic years at a comprehensive and regional institution or for two (2) consecutive academic years at a two-year institution shall not exceed the amount that the student was charged at the time of first enrollment, nor shall it exceed one hundred fifteen percent (115%) of the nonguaranteed undergraduate tuition rate charged to resident students enrolling for the first time as undergraduate students at the same institution for the same academic year.

3. If the normal time of completion for an undergraduate program is more than four (4) years, as determined by the institution, the amount of resident tuition charged to students in that program who have elected to participate in the guaranteed tuition rate program shall not increase during the normal completion period of the program.

4. If a student who has elected to participate in the guaranteed tuition rate program is required to withdraw from an institution for military or other national defense emergencies, the amount of resident tuition the student is required to pay upon reentering the institution shall not exceed the amount the student was charged at the time of withdrawal.

5. If a student who has elected to participate in the guaranteed tuition rate program transfers to another institution or transfers from a constituent agency of a comprehensive institution to another constituent agency or the comprehensive institution after initial enrollment, the student shall be charged the amount of resident tuition charged to other students enrolling for the first time at that institution or constituent agency.

6. If a student who has elected to participate in the guaranteed tuition rate program changes majors or transfers to another campus of the same institution after initial enrollment, the tuition charged to the student shall equal the amount the student would have been charged had the student been admitted to the changed major or enrolled at the new campus when the student first enrolled. This paragraph shall not apply if a student transfers from a constituent agency of a comprehensive institution to another constituent agency or the comprehensive institution.

7. A student who elects to participate in the guaranteed tuition rate program shall maintain full-time enrollment during the guaranteed four-year or two-year period. For purposes of this subsection, full-time enrollment shall be the number of credit hours as determined by the State Regents for Higher Education to be full-time enrollment for each institution.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3241.1 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The Legislature finds that:

1. The bundling of higher education textbooks, workbooks, CD-ROMs, and other course-related instructional materials can be unnecessary since many students do not use all of the materials included and may realize cost savings if materials are also offered separately; and

2. Many higher education faculty and staff select textbooks and instructional materials uninformed of the retail costs and differences between versions.

B. It is the intent of the Legislature to:

1. Give students enrolled in institutions in The Oklahoma State System of Higher Education more choices for purchasing textbooks and instructional materials;

2. Encourage higher education faculty and staff to work closely with bookstores and publishers to implement the least costly option without sacrificing educational content; and

3. Provide maximum cost savings to students.

C. As used in this section:

1. "Instructional material" means any textbooks, workbooks, CD-ROMs, and other course-related material required or recommended by the higher education faculty or staff for a given course; and

2. "Bundled" means a textbook and other supplemental instructional materials that may be packaged together to be sold as course materials for one price but shall not include instructional materials that are designed solely for sale as an integrated combination of two or more units or materials that cannot be sold separately due to third-party contractual agreements, custom editions, or special editions.

D. Each board of regents of an institution or group of institutions within The Oklahoma State System of Higher Education shall adopt an instructional material policy that requires:

1. Bookstores located on campus or bookstores which contract with the institution to provide bookstore services to students:

a. provide students with the option of purchasing instructional materials that are unbundled when possible, disclose to faculty and staff the costs to students of purchasing instructional materials, and disclose publicly how new editions vary from previous editions,

b. actively promote and publicize book buy-back programs, and

c. disclose retail costs for instructional materials on a per-course basis to faculty and staff and make this information publicly available; and

2. Higher education faculty and staff members to consider the least costly practices in assigning instructional materials for a course, such as adopting the least expensive edition available when educational content is comparable as determined by the faculty and working closely with publishers and bookstores to create bundles and packages if they deliver cost savings to students.

E. In developing an instructional material policy as required in subsection D of this section, each board of regents shall work with and seek input from bookstores, publishers, students and faculty representatives.

F. Each publisher of instructional material used by students enrolled at institutions in The Oklahoma State System of Higher Education shall make available to the faculty and staff of that institution the:

1. Price at which the publisher will make the instructional materials available to bookstores, either those located on campus of the institution or those which have a contract with the institution to provide bookstore services to students; and

2. A list of the revisions for the instructional materials since the last published edition, if any.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3241.2 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. No employee or department at an institution within The Oklahoma State System of Higher Education shall demand or receive any payment, loan, subscription, advance, deposit of money, services or anything, present or promised, as an inducement for requiring students enrolled at the institution to purchase specific textbooks or instructional material required for coursework or instruction. An employee or department of an institution may receive:

1. Sample copies of textbooks or instructional material, instructor copies of textbooks or instructional material, or other instructional material, that are not to be sold by faculty, staff, or bookstores;

2. Royalties or other compensation from sales of textbooks or instructional materials that include the writing or work of the employee;

3. Honoraria for academic peer review of instructional materials; and

4. Training in the use of instructional materials and technologies.

B. No instructional material vendor or bookstores located on campus or bookstores which contract with the institution to provide bookstore services to students shall solicit higher education faculty and staff members for the purpose of selling free review instructional materials that have been provided by a publisher at no charge to the faculty or staff. Bookstores shall not permit book wholesalers conducting buybacks on campus to accept review instructional materials from faculty or staff. No bookstore shall engage in any trade of any instructional material marked as or identified as free review instructional materials.

SECTION 4. This act shall become effective November 1, 2007.

Passed the House of Representatives the 24th day of May, 2007.

Presiding Officer of the House of Representatives

Passed the Senate the 24th day of May, 2007.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Governor this 25

day of May, **20** 07,

at 4:30 **o'clock** P **M.**

By: Blair Gaddis

Approved by the Governor of the State of Oklahoma the 7 **day of**

June, **20** 07, **at** 1:00 **o'clock** P **M.**

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this

day of, **20**,

at **o'clock** **M.**

By: M. Susan Savage