State of the State

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Kilgore College, President

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Record Enrollment in Community Colleges
Base Year Contact Hours (in millions)

10/12/11
Trend of Less State Support for Community Colleges

Movement Towards Performance-Based Funding

Momentum Points Model
Legislation
82nd Texas Legislature

Session Summary
http://www.tacc.org/legislature.htm

Legislative Statistics

<table>
<thead>
<tr>
<th></th>
<th>81st (2009)</th>
<th>82nd (2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>House</td>
<td>4,836 bills filed</td>
<td>3,865 bills filed</td>
</tr>
<tr>
<td></td>
<td>867 passed (18%)</td>
<td>797 passed (21%)</td>
</tr>
<tr>
<td>Senate</td>
<td>2,583 bills filed</td>
<td>1,931 bills filed</td>
</tr>
<tr>
<td></td>
<td>592 passed (23%)</td>
<td>582 passed (30%)</td>
</tr>
</tbody>
</table>

Less bills passed by 82nd Legislature.
Legislation that . . .

**Passed**
- Success-based funding in THECB recommendations (HB 9 by Branch)
- Developmental Education (SB 162 by Shapiro; HB 1244 by Castro)
- Dual Credit (SB 419 by West; SB 1619 by Duncan)

**Did Not Pass**
- Perkins 60/40 split (HB 1497 by Howard)
- Unfunded Mandates (HJR 56 by Solomons)
- Guns on Campus (SB 354 by Wentworth)

**Vetoed**
- Bill by Castro (HB 992) that would have eliminated 6-course drop rule for community college students who transfer to university with 30 semester credit hours.

2011 Legislative Priorities: 82nd Legislature

1. **Appropriations**
2. **Employee Benefits**
Instructional Formula Funds
(in billions)

- $1.737 billion for 2012/2013 biennium
- Compared to $1.844 billion for 2010/2011 biennium
- A decrease of $107.7 million--5.8%

Appropriation per Contact Hour (annual)

21.8% decrease
Group Health Insurance
(in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>00-01</td>
<td>172</td>
</tr>
<tr>
<td>02-03</td>
<td>253</td>
</tr>
<tr>
<td>04-05</td>
<td>221</td>
</tr>
<tr>
<td>06-07</td>
<td>278</td>
</tr>
<tr>
<td>08-09</td>
<td>308</td>
</tr>
<tr>
<td>10-11</td>
<td>323</td>
</tr>
<tr>
<td>12-13</td>
<td>198</td>
</tr>
</tbody>
</table>

38.6% decrease

Retirement (TRS & ORP)
(in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-05</td>
<td>174</td>
</tr>
<tr>
<td>06-07</td>
<td>140</td>
</tr>
<tr>
<td>08-09</td>
<td>188</td>
</tr>
<tr>
<td>10-11</td>
<td>202</td>
</tr>
<tr>
<td>12-13</td>
<td>104</td>
</tr>
</tbody>
</table>

48.2% decrease
<table>
<thead>
<tr>
<th>Last Session</th>
<th>This Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.75 billion</td>
<td>$1.74 billion</td>
</tr>
</tbody>
</table>

*After Cuts*

<table>
<thead>
<tr>
<th>Last Session</th>
<th>This Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.84 billion</td>
<td>$1.74 billion</td>
</tr>
</tbody>
</table>

*-6%*

*Before Cuts*
Last Session | This Session
---|---
$2.17 billion | $1.94 billion

-11% health insurance

Last Session | This Session
---|---
$2.37 billion | $2.01 billion

-14% retirement
This Session vs. Last Session

- **Special Items**
  - Last Session: $2.52 billion
  - This Session: $2.12 billion
  - Growth: -16%

- **No Enrollment Growth**
  - Last Session: $2.52 billion
  - This Session: $2.12 billion
  - Growth: -27%

Additional Context:
- $376 million not funded
Looking Ahead to the 83rd Legislature:

Ramifications from the 82nd Session

Funding of State Government

(in billions)

<table>
<thead>
<tr>
<th></th>
<th>2010-11</th>
<th>2012-13</th>
<th>$ diff</th>
<th>% diff</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$88.5 B</td>
<td>$86.9 B</td>
<td>- $1.6 B</td>
<td>- 1.9%</td>
</tr>
<tr>
<td>(includes GR-D)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Funds</td>
<td>$187.5 B</td>
<td>$172.3 B</td>
<td>- $15.2 B</td>
<td>- 8.1%</td>
</tr>
</tbody>
</table>

Source: Legislative Budget Board, Summary of Conference Committee Report on House Bill 1 (May 2011)
Issues for the Next Session

Public Education:
› Legislature provided $4.0 billion less in funding than what current formulas would have required. The $2.3 billion August 2013 payment is deferred to September.

Health and Human Services:
› LBB estimates funding for Medicaid is $4.8 billion below what law will actually require. Medicaid funding would “run out” in March of 2013. Unless economy rebounds and produces more revenue, Legislature will have to tap the Rainy Day Fund for the shortfall.

Fiscal Situation for 83rd Legislature

- School Aid Deferral 2012-13

$2.3 billion
Fiscal Situation for 83rd Legislature

- Deficit
  - School Aid Deferral 2012-13
  - School Aid Deferral 2014-15

$4.6 billion

Fiscal Situation for 83rd Legislature

- Deficit
  - School Aid Deferral 2012-13
  - School Aid Deferral 2014-15
  - Unclaimed Property 2012-13

$4.9 billion
Fiscal Situation for 83rd Legislature

$5.2 billion

• School Aid Deferral 2012-13
• School Aid Deferral 2014-15
• Unclaimed Property 2012-13
• Taxes 2012-13

Fiscal Situation for 83rd Legislature

$5.5 billion

• School Aid Deferral 2012-13
• School Aid Deferral 2014-15
• Unclaimed Property 2012-13
• Taxes 2012-13
• Taxes 2014-15
Fiscal Situation for 83rd Legislature

**deficit**

- School Aid Deferral 2012-13
- School Aid Deferral 2014-15
- Unclaimed Property 2012-13
- Taxes 2012-13
- Taxes 2014-15
- Fuels Tax Transfers 2012-13

$5.9 billion

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Fiscal Situation for 83rd Legislature

**deficit**

- School Aid Deferral 2012-13
- School Aid Deferral 2014-15
- Unclaimed Property 2012-13
- Taxes 2012-13
- Taxes 2014-15
- Fuels Tax Transfers 2012-13
- Fuels Tax Transfers 2014-15

$6.3 billion
Fiscal Situation for 83rd Legislature

• School Aid Deferral 2012-13
• School Aid Deferral 2014-15
• Unclaimed Property 2012-13
• Taxes 2012-13
• Taxes 2014-15
• Fuels Tax Transfers 2012-13
• Fuels Tax Transfers 2014-15
• Rainy Day Medicaid 2012-13

$11.1 billion

Fiscal Situation for 83rd Legislature

• School Aid Deferral 2012-13
• School Aid Deferral 2014-15
• Unclaimed Property 2012-13
• Taxes 2012-13
• Taxes 2014-15
• Fuels Tax Transfers 2012-13
• Fuels Tax Transfers 2014-15
• Rainy Day Medicaid 2012-13

• Structural Deficit ($6-8 B est.)

$17-19 billion
Student Success
Developmental Mathematics Course Redesign

**Curriculum:** Alternative Math Curriculum Pathways (Quantway, Statway, Stemway)

**Delivery:** Understanding new delivery models and scaling successful technology hybrids

**Support:** New strategies for supporting student success in mathematics
Welcome to the TACC Web Site
an information resource for matters relating to the community colleges of Texas. For upcoming meetings and events, please visit the TACC calendar.

The Texas Association of Community Colleges (TACC) is a non-profit association that includes all 50 public community college districts in the state of Texas. There are currently 299 campuses and 965,510 students enrolled in credit programs at community colleges in general and more than 97 percent of the student enrollment.

The Texas Community College Education Initiative (TCCEI) is a non-profit corporation formed in 1996 to promote educational programs and services that benefit Texas higher education. There are currently four TCCEI initiatives: Nation’s Award, Advancing the Dream, Early College High School, and the Virtual College.

Developmental Education Initiative
Student Success in Math

Advocacy

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