

Legislative Priorities 2005

Texas Association of Community Colleges

Presentation to:

Texas Association of Community
College Trustees and Administrators

October 26, 2004

Community Colleges at a Crossroads

- *NOW* is the time for all of us to work together for the benefit of our colleges.
- The viability of many community colleges in Texas is in jeopardy.
- Additional funds must be secured from the 79th Legislature.

Importance of Trustees

- All politics begins at home
- Value of hearing community college message from other elected officials
- Be available to come to the capitol at certain key times during the session
- 1st opportunity: November 9, Senate Finance
- Legislative Priorities brochure

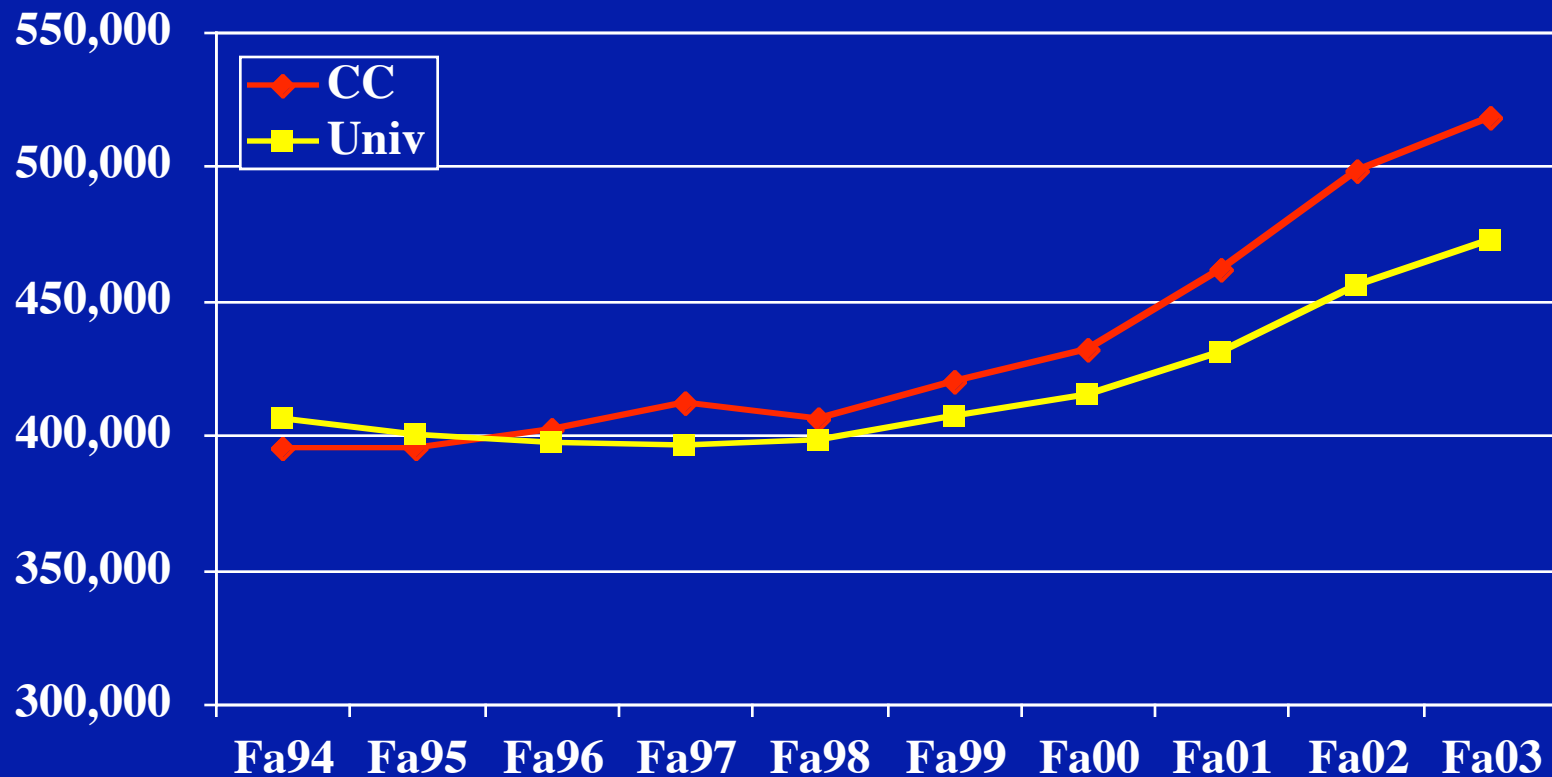
Importance of Community Colleges

- Community colleges are critical to guaranteeing the future success of the state's economy.
- Job and economic growth in Texas depends on the ability to deliver a trained and educated workforce.
- Texas can only be as successful as its community colleges.

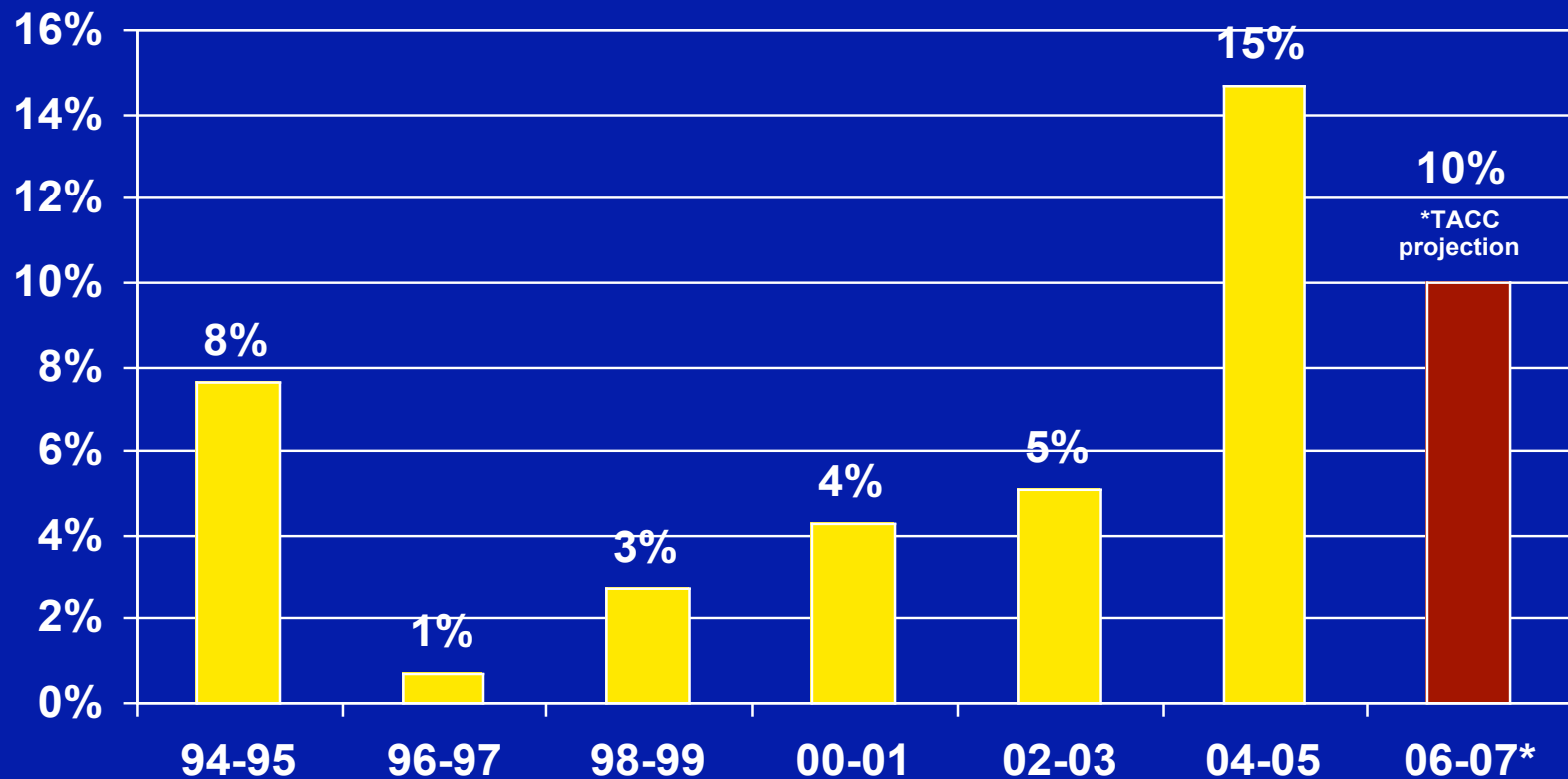
Committed to Our Mission and *Closing the Gaps*

- Enroll over a million students each year
- Over 270,000 students enroll in workforce education courses to enhance job skills
- Hospitals and medical facilities depend on community colleges
- Many of our students are the first persons in their family to attend college
- Community colleges are addressing the teacher shortage
- Community college students represent the diversity of Texas

Community Colleges are the Largest Sector of Higher Education



Unprecedented Growth at Community Colleges



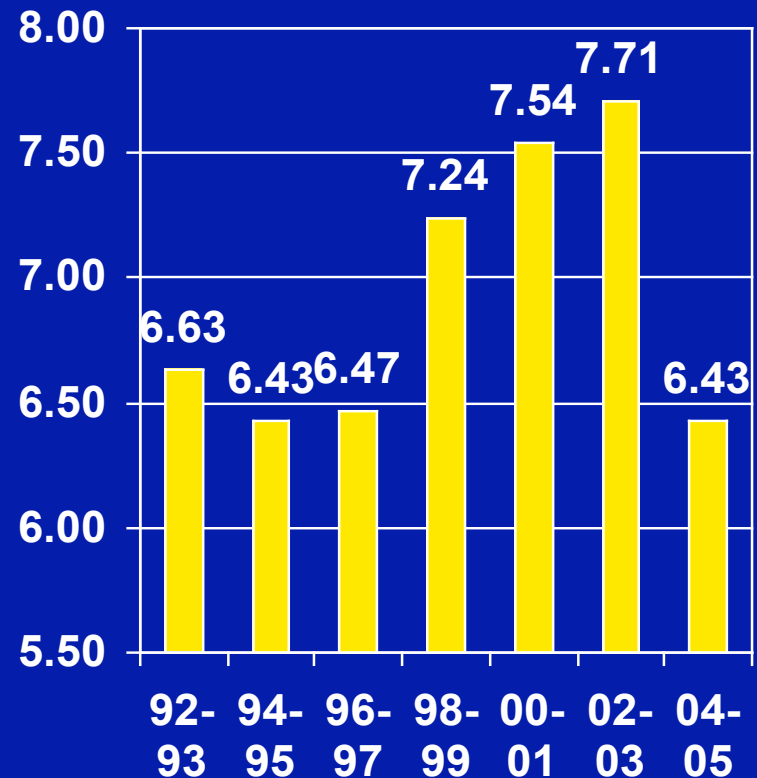
Percent of Contact Hour Growth From Previous Biennium

Current Fiscal Crisis

- At a time when colleges are asked to do more, the state is paying less.
- 52 percent of the funding formula was funded for the current biennium.
- The current appropriation is almost 17 percent less than community colleges received in the previous biennium.

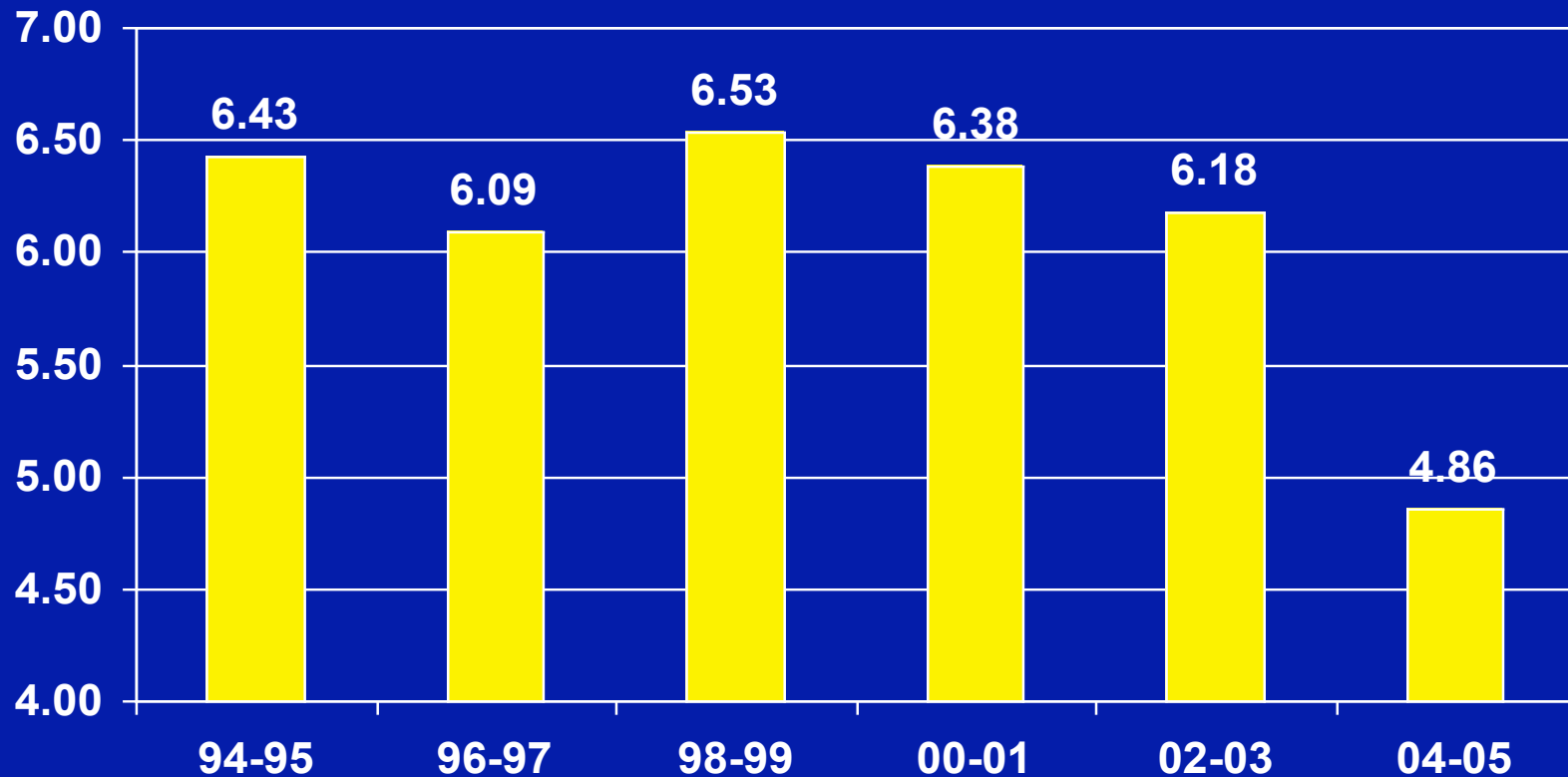
Appropriation Per Contact Hour*

- The difference between the 2002-03 and the 2004-05 appropriation represents a 16.6 percent decrease.
- The 2004-05 funding amount is the same as the 1994-95 biennium.

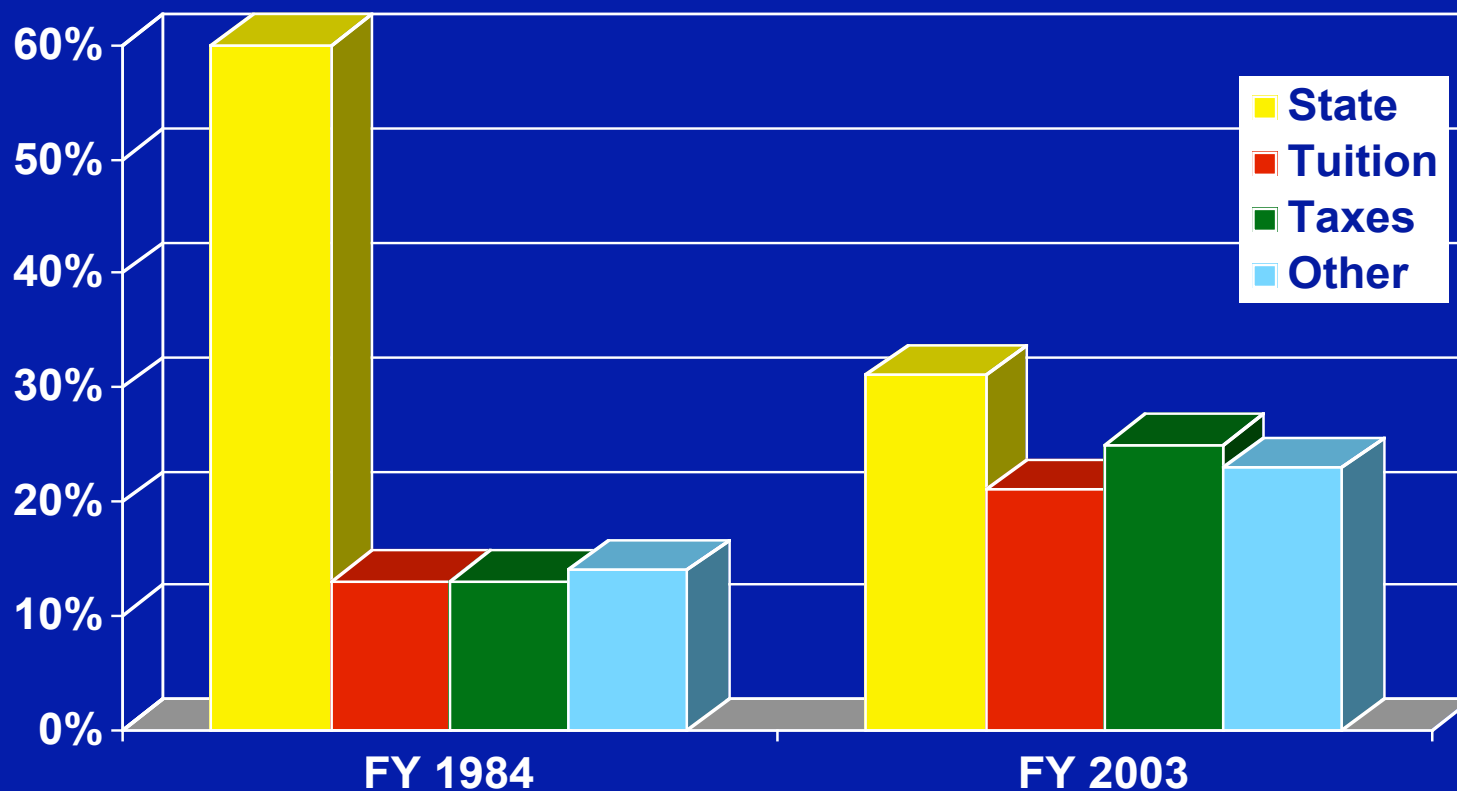


*Actual dollars, not adjusted for inflation

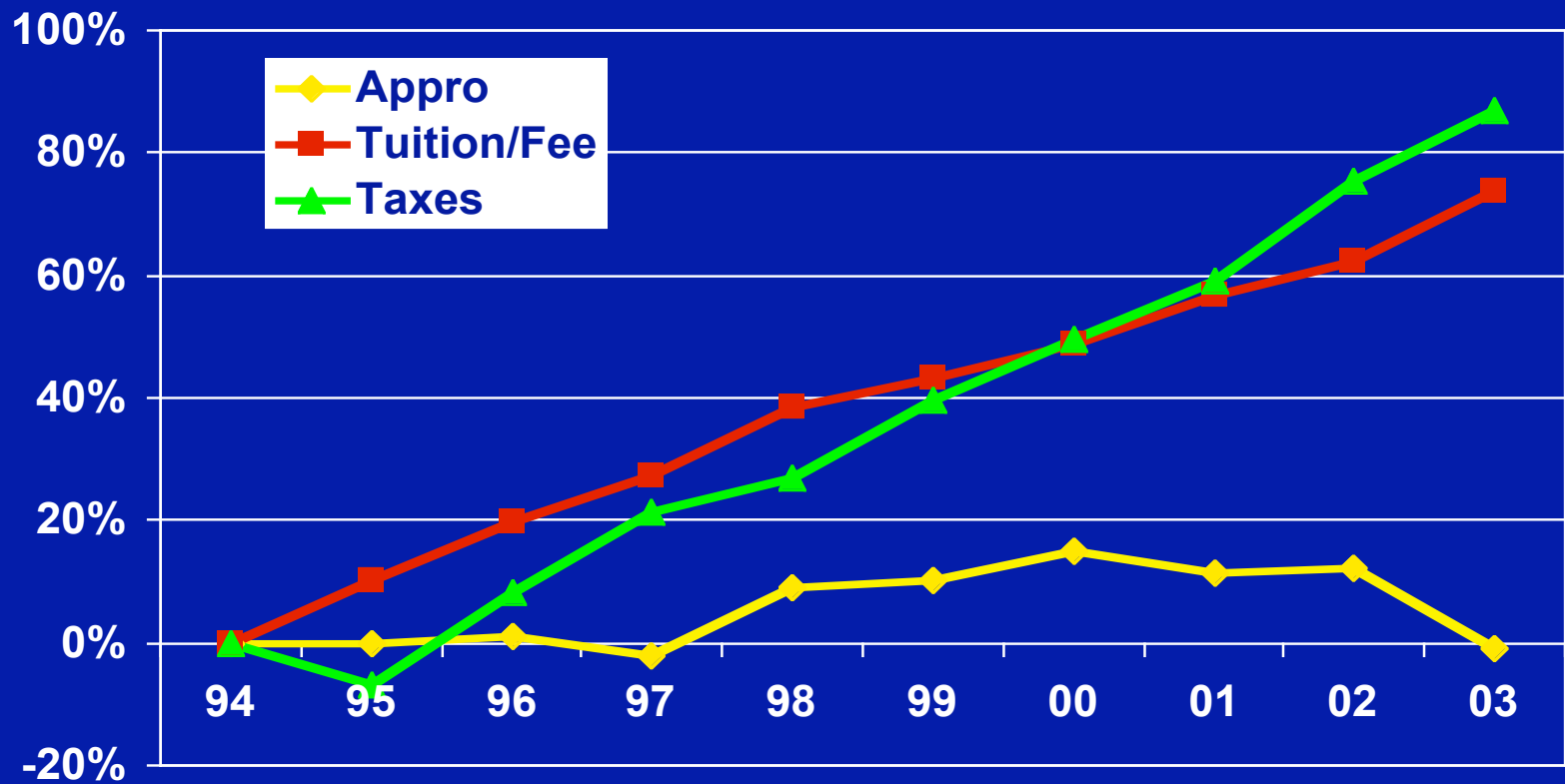
When inflation is taken into account,
the appropriation per contact hour drops to \$4.86
for FY 2004-05, a 21.4% decrease from FY 2002-03.



The cost of attending a community college has shifted from the state to the student and local taxpayer.



Appropriation, Tuition/Fee, Property Tax Comparison



Percent Change of CC Revenue/Contact Hour: 1994-2003

Legislative Priorities

- **Appropriations.** In order to maintain the viability of community and technical colleges as the state's chief providers of an educated and trained workforce, the 79th Legislature must restore funding to these institutions of higher education. TACC requests an additional **\$357.9 million** to the community and technical college formula for FY 2006-07.
- **Employee Benefits.** In order for community and technical colleges to retain competent and dedicated faculty and staff, the 79th Legislature must restore the full funding of employee benefits.

Employee Benefits

- Out of pocket expenses for health insurance increased an average of \$900 annually for faculty and staff.
- The Employees Retirement System recently increased health insurance premiums 5 percent for family and dependent coverage.
- TACC does not support any proposal which would define the state's responsibility as a portion of the state's contribution (currently 31 percent).

Additional Information

- Copies of this presentation are available on TACC's website www.tacc.org/data.html.
- TACC's *Legislative Priorities 2005* and other documents are also available at www.tacc.org/data.html.

