

# Texas Community Colleges: Policy Priorities for the 86<sup>th</sup> Legislature



**Community College  
Association of Texas Trustees**



**Texas Association of  
Community Colleges**

**tccta** | texas community college  
teachers association

*Connecting People, Institutions, Resources and Ideas*

# A Focused Agenda for the 86<sup>th</sup> Legislature

- **Funding**: Investing in Texas Community Colleges
- **Dual Credit**: Broadening Access & Sustaining Quality
- **Workforce Education**: The Critical Role of Community Colleges

### **Funding: Investing in Texas Community Colleges**

Texas community colleges respectfully seek an 8%, or \$144 million, overall increase in state formula funding for the 2020-2021 biennium. This funding ask is supported by all 50 public community colleges of Texas and mirrors the recommendations of the Community and Technical Colleges Formula Advisory Committee. The recommended funding level includes projected growth in contact hours and student success points, and inflationary increases.

For the fourth consecutive legislative session, community colleges will continue to support performance-based funding. However, we respectfully ask the 86th Legislature to support increasing the biennial rate for Success Points from the current \$173 to \$215 per point. The Texas Association of Community Colleges, Community College Association of Texas Trustees and the Texas Higher Education Coordinating Board are aligned on this recommendation and during 2018 co-convened a Metrics Task Force to ensure the relevance and validity of all metrics included in the Success Points formula.

Formula	FY 2018-019 Biennium FY 2018-2019 Biennium (\$ in Millions)	Formula Advisory Committee Recommendations (\$ in Millions)	THECB Recommendations (\$ in Millions)	TACC Board & CCATT Board Recommendations (\$ in Millions)	Recommended Increase Compared to FY 2018-2019 Biennium (\$ in Millions)	% Increase from FY 2018-2019 Appropriations
Core Operations	\$68.0	\$68.0	\$68.0	\$68.0	\$0.0	0%
Contact Hours	\$1,516.6	\$1,599.8	\$1,599.8	\$1,599.8	\$83.2	5.5%
Bachelor of Applied Technology (BAT)	\$2.8	\$3.0	\$3.0	\$3.0	\$0.2	8.3%
Student Success Points	\$180.0	\$241.3	\$241.3	\$241.3	\$61.4	34.1%
TOTAL	\$1,767.4	\$1,912.2	\$1,912.2	\$1,912.2	\$144.8	8.2%

## **Dual Credit: Broadening Access and Sustaining Quality**

Texas community colleges support dual credit as both a proven means for students to earn college credit even while they are still in high school, and as an important factor in meeting the state's 60X30TX plan.

To both broaden the reach of dual credit and sustain program quality, TACC and CCATT recommend:

- 1) Establishing a state goal for dual credit: By 2030, no less than 30% of high school graduates will have earned at least 12 semester credit hours (SCH) in dual credit.
- 2) Establishing a state task force to include the THECB, Texas Education Agency, Texas Workforce Commission, and stakeholders from K-12 and higher education to study equitable access to quality dual credit programs across the state and the role of dual credit in meeting the goals of the 60X30TX plan.
- 3) Requiring dual credit students to declare a meta-major/field of study upon completion of 12 SCH in core academic subjects or declare a career path upon completion of 12 SCH in career and technical education (CTE).
- 4) Broadening dual credit access by expanding student eligibility for the Texas Education Opportunity Grant (TEOG) program to high school students enrolled in dual credit for up to 12 SCH in core academic transfer subjects or in CTE courses leading to certifications.

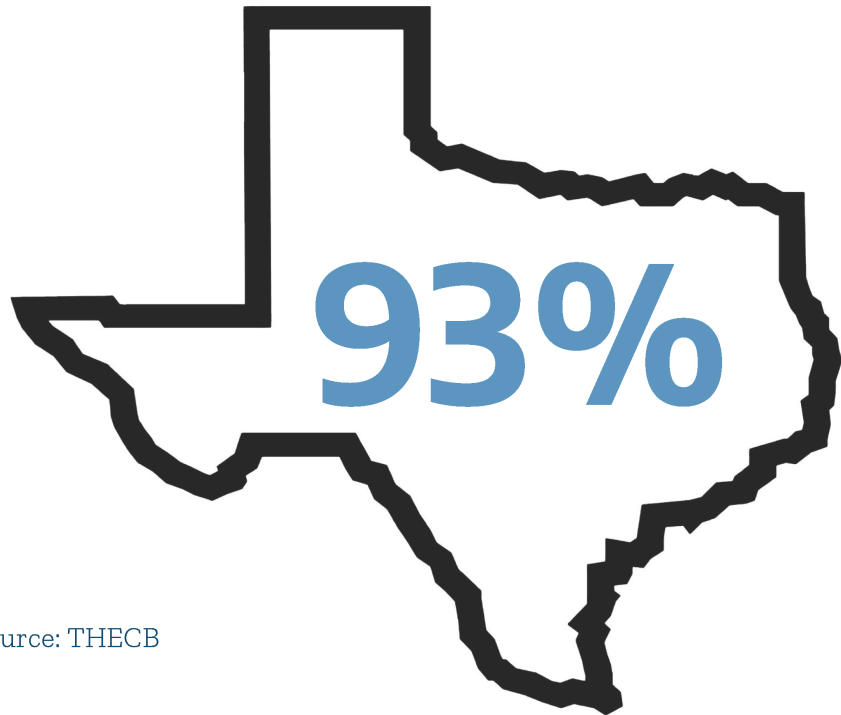
### **Workforce Education: The Critical Role of Community Colleges**

Educating the Texas workforce continues to be a point of pride and high priority for Texas community colleges. This includes expanding career and technical education (CTE) dual credit offerings and workforce continuing education (CE).

Texas community colleges partner with the Texas Workforce Commission to deliver workforce training through two programs: Skills Development Fund (SDF) and Jobs and Education for Texans (JET) Grant. TACC and CCATT recommend increased state investments in community college formula funding, to help broaden the reach of their CTE and CE programs, and sustained state funding for SDF and JET.

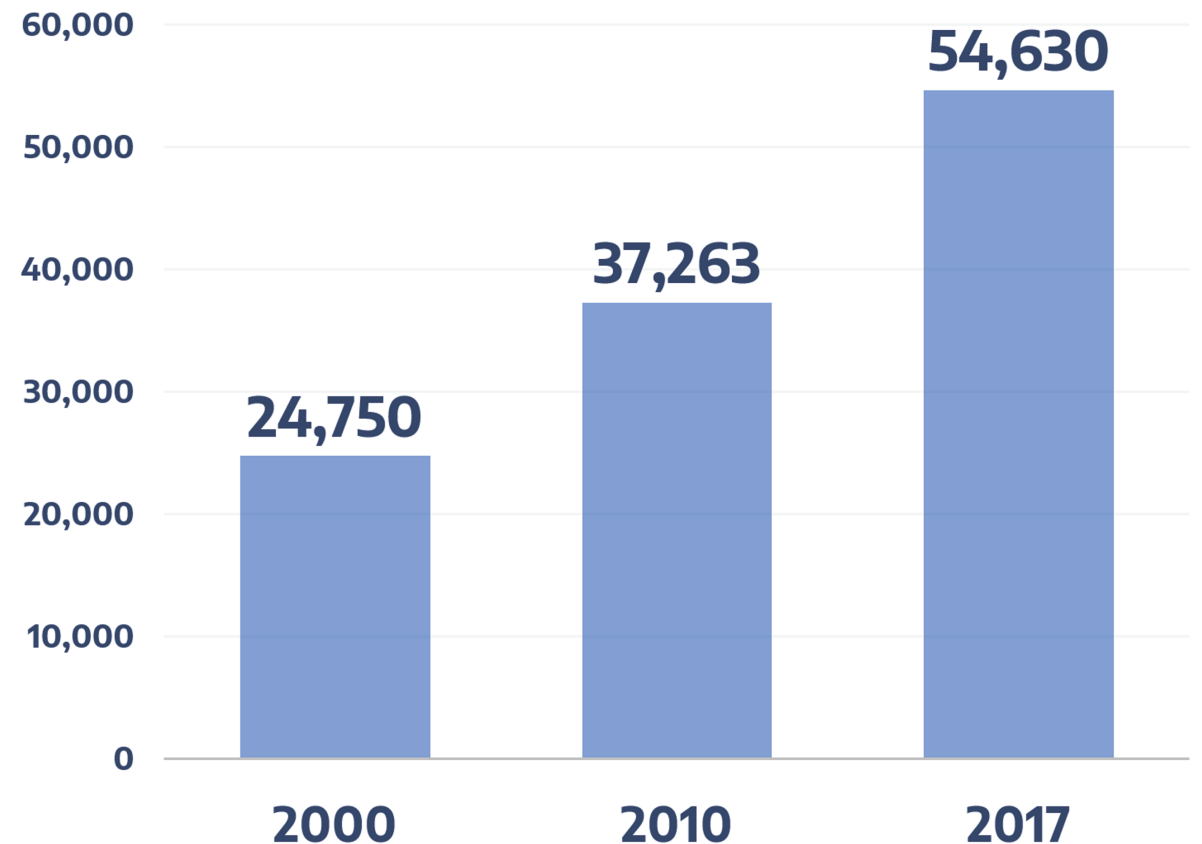
# Texas Community Colleges are the Leader in Workforce Education

Community Colleges Awarded 93% of All Technical Certificates & Associate Degrees in Texas (FY 2017)



Source: THECB

Total Annual Technical Certificates & Associate Degrees Awarded



# Workforce Priorities for the 86th Legislative Session

## **Career & Technical Education Dual Credit**

Career and Technical Education (CTE) dual-credit offerings for high school students often allow a student to graduate high school with a workforce credential. One such program under development is the Pathways in Technology Early College High School, or P-TECH, program. Students in the P-TECH program are given six years to receive a high school diploma and an associate degree, a two-year postsecondary certificate, or industry certification. They are also required to complete work-based training through an internship, apprenticeship, or other job-training program. TACC and CCATT support expansion of P-TECH and other forms of CTE programs.

## **Skills Development Fund**

The Skills Development Fund provides local customized training opportunities for Texas businesses and workers to increase skill levels and wages of the Texas workforce. The SDF provides \$24 million per year for colleges to train employees of Texas businesses. Training providers can use grant funds for curriculum development, training materials, instructor certifications, and training equipment additions or upgrades.



# Workforce Priorities for the 86th Legislative Session

## **Jobs and Education for Texans (JET) Grant**

The Jobs and Education for Texans (JET) Grant program allocates \$10 million each biennium to defray start-up costs associated with the development of career and technical education programs to community and technical colleges and independent school districts. JET grants provide potential economic returns by supporting new, emerging industries or high-demand occupations and offering new or expanded dual credit career and technical education opportunities in public high schools.

## **Small Business Development Centers**

Small Business Development Centers (SBDC) help new entrepreneurs build their businesses and strengthen existing businesses by providing free consulting and affordable training seminars. A 2016 national independent study found that for every \$1.00 invested in Texas SBDCs, a return of \$7.92 is generated. TACC and CCATT recommend maintaining stable funding for SBDCs, potentially by identifying a new method of finance other than the current non-formula support at institutions of higher education.

# *Passing a Balanced Budget*

*Summer – Fall 2018*

- The Legislative Budget Board (LBB) sends Legislative Appropriations Request (LAR) instructions to all state agencies. State agencies develop strategic plans and associated LARs, which are submitted to the LBB and the Governor's Office of Budget, Planning & Policy (GOBPP).
- The LBB & the GOBPP hearing held on each agency's strategic plan and LAR. (Sep. 13, 2018) to inform budget recommendations to be presented to the Legislature.
- The Texas Comptroller publishes the Texas Annual.

# The 86th Regular Legislative Session Begins

January 8, 2019

- The Texas Comptroller presents the Biennial Revenue Estimate (BRE) to the Legislature, providing a formal estimate of the funds likely to be available from taxes and other revenue sources over the next two years.
- The Senate and the House present preliminary funding recommendations and file the General Appropriations bills.
  - (The House and the Senate historically have taken turns on whose bill is passed first to go to the other chamber for consideration. The other chamber usually substitutes its own version of the bill. In 2019, it will be the House's turn.)
- The Governor submits budget recommendations to the Legislature.

# Feb-March, 2019

- The Legislature passes a supplementary budget measure to backfill gaps in the previous biennial budget.
- College enrollment/Success Point data revised based on “Spring Update.” Most recent available numbers will be used for final budget consideration.
- The Senate Finance Committee and subcommittees and the House Appropriations Committee and subcommittees conduct hearings on their versions of the general appropriations bill followed by the “markup” process. Revised bills are sent to each chamber for further amendments and a vote by the full body.
- The Lt. Governor of the Senate and the Speaker of the House appoint a conference committee to reconcile differences between the House-passed and the Senate-passed versions of the appropriations bill. The conference committee drafts a budget that reconciles differences and files it as the conference committee report. It is then sent to both chambers for final approval. Further amendment is prohibited.

# Key Dates

- **Monday, November 12, 2018**
  - First day legislators and legislators-elect may file bills for the 86th Legislature.
- **Tuesday, January 8, 2019** (1st day)
  - 86th Legislature convenes
- **Friday, March 8, 2019** (60th day)
  - Deadline for the unrestricted filing of bills and joint resolutions other than local bills, emergency appropriations, and emergency matters submitted by the governor.
- **Monday, May 27, 2019** (140th day)
  - Last day of 86th Legislature (sine die)
- **Sunday, June 16, 2019** (20th day following final adjournment of 86th Legislature, Regular Session)
  - Last day the governor may sign or veto bills passed during the regular session.

# Expectations for the 86<sup>th</sup> Regular Session

## Slow start?

- Statewide office holders, House members, Senators inaugurated/sworn in.
- House must elect a new Speaker
  - Elected by the House membership
  - First open race for Speaker in over 20 years
  - Committee chairs and memberships to be appointed by new Speaker

## Budget Shortfall?

- Legislators could face a budget shortfall of up to \$8 billion
  - Potential for \$2.5 billion Medicaid shortfall
  - Funding shifts, one-time measures, and deferrals in the 85<sup>th</sup> Legislature create a potential \$6 billion shortfall.
  - Harvey costs?
- **The good news:** Comptroller Glenn Hegar raised revenue estimates by more than \$2.8 billion for the upcoming session.
  - Sales tax receipts higher than anticipated
  - Oil & gas revenue remains strong

**For more information, please contact:**

**Jacob Fraire, President & CEO**

(512) 476-2572, ext. 213

[jfraire@tacc.org](mailto:jfraire@tacc.org)

**Dustin Meador, Director of Government Relations**

(512) 476-2572, ext. 211

[dmeador@tacc.org](mailto:dmeador@tacc.org)



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