

# **Legislative Priorities** 84TH LEGISLATIVE SESSION



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# **OVERVIEW**

Houston Community College (HCC) provides in this publication a list of state legislative priorities that seek to maximize opportunities for student success and position HCC to better serve the existing and future workforce needs of the community in which it operates and the state of Texas.

HCC's legislative priorities importantly factor critical needs in the areas of workforce, college readiness, transfer and articulation, financial aid, and general appropriations to include core operations, student success, and contact hour-based funding. It also considers policy considerations specifically important to HCC in areas where the institution believes it serves the public good and/or addresses workforce demands (e.g., expansion of community colleges' opportunity to offer baccalaureate degree programs, and including some level of special scoring for local businesses as a factor in determining "best value" when procuring certain types of goods and services). Each of these policy priorities seek to advance community colleges effectiveness to serve students and our community at-large.

HCC is one of the largest community colleges in the nation. We enrich our community by delivering an award-winning curriculum that includes the highest number of exemplary workforce programs. 26 of our workforce programs are recognized by the state of Texas. We are the #1 developer in Houston of workforce-ready candidates. Students who have declared career and technology majors make up 25 percent of HCC's student body. HCC also supplies a well-educated workforce for high-skilled jobs in technology, health care, public safety, and many in-demand occupations. Additionally, we partner with businesses, industry, other institutions of higher education, and local school districts to make Houston and the state of Texas economy stronger.

As we collectively embark upon the 84th legislative session, HCC identifies its legislative priorities for consideration of the Texas Legislature and the governor with the intent of helping students achieve success and meeting workforce demands in the state of Texas. These priorities appear in the pages that follow.

# **Summary of Legislative Priorities**

#### Workforce and Skills Alignment

Workforce and skills alignment are critical factors in sustaining economic prosperity in Texas. To ensure success, Texas community colleges desire continuation and enhancement of the Skills Development Fund to help expand our ability to effectively work with employers in an effort to equip students to meet existing and future workforce needs in our respective regions and around the state. We also seek state support for the Jobs and Education for Texans (JET) program and an increase in funding for innovative methods in improving college and workforce readiness.

#### **Measuring and Funding Success**

Measuring and funding student success is vital to the ability of community colleges to serve students, our respective communities, and the state of Texas. Importantly, the new funding strategy implemented during the 83rd legislative session provides a systematic and strategic basis for formula funding levels. Key to the success of this methodology is effectively measuring and adequately funding the strategy that comprises funding (1) core operations, (2) student success points, and (3) contact hours.

#### **College Readiness**

To assist community colleges efforts in supporting college readiness, the Texas Legislature should continue funding the *New Mathways* Project at the University of Texas at Austin. The project includes the development of a set of accelerated math courses and supports systems to help students quickly learn and earn college-level credit in rigorous mathematics.

#### **Transfer and Articulation**

Community colleges seek enactment of a common course numbering system, which will help create an easy pathway for students to achieve their education goals. An impediment to attaining this goal is a complex system that differs across the higher education system that negatively impacts students. A change to a common course numbering system enhances the ability of students and college advisors to have a clear understanding of course transfer and articulation. Currently, all community colleges in Texas utilize the common course numbering system, but not all public universities do the same.

#### **Texans in Community Colleges**

Community colleges seek adequate funding for Adult Basic Education (ABE), and an increase in the Texas Educational Opportunity Grant (TEOG) which corresponds to any increase appropriated to Texas Grants. Currently, community colleges only receive funding to serve approximately 100 thousand of the more than 3 million ABE eligible students. This circumstance harshly limits opportunity for Texans comprised of young adults from every corner of our state – those returning for new workforce skills, veterans re-entering the workforce, and lifelong learners at various levels of professional development.

#### **Hire Local First**

Similar to cities and counties in the state of Texas, HCC seeks authority to include some level of special scoring for local businesses as a factor in determining "best value" to the college when awarding contracts for certain goods and services to maximize its contributions to the local economy.

#### **Community College Baccalaureate Degree Expansion**

HCC supports expansion of community colleges offering baccalaureate degree programs in Texas when circumstances meet workforce needs. Expansion is particularly critical in the field of nursing where the Institute of Medicine calls for increases in the number of baccalaureateprepared nurse in the workforce to 80 percent. It is also critical in the disciplines of Science Technology Engineering and Mathematics (STEM).

#### **Property Tax Reform**

The accuracy of tax valuations and appraisals is essential to ensuring a taxing authorities' capability of delivering crucial services to the community. Importantly, recent findings suggest that commercial property tax valuations are unreliable statewide, resulting in substantial tax revenue losses that adversely impact schools, libraries, hospitals, community colleges and other taxing authorities, which depend upon a fair and reliable system to generate revenue that helps deliver necessary services in our respective communities and throughout the state of Texas. In light of this circumstance, property tax reform is a matter deserving meaningful consideration for all Texans.

# **Workforce and Skills Alignment**

#### lssue

Workforce and skills alignment are critical to sustain economic prosperity in Texas. To improve this initiative, it is important to sufficiently fund the Skills Development Fund (SDF) that enables community colleges to effectively work with multiple employers in our efforts to equip students to meet existing and future workforce needs in our respective regions and around the state. Similarly, the Jobs and Education for Texans program (JET) is vital to our collective success, and an increase in funding for innovative methods in improving college and workforce readiness.

#### Background

The SDF is Texas' premier job-training program that provides training dollars for Texas businesses and workers. Administered by the Texas Workforce Commission (TWC), success is achievable through collaboration among businesses, public community and technical colleges, Local Workforce Development Boards and economic development partners. Businesses work with college partners to submit proposals, develop curricula and conduct training. The SDF pays for the training, the college administers the grant, and businesses create new jobs and improve the skills of their current workers.

TWC received \$48 million in SDFs to support high quality, customized job training projects across the state for the period September 1, 2013 - August 31, 2015. These funds are critically important and allow business, consortium of businesses, and trade unions to identify training needs, and then partner with a public community or technical colleges to develop programs that fill a specific industry need.

Similarly, the JET program provides technical training in high demand occupations in the fields of manufacturing, computer support, and nursing and allied health professions. Recognizing this important need, the 83rd Legislature approved an additional \$10 million for the JET program.

#### **State Legislative Action Sought**

Increase funding for the SDF and the JET program, and for innovative methods in improving college and workforce readiness, which enable businesses and community and technical colleges to effectively equip students with necessary skills to meet existing and future workforce needs in our respective regions and around the state.

#### Impact

Approval will enhance the state's capacity, and that of community and technical colleges and the businesses with whom we partner, to ensure the development of a workforce that has skills aligned to meet specific industry demands now and in the future.

### **Measuring and Funding Success**

#### lssue

Measuring and funding student success is vital to the ability of community colleges to serve students, our respective communities, and the state of Texas. Importantly, the new funding strategy implemented during the 83rd legislative session provides a systematic and strategic basis for formula funding levels.

#### Background

The collective work of Texas community colleges and the 83rd legislature produced a funding strategy that factors (1) core operations, (2) student success, and (3) contact hour-based funding. Appropriations included \$50 million (\$1 million to each community college district) for core operations; 10% of the formula, less core operations for student success, and 90% of the formula, less core operations in the 2014-15 biennium.

During the 83rd legislative interim-session, pursuant to Rider #23, the Commissioner of Higher Education charged the Community and Technical College Formula Advisory Committee (CTCFAC) to study and make recommendations for the appropriate funding levels for core operations, student success and contact hour-based funding for the 2016-17 biennium. The CTCFAC recommends continuation of the funding strategy established during the 83rd legislative session citing *we will realize maximum efficiency and effectiveness by enrolling the rapidly growing college-age population and help students earn the educational credentials that will benefit the state's economy.* 

Core operations funds acknowledge that all community colleges have basic operational costs. Student success points/funds seek to incentivize improvement in student success, while contact hour funding operates to provide stable funding necessary to keep student tuition low and support enrollment growth.

#### **State Legislative Action Sought**

\$2.011 billion appropriated via three strategies: **(1) core operations** at \$50 million (\$1 million, per community college district, for the biennium); **(2) student success** at a rate no less than \$185, per student, the amount funded during the 2014-15 biennium; and **(3) contact hours** should factor \$6.12, per contact hour, which adequately covers inflation (nine percent since 2008) and relieves increases in institutional reliance upon tuition and fees.

#### Impact

Supports student achievement, creates opportunities, spurs business growth, and expands the state's tax base – essential to the economic prosperity of the state of Texas.

College readiness, specifically in the area of developmental education, improves a student's chance for success. Community colleges recognize this fact and commit to ongoing collaboration with public school districts to help prepare students who are not college-ready achieve their educational goals.

#### Background

Community colleges provide the vast majority of developmental education in Texas and acknowledge the challenges and opportunities presented on the issue of college readiness. Many students are not "college-ready" that requires ongoing collaboration between community colleges and public school districts across the state to help prepare students by establishing and achieving long-term educational goals and accelerating progress through developmental education.

Deficiencies in math are often an obstacle to completion of either a certificate or degree, with many students being placed in developmental math classes. The *New Mathways* Project (NMP), supported by community colleges, improves student success and completion through implementation of processes, strategies and structures built around three mathematics pathways and a supporting student success course. In partnership with the Dana Center at the University of Texas at Austin, Texas community colleges are working to develop the NMP as a statewide reform effort. This effort positions students to learn and earn college-level credits in rigorous mathematics.

Additionally, HB 5 (now law) *relating to public school accountability, assessment, and curriculum requirements* provides ample opportunity for collaboration between community colleges and public school districts to foster college readiness. As a result of this legislation, community colleges around the state are finding new ways to create success for students. Opportunities emerge in areas like dual credit courses, STEM fields and areas of technical training – important to equipping students for college readiness and access, which ultimately help meet workforce demands.

#### State Legislative Action Sought

Continue funding the New Mathways Project at the University of Texas at Austin and position community colleges, public school leaders and the state of Texas to enhance opportunities for students under HB 5, now law.

#### Impact

Approval enhances the opportunity for college-readiness and student success that correspondingly benefits the state of Texas as it addresses workforce demands.

It is imperative to create an easy pathway that enables community college students to achieve success in their educational pursuits. Common course numbering seeks to remove impediments to student transfer, particularly when deciding which courses meet certain requirements at various colleges.

#### Background

The principal purpose of common course numbering is to enable students to transfer between two different community colleges with ease. Proponents contend this opportunity enhances the ability of students and college advisors to have a clear understanding of course transfer.

Similarly, community college contend that common course numbering could positively impact articulation in the future by identifying similar courses that ultimately lead to an ease of comparison across colleges; thus, allowing acceptance of a comparable statewide curriculum. Moreover, proponents indicate that if all courses were numbered and articulated in the same way, the path of transfer would be much easier.

Currently, all community colleges in Texas utilize the common course numbering system, but not all public universities do the same.

#### **State Legislative Action Sought**

Require the use of a common course numbering system at all public institutions of higher education.

#### Impact

Approval enhances the ability of students and college advisors to have a clear understanding of course transfer that creates an easy pathway to student success.

Sufficient financial aid and grant funding, particularly in the area of Adult Basic Education (ABE) and the Texas Educational Opportunity Grant (TEOG) program is critical to the success of Texans in community colleges.

#### Background

Community colleges meet the educational needs of students all across the state of Texas. Our students non-exclusively include traditional-age young adults, those returning for new work skills, veterans seeking re-entry into the workforce, and lifelong learners at various levels of professional development.

The ability to afford college is an issue that adversely impacts many Texans in community colleges. Thus, adequate financial aid, particularly in the area of ABE and the TEOG program, is critical.

In Texas, less than 10 percent of all grant aid to community college students comes from the state of Texas. Equally important is the fact that presently Texas only provides funding to serve approximately 100,000 ABE students out of more than 3 million who are eligible for such funding.

#### **State Legislative Action Sought**

Provide adequate funding for ABE and increase the TEOG program funding consistent with any increase provided to Texas Grants.

#### Impact

Approval enhances the state's ability to adequately educate our future workforce and meet existing workforce demands.

Unlike cities and counties in the state of Texas, community colleges are unable to use some level of special scoring for local businesses as a factor in determining "best value" when awarding contracts for certain goods and services. However, such authority provides a reasonable opportunity to help retain and grow jobs in the local area.

#### Background

Previously, when seeking to procure certain types of goods and services, state law made it permissible for only smaller cities to use some level of special scoring for local businesses as a factor in determining "best value." The Texas Legislature expanded the statute to include larger cities like Houston that sought to retain and grow jobs in the local area. The expanded statute, however does not apply to community colleges.

HCC contends that like cities and counties it awards contracts for certain goods and services. Thus, expanding the statute to include community colleges will similarly help community colleges retain and grow jobs in their respective local areas. HCC further contends that such action should be permissible when practicable, particularly when pricing is competitive between local and nonlocal businesses and when economic benefit reasonably accrues to the local economy and citizens.

#### **State Legislative Action Sought**

Authorize community colleges to include some level of special scoring for local businesses as a factor in determining "best value" when procuring certain types of goods and services.

#### Impact

Helps retain and grow jobs in the local area and maximizes the effectiveness of tax dollars by ensuring a portion of citizens' funds remain in the local economy.

# **Community College Baccalaureate Degree Expansion**

#### lssue

Expansion of community colleges' opportunity to offer baccalaureate degree programs under prescribed circumstances importantly positions the state of Texas to meet workforce demands and provides multiple pathways for a diverse population to earn a valuable academic credential. This opportunity also positions the state to address unique circumstances faced in specific geographic areas on a case-by-case basis that serves the best interest of the state, particularly as it concerns meeting workforce needs.

#### Background

In the 83rd legislative session, HCC sought legislative authority via S.B. 414 (by Ellis) to offer a baccalaureate degree program in nursing citing the principal need to meet existing workforce demands based on unique circumstances in the Houston region. Specifically, those circumstances provide that because "magnet status" will require that 80% of bedside nurses have a BSN degree to work in the Texas Medical Center (TMC), HCC is having difficulty placing Associate Degree Nurse RN students in clinical work situations. Moreover, HCC students' access to employment in their chosen field of study will become harshly limited.

Because of SB 414, the Texas Higher Education Coordinating Board (THECB) asked the RAND Corporation to conduct a study to assess the utility of expanding community college baccalaureates in Texas. Based on the RAND Report's findings, staff's recommendations to the relevant THECB committee generally provide that expansion of community college baccalaureates in Texas presents a reasonable opportunity that affords multiple pathways for a diverse population to earn a bachelor's degree in a measured way, particularly when attempting to meet existing workforce demands.

In the final analysis, the THECB approved staff's recommendation to allow expansion of community colleges' opportunity to offer baccalaureate degrees under prescribed circumstances. The Texas Legislature will consider this policy recommendation during the 84th legislative session.

#### **State Legislative Action Sought**

In accordance with the THECB recommendation, authorize expansion of community colleges' opportunity to offer baccalaureate degree programs under prescribed circumstances, particularly as it concerns meeting workforce needs.

#### Impact

Importantly positions the state of Texas to meet workforce demands and provide multiple pathways for a diverse population to earn a valuable academic credential.

The accuracy of tax valuations and appraisals is essential to ensuring a taxing authorities' capability of delivering crucial services to the community. Importantly, recent findings suggest that commercial property tax valuations are unreliable statewide, resulting in substantial tax revenue losses that adversely impact schools, libraries, hospitals, community colleges and other taxing authorities, which depend upon a fair and reliable system to generate revenue that helps deliver necessary services in our respective communities and throughout the state of Texas. In light of this circumstance, property tax reform is a matter deserving meaningful consideration for all Texans.

#### Background

The law in Texas provides that everyone who owns a home, building, or land shall pay an annual property tax, based on the property's market value. When property owners believe these values are wrong, the law provides an appeals process that ensures a property owner pays the true value of the property.

Concerned parties contend that often the true value of commercial properties, particularly in the state's four largest cities (i.e., El Paso, Dallas, Houston and San Antonio), is not accurately depicted, resulting in substantial tax revenue losses. These losses, they further contend adversely impact schools, libraries, hospitals, community colleges and other taxing authorities, that depend upon a fair and reliable system to generate revenue that help deliver necessary services in our respective communities and throughout the state of Texas.

Researchers identify that commercial properties in the state of Texas are being taxed at an average of only 60 percent of the actual market value. (Citing research by the Texas Association of Appraisal Districts and the Houston Chronicle). They attribute this result to Texas law not requiring sales prices to be disclosed to appraisal districts and the lack of resources in appraisal districts to adequately defend appeals by large commercial property owners that often result in commercial properties being undervalued. Essentially, the findings conclude that the system unduly burdens homeowners, and it restricts our collective ability to provide necessary services to our communities that depend upon a tax system that is fair and reliable.

#### State Legislative Action Sought

Implement property tax reforms that ensure that all property owners pay property taxes based on the actual market value of their property.

#### Impact

Ensures consistent delivery of necessary services in our respective communities and throughout the state of Texas, while promoting a tax system that is fair and reliable.

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