THECB Legislative Recommendations
to the 83rd Texas Legislature

Linda Battles
Associate Commissioner

Dominic Chavez
Senior Director

Texas Higher Education Coordinating Board

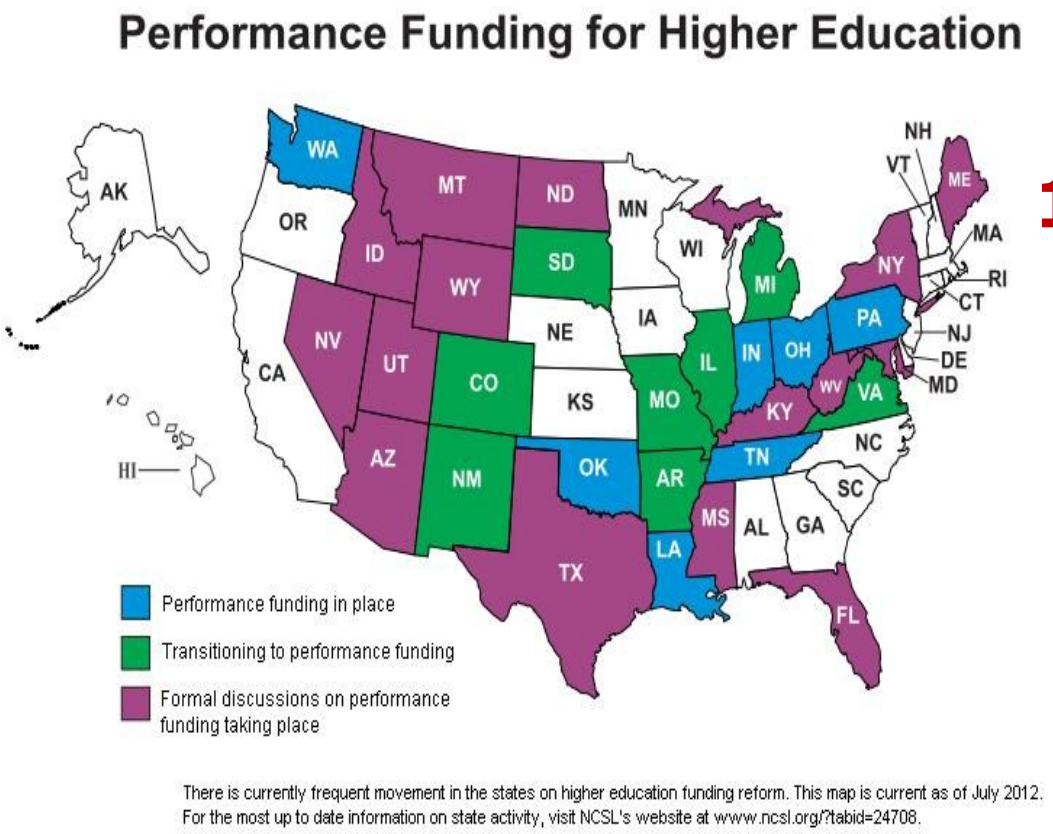
THECB Legislative Recommendations

Tier 1: Major Priorities

Tier 2: Programmatic Changes

Tier 3: Statutory Updates and Agency Cost Efficiencies

Tier I – Major Priorities



1. **Implement Outcomes-based Funding**
   - ✓ Endorse GAI Formula Advisory Committee model
   - ✓ Endorse TACC "student success" model (including points for passing an English course)
   - ✓ Endorse TSTC "return-value" model

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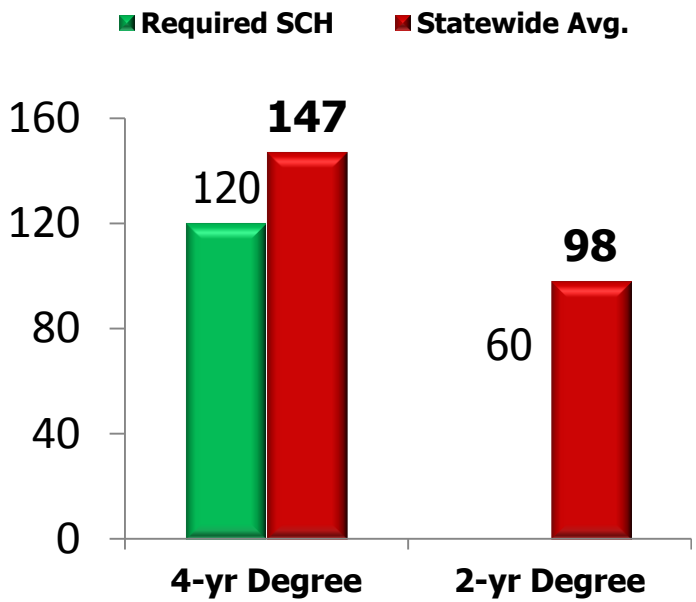
Tier I – Major Priorities

2. Reduce Time-to-Degree

- ✓ Lower credit hour threshold for determining excess credits from 30 SCH to 15 SCH
  - Students exceeding cap may be charged non-resident tuition.
  - Institutions cannot receive formula funding for excess credits.
- ✓ Cap Associates Degree to 60 credit hours
  - Allow flexibility for accreditation or licensure compliance only.



Average Time to Degree

- BA Degree: 5.3 years
- Associates: 4.7 years

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Current statute establishes **a limit on the credits required** for a BA degree

Texas Education Code 61.0515

- ✓ Limits bachelor's degrees to **no more credits than required by SACS** for that degree.
- ✓ Allows for **exceptions based on "compelling academic reasons."**

Fact:
80+% of BA degrees are currently **120 SCH**

THECB Recommendation: Lower SCH threshold for limiting state formula funding for excessive credits toward a BA.

	Current Statute	THECB Recommendation
Limit Threshold	Degree requirement plus **30 SCH**	Degree requirement plus **15 SCH**
Allowance for double majors	YES	YES
Exceptions	Dev ed. courses, credits by exam, credits received in high school, etc.	Same as current statute
Effective Limit	**150 SCH** for 120 SCH degrees; higher for those requiring beyond 120 SCH	**135 SCH** for 120 SCH degrees; higher for those requiring beyond 120 SCH

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THECB Recommendation: Lower SCH threshold for authorizing institutions to charge higher tuition rates for excessive credits toward a BA.

	Current Statute	THECB Recommendation
Limit Threshold	Degree requirement plus **30 SCH**	Degree requirement plus **15 SCH**
Exceptions	Dev ed. courses, credits by exam, credits received in high school, etc.	Same as current statute
Hardship Provision	Institutions may adopt hardship provision to exempt students from paying higher tuition rates	Same as current statute
Effective Limit	**150 SCH** for 120 SCH degrees; higher for those requiring beyond 120 SCH	**135 SCH** for 120 SCH degrees; higher for those requiring beyond 120 SCH

Reduce Threshold for Excessive Credits to 15 SCH

COMMENT:
Limit would threaten degree quality for programs requiring rigorous accreditation standards
RESPONSE:
Under the THECB recommendations, effective limits on state funding and tuition rates will be **commensurate with accreditation requirements or "compelling academic reasons**," that dictate more credits for a degree. For example, today a degree that requires 126 SCH is allowed up to 156 SCHs before triggering limits on state funding and in-state tuition rates. Under THECB recommendation, same program would be allowed up to 141 SCHs.

COMMENT:
Limit will create financial hardship on students subject to additional tuition.
RESPONSE:
Current statute authorizes institutions to adopt policies for student hardship. Under the THECB recommendation, institutions will **maintain full flexibility to address financial hardship** via local policy.

Reduce Threshold for Excessive Credits to 15 SCH

COMMENT:
Limit will discourage students from completing a BA with a double major and/or minor.

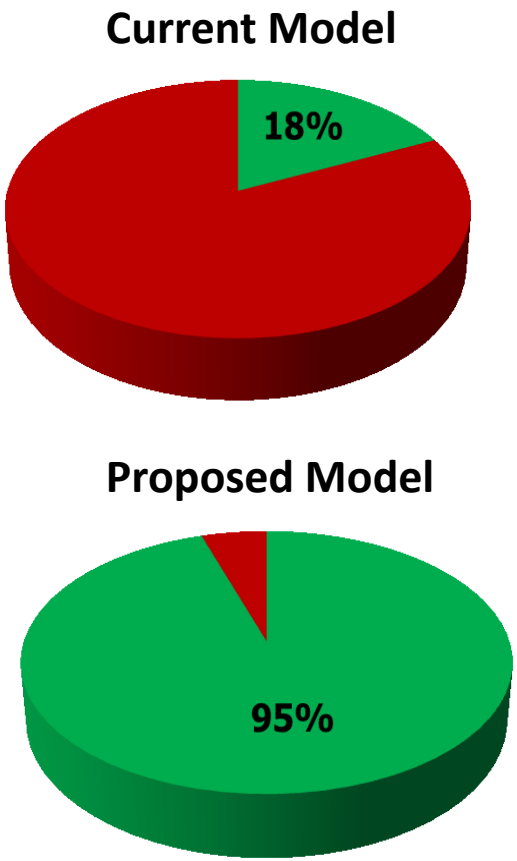
RESPONSE:
The THECB will seek statutory flexibility for students seeking double majors and minors. The intent is not to punish students applying additional credits toward a particular educational goal. The purpose is to discourage the accumulation of unnecessary credits.

Tier I – Major Priorities

3. Restructure Student Financial Aid

✓ Restructure the TEXAS Grant program

- Create eligibility pathway for transfer students
- Set award amount at statewide average tuition, fees, and books (academic costs), taking into account Pell and EFC
- Require full-time enrollment (12 SCH) and limit eligibility to 8 regular semesters
- Eliminate requirement that institutions provide non-loan funds to make up difference between a student's TX Grant award and tuition & fee charges
- Limit the program to university students only and transfer funds that would have been allocated to community colleges to the TEOG program (approx. $36M)



= % Projected Eligible New Students served with TEXAS Grant at THECB 2014-2015 LAR Request of $580.8M

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TEXAS Grant

COMMENT:
Targeted award amount ($3,000) is too low for high need students; institutions should be granted flexibility to control award amounts not to exceed average statewide tuition/fees.

RESPONSE:
The practical implications of this request would limit the number of new TEXAS Grant recipients and perpetuate the inequity of thousands of eligible TEXAS Grant eligible students not receiving an award. Given the limited appropriations from the state that are allocated to institutions, it is critical to include transfer students to the program and spread what is still a significant award amount to most new eligible students.

COMMENT:
Students enrolled in degree programs approved to exceed 120 SCH should be exempted.

RESPONSE:
Language will be recommended to allow proration awards that exceed 8 semesters for students to complete these courses of study and retain TEXAS Grant eligibility.

Tier I – Major Priorities

3. Restructure Student Financial Aid

Current BOT Program

1 award =
65 student contributors

Tuition Rebate Program

All contributors have equal chance to earn award

✓ Restructure the B-on-Time program

- Create an undergraduate tuition rebate program
- Limit program to university students and transfer BOT funds for community colleges to TEOG program (approx. $5M)
- Create a state sponsored, self-supporting student loan program to cover up front costs and use the rebate to pay off these loans

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Tier II – Programmatic Changes

1. Improve Medical Education

✓Create the GME Physician Resident Expansion Program

- Achieve a **1.1 to 1 ratio** of Texas first-year entering positions to medical school graduates (ratio is a minimum threshold accounting for current budget environment)
- LAR exceptional item request = **$11.5M** for the 2014-15 biennium

Tier II – Programmatic Changes

2. Improve Transparency

- ✓ Reinstate institutional reporting requirement for deferred maintenance.

3. Improve Program Administration

- ✓ Make changes to the Hazelwood Act for the benefit of veterans and their families
- ✓ Improve efficiency and effectiveness of tuition exemption and waiver programs.
- ✓ Establish a dual credit crosswalk demonstrating which high school credits should be awarded for college courses offered for dual credit
- ✓ Authorize the CB to collect fees from private postsecondary institutions pursuing a Certificate of Authorization

Tier II – Programmatic Changes

4. Improve College and Career Readiness

- ✓ Require the CB and TEA to review and revise the CCRS on a regular basis
- ✓ Clarify current statutes that provide the CB with the authority to set the college readiness exemption standard on the End of Course Exams for TSI purposes

5. Increase Student Success

- ✓ Establish a readiness standard for high school students to take dual credit college courses based on their performance on End of Course exams

Tier III – Statutory Updates and Agency Cost Efficiencies

1. Improve Program Administration

- ✓ Make changes to the statutory expiration clause for TEG program requirements
- ✓ Block certain licensure renewals for persons in default of state student loans
- ✓ Block the renewal of law license for persons in default of state student loans
- ✓ Set the court venue for persons subject to legal proceedings related to state student loans in default status
- ✓ Establish a financial need requirement for the Texas Armed Services Scholarship Program
- ✓ Reimburse institutions for costs associated with Hazelwood tuition exemptions

Tier III – Statutory Updates and Agency Cost Efficiencies

2. Improve Agency Cost Efficiency

- ✓ Consolidate the Higher Education Assistance program and plan and transfer responsibility to institutions
- ✓ Eliminate CB authority to approve administrative units such as departments and schools
- ✓ Eliminate CB advisory committee charged with creating standards and accounting methods for restricted research funds
- ✓ Eliminate the Compensation of Resident Physicians program
- ✓ Eliminate the state Tech Prep Program
- ✓ Eliminate CB authority to approve off-campus courses offered outside of Texas
- ✓ Remove the CB as a pass-through agency for state appropriations used to support the African American Internship program

Tier III – Statutory Updates and Agency Cost Efficiencies

3. Tuition

- ✓Authorize institutions to determine their own non-resident tuition rate in a manner that best supports their mission

4. Improve Accountability

- ✓Authorize the CB to conduct facility audits at health-related institutions

QUESTIONS?