

85th Texas Legislative Session (2017)
Midwestern State University
Executive Summary
August 21, 2017

General Information

During the 140-day 85th Texas Legislative Session, legislators filed 6,800 bills and joint resolutions for consideration. Of those, 1,220 passed both chambers and 1,163 ultimately became law. This session was marked by a hiring freeze called by the Governor in late January, contention between House and Senate leadership, strife among Republicans in the House, and a scuffle between House Republicans and Democrats on the last day of the session.

State and Higher Education Funding

State funding was MSU's top priority for the session and from the beginning it did not look good for higher education in general and MSU in particular. The session began with a revenue estimate from the Texas Comptroller that was a 2.7% decrease from the previous session. As lawmakers began work, the House and Senate base budgets treated higher education institutions and the budget much differently. The original Senate bill zeroed out funding for all higher education Special Items, resulting in funding for some institutions being reduced by as much as 50%. While MSU did not have the large Special Item funds other institutions had, our yearly funding of \$2.3 million in Institutional Enhancement and \$149,000 for the Small Business Development Center was significant to us. The House version of the budget preserved Institutional Enhancement funding and reduced all other Special Items by 10%.

As the session progressed, MSU's loss of funding varied between 6% and 10% depending on the scenario being considered. Our hopes for possible Exceptional Item funding for our expansion into Flower Mound were dimmed, but not lost as budget work continued. When the appropriations bill moved to the Conference Committee the two chambers were very much at odds over how to fund the budget. The House proposed spending money from the Rainy Day Fund (RDF), while the Senate opposed doing so. In the end, the RDF was used for a number of "one-time" expenditures and certain payments were delayed until the next biennium as a compromise for overall funding. In the final budget, while overall higher education funding increased, operating funds were reduced for a majority of institutions. The legislature included Hold Harmless funding so that no institution would be cut by more than 10%. As a result, MSU's appropriation, not including new Tuition Revenue Bond (TRB) debt service that was approved in the last session, was reduced by 10%, or \$1.75 million, in each year of the biennium. Six institutions received new special item funding; unfortunately our request for funding for our expansion to Flower Mound was not approved. A special joint committee will be appointed to review overall funding for higher education during the interim and we will work to ensure MSU's funding needs in light of our size and mission are understood.

The positive news for higher education coming out of the budget was a \$71 million (10%) increase for the TEXAS Grant program, the primary state student financial aid program. With this increase, it is estimated that 92% of eligible students will receive TEXAS Grant funds.

Significant Legislation

Key issues affecting higher education that were apparent through filed legislation early in the session included limiting or freezing tuition and fee increases, eliminating the required setting

aside of certain tuition income to be used for student financial aid; addressing funding or policy issues related to the Hazlewood Act; increasing the authority of community colleges to offer baccalaureate degrees; and expanding reporting, policy, and punishment requirements related to sexual assault on campus.

The legislation related to tuition and fee freezes, tuition set-asides, and Hazlewood did not pass. Higher education continues to struggle with the unfunded mandate of the Hazlewood Act which requires institutions to provide free tuition and fees to qualifying veterans and their dependents. MSU's Hazlewood Exemption totals \$1.6 million each year, and this number continues to grow.

The community college baccalaureate degree bill (SB 2118) passed and represented a major change in academic policy for the state. The bill authorizes the Texas Higher Education Coordinating Board to approve baccalaureate degree programs at community colleges in the fields of applied science, applied technology, or nursing. However, the community colleges must meet stringent criteria and standards to be considered for approval.

Three bills related to campus sexual assault (SB 966, 968 and 969) passed and had support from the higher education community. The key change for MSU as a result of this legislation is that we will have to provide an opportunity for individuals to make reports online, and do so anonymously. Other sexual assault bills that failed to pass would have expanded penalties for employees and students for not reporting and would have gone beyond current Title IX and Clery Act reporting standards.

Numerous bills passed that will affect various areas of the university, including those related to developmental education courses, dual credit courses, student debt, employee leave policies, contracting, and information resources and cyber security. A detailed legislative summary is available by contacting Debbie.Barrow@mwsu.edu.

Session Takeaways

This session provided an opportunity for legislators and staff members to meet President Shipley and to learn more about Midwestern State University. It is clear that our academic expansion beyond Wichita Falls provided opportunities for us to connect directly with legislators in other areas of the state. As our presence in the DFW area grows, so will our connection with these legislators. It became apparent to us as we made individual visits to legislators from the Flower Mound area that they were very loyal to and protective of Texas Woman's University (TWU). Each one urged us to find ways to collaborate with TWU to offer much-needed degrees in the health sciences as soon as possible. They also were pleased with our commitment to area community colleges but more outspoken about TWU, one of only six institutions to receive new exceptional item funding. During the interim we will increase our contacts and solidify our working relationship with Texas Woman's University in the Flower Mound area. Additionally, we plan to work with our alumni in Wichita Falls and throughout the state to increase our influence in the legislature.