



**80th Texas Legislature
Final Report
Session Summary
House and Senate Bills Passed**

Introduction

Prior to the 80th Legislative Session, the Texas Association of Community Colleges (TACC) adopted a *New Community College Compact with Texas*, a document that was based on the premise that the success or failure of meeting the goals of *Closing the Gaps* rests squarely on the shoulders of the state's fifty community college districts. The *Compact* would have provided changes in Base Funding, Incentive Funding, and Affordability.

Not long into the Session, it became clear that the *New Compact* was not the guide the Legislature was choosing to follow, but we did see some significant support from quite a number of legislators, and hear long-awaited comments of recognition of the significance of community colleges' role in Texas' higher education. Commissioner Raymund Paredes of the Texas Higher Education Coordinating Board made a formal recommendation to the Legislature to approve full formula funding for community colleges, stating that these institutions were crucial to the success of the state *Closing the Gaps* goals. Legislators such as Representatives Lois Kolcorst and Geanie Morrison on the House side, and Senators Zaffirini, West and Ogden on the Senate side led their committees in what seemed to be a much warmer welcome for community colleges than we had seen in some past sessions.

When the 80th Texas legislature ended on May 31, 2007 it appeared that Austin Community College had done very well. Unfortunately due to Governor Perry's veto we not only lost the line appropriation for our South Campus (the first time Austin Community College District has had such a line item), we also lost our funding for FY 2009 group health insurance. We did see an increase of 12.5% from FY 2006-07 in formula appropriation, and we did recoup the \$3.67 million from FY 2006-07 group health insurance under reporting. Governor Perry did not veto our portion of House Bill 15 that restored those funds, although he did veto other portions of that bill for some agencies and programs.

This report provides information of appropriations for FY 2008-09 and highlights legislation that was passed by the 80th legislator. The bills cover tuition, student performance, nursing and health sciences programs, open meetings/record, taxes, elections, service area and various other topics. We have provided examples of financial impact to the college in each area. Additionally, we have described the impact on our Master Plan Initiatives and marked them that way.

Tuition

DRAFT

- **SB201** by Nelson allows nurse preceptors and their children to use tuition exemptions within two semesters of the preceptor's service. Effective 6/15/2007.

Year	# of Exemptions	Total Dollar Amount
FY04	0	0
FY05	0	0
FY06	0	0
FY07	1	\$500

- **SB457** by Watson authorizes education benefits for a child of a public service or law enforcement employee killed in the line of duty regardless of whether the employee is the custodial or non-custodial parent. Effective 5/21/2007.

Exemptions for Custodial Children

Year	# of Exemptions	Total Dollar Amount
FY04	1	\$ 3,983
FY05	1	\$ 2,561
FY06	1	\$ 1,692
FY07	4	\$11,498

- **SB1232** by Zaffirini provides flexibility in installment plans used by students to pay tuition and fees to an institution of higher education. The bill authorizes electronic agreements for emergency loans, and allows an origination fee, rather than interest, to be charged for an emergency loan. Effective 5/21/07.
 - The existing payment plan at ACC meets the legal requirements of this legislation.
- **HB125** by Delisi extends the exemption from tuition and fees to the children of members of the armed forces of the United States or of the Texas National Guard or the Texas Air National Guard who became totally disabled as a result of a service-related injury. Effective 6/16/2007.
 - Since students have to exhaust their federal education benefits before using this exemption, the agency assumes approximately 15% of the 1,756, or 263, are potential children of totally and permanently disabled veterans that will use the exemptions beginning in fiscal year 2008. Based on the number of students (8,894) utilizing the exemption in fiscal year 2005 the exemption would cost a total of \$14,383,953 or \$1,617 per student. Annual cost for 263 at \$1,617 per student exemption is therefore estimated at \$425,271.

Children of Deceased Military

Year	# of Exemptions	Total Dollar Amount
FY04	360	\$278,564
FY05	360	\$310,093
FY06	384	\$349,916
FY07	378	\$396,833

- **HB741** by King would modify the eligibility requirements for tuition and fee exemptions for children of certain volunteer peace officers who are killed or disabled. Effective 5/25/2007.
 - The Higher Education Coordinating Board estimates that 140 children benefited through the program in fiscal year 2005 for a total of \$359,862 in foregone tuition and fee revenues for the institutions. This represents the number of children of deceased and disabled paid peace officers and firefighters and of deceased and disabled volunteer firefighters. The Coordinating Board expects the addition of the children of deceased and disabled volunteer peace officers to increase the number of participants by 1 percent in fiscal year 2008, rising by 1 percent each year to 5 percent in fiscal year 2012. This represents 1 student in fiscal year 2008, rising to 7 students in fiscal year 2012. The total cost for the institutions is estimated to be \$3,600 in fiscal year 2008, \$7,200 in fiscal year 2009, \$10,800 in fiscal year 2010, \$14,400 in fiscal year 2011 and \$18,000 in fiscal year 2012. H.B. 741 expands eligibility for the exemption of tuition and fees at public institutions of higher education to the dependents of volunteer law enforcement officers who have been killed or disabled in the line of duty.

**Children of Full-paid Firefighters, Full-paid Police Officers,
and Volunteer Firefighters**

Year	# of Exemptions	Total Dollar Amount
FY04	3	\$3,737
FY05	4	\$4,422
FY06	4	\$7,011
FY07	5	\$6,252

- **HB3900** by Morrison establishes the Texas Tomorrow Fund II prepaid tuition unit undergraduate education program found outside the state treasury. The fund will be administered by the Prepaid Higher Education Tuition Board in the Comptrollers Office. Effective 6/16/07.
 - No action required by ACC at this time.

- **SB1233** by Zaffirini authorizes a general deposit to be applied toward other balances and provides institutions time to identify all amounts owed by a student and to determine whether the student intends to enroll in another semester or summer session. Effective 6/15/07.
 - ACC does not have a General Property Deposit

Student Performance

- **SB282** by Gallegos provides that each school year, a school district shall notify the parent of each district student enrolled in grade nine or above of the availability of programs in the district under which a student may earn college credit, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs. A school district may provide the notification required by such section on the district's Internet website. The notification must include the name and contact information of any public or private entity offering a program described by such section in the district. Effective 6/15/2007.
 - This bill requires no action by the colleges.
- **HB3382** by Naishtat 3382 requires textbook publishers to make electronic copies of textbooks and other assigned written materials promptly available to institutions of higher education if requested, for use by visually impaired students. The bill also prohibits publishers from charging an entity for the material and subjects publishers who fail to comply with the law to administrative penalties imposed by the Texas Higher Education Coordinating Board. Effective 6/15/2007.
 - Requires a request made by an institution under Subsection (c) to certify that, for each blind or visually impaired student or student with dyslexia who will use specialized instructional material based on the requested computerized files for a course in which the student is enrolled at the institution, either the institution or the student has purchased a printed copy of the instructional material, and be signed by the person at the institution with primary responsibility for services for disabled students.
- **HB2198** by Flores removes the pilot status of these programs and makes the granting of baccalaureate degrees in applied science and technology at these schools permanent. This bill also authorizes THECB to create rules to allow other institutions to offer the baccalaureate degree. Effective 6/15/2007.
 - This legislation offers the opportunity of ACC to possible offer baccalaureate degrees.
- **SB1231** by Zaffarini amends the Education Code so that an institution of higher education may not permit a student to drop more than six courses, including any course a transfer student has dropped at another institution. Effective 6/15/07.

- The THECB is charged with adopting rules under which an institution of higher education may permit a student to drop more courses.
- The board may adopt a policy which the maximum number of courses a student is permitted to drop under circumstances is less than six.

Health Sciences

- **SB138** by Nelson directs the Texas Higher Education Coordinating Board to develop rules to promote retention and graduation of nursing students and to recognize programs with a graduation rate of at least 85 percent. Effective 6/15/07.
 - Requires no action by ACC but under the guidelines established ACC would be one of the institutions recognized.

- **SB139** by Nelson requires the Texas Higher Education Coordinating Board and the Board of Nurse Examiners to study the current nursing curriculum and recommend improvements in order to ensure that Texas nursing programs teach the highest quality nursing curriculum. Effective 6/15/07.
 - Requires no action by ACC.

- **SB140** by Nelson requires the Department of State Health Services (DSHS) and the Texas Higher Education Coordinating Board to conduct a joint study of the feasibility of providing immunizations without charge or at a discounted rate to economically disadvantaged students enrolled in health professional degree programs at institutions of higher education in Texas. A joint written report is required to be submitted to the legislature by January 15, 2009. DSHS indicates the study can be completed by their Immunization Branch with available resources. Effective 6/15/07.
 - Requires no action by ACC at this time.

- **SB141** by Nelson directs the Texas Higher Education Coordinating Board, members of the Health Professions Council, and representatives of certain institutions of higher education to study the feasibility of health professions students taking combined health science classes. Effective 6/16/07.
 - Requires no action by ACC.

- **SB289** by Nelson encourages nursing schools to utilize more part-time or adjunct faculty by allowing professional nursing shortage reduction grants to be used for part-time faculty. This will help schools recruit nurses to serve as faculty who wish to remain in practice but also have a desire to teach. Effective 6/16/07.
 - ACC currently uses part-time and adjunct faculty.

- **HB3443** By Howard establishes a new Texas Hospital-Based Nursing Education Partnership Grant Program to increase the number of nurses in Texas by fostering innovation through partnership models, leveraging existing expertise and infrastructure in both practice and academia, and expanding nursing education.
 - This legislation is an opportunity for ACC to increase the number of hospital-based nursing education partnerships.

- **SB992** by Nelson continues the current dedication of a portion of the tobacco lawsuit settlement funds to support nursing schools.
 - Any funding that is being received will continue.

Open Meetings/Records

- **SB1306** by Wentworth excludes from the definition of "meeting" the attendance of a quorum of a governmental body at a ceremonial event or press conference, if formal action is not taken and any discussion of public business is incidental to the ceremonial event or press conference. Effective 5/22/07.
 - Posting of these types of meetings would no longer be necessary.
- **HB3827** by Morrison authorizes the governing board of a junior college district to hold open or closed meetings by telephone conference call, only if a quorum of the governing board is physically present at the location where meetings of the board are usually held. Effective 6/15/2007.
 - Provides that the telephone conference call meeting is subject to the notice requirements applicable to other meetings.
 - Requires each part of the telephone conference call meeting that is required to be open to the public to be audible to the public at the location where the quorum is present and to be tape-recorded. Requires the tape recording to be made available to the public.
 - Requires the location of the meeting to provide two-way communication during the entire telephone conference call meeting and requires the identification of each party to the conference to be clearly stated before the party speaks.
 - Provides that a member of governing board of a junior college district who participates in a board meeting by telephone conference call but is not physically present at the location of the meeting is considered to be absent from the meeting for purpose of Section 130.0845 (Removal of Trustee for Nonattendance of Board Meeting), Education Code.
- **HB2564** by Hancock authorizes a governmental body to establish a reasonable time limit on the amount of time that personnel are required to spend producing information in compliance with a request for public information. The bill also provides a process in which the governmental body may charge a fee if the time limit required for information production is exceeded. Effective 6/15/2007.
 - If the board decides to establish time limits it would have to adhere to the regulations established in HB2564.
- **SB592** by Watson amends the Government Code to add facsimile transmission and electronic mail to the list of approved means to communicate to the news media notice of an emergency meeting or emergency addition to an agenda, and removes telegraph as an approved means of communicating this same information. Effective 6/15/2007.
 - Will allow communications to be sent via fax and email to news media.

Taxes/Elections

- **HB438** by Hochberg authorizes the legislature to provide that the maximum appraised value of a residence homestead for ad valorem taxation is limited to the lesser of the most recent market value of the residence homestead as determined by the appraisal entity or 110 percent, or a greater percentage, of the appraised value of the residence homestead for the preceding tax year. Effective January 1, 2008 contingent upon approval by the voters of the constitutional amendment proposed by the 80th Legislature.
- **HB621** by Chavez provides that both interstate and intrastate goods-in-transit are exempt from taxation. This bill authorizes local taxing districts to choose to continue taxation at a local option. Effective 1/01/08.
 - The board will have to hold a public hearing to let the public know that they plan to continue taxing these goods. The public hearing has to be held before January 1, 2008.

Service Area/Expansion

- **HB3236** by Cook changed the district lines of Blinn Junior College and Austin Community College to eliminate the overlaps of the school districts that were in both college districts. Effective 6/15/2007.
 - This bill brings Elgin and Smithville ISDs in their entirety into the ACC service area, and releases to the Blinn district the very small portion of the Lexington ISD.

- **CSHB2074** creates the East Williamson County Multi-Institutional Teaching Center.
 - The center will be an extension of Temple College at Taylor and will provide a portfolio of educational and workforce opportunities for the citizens of rural east Williamson County. This bill authorizes the center to provide coordinated higher education opportunities to the residents of the region by offering academic credit courses and programs from the member institutions, including Temple College, Tarleton State, and Texas State Technical College--Waco. It also requires the member institutions of the center to work with the local community to identify and offer courses that will meet the educational and workforce needs of the region.
 - **HB3720** that would have authorized the issuance of revenue bonds for the Texas A&M University--Central Texas East Williamson County Higher Education Center never had a hearing.
 - Prohibits Texas A&M University--Central Texas from operating as a postsecondary institution until the Texas Higher Education Coordinating Board (THECB) certifies that the Tarleton State University System Center--Central Texas in Killeen has reached an enrollment equivalent of 1,000 full-time students for one semester or one academic year. HB589 would have required THECB to include all semester credit hours completed during the fall and spring semesters and the summer session of the academic year in computing the full-time student enrollment equivalent for Tarleton--Central Texas was vetoed by the Governor Perry.

Other Higher Education Bills

- **HB85** by Branch. Relating to credit card marketing activities at postsecondary educational institutions: providing a civil penalty. Effective 9/1/07.
- **HB1187** by Morrison. Relating to vouchers for tuition and required fees at certain institutions of higher education and excused absences from public school for students who sound “Taps” at a veteran’s funeral. Effective 6/15/2007.
- **HB2074** by Krusee. Relating to the creation of the East Williamson County Multi-Institution Teaching Center. Effective 6/15/2007.
- **HB2173** by Cook, B. Relating to the continuation and functions of the Prepaid Higher Education Tuition Board. Effective 6/15/2007.
- **HB2235** by Guillen. Relating to the creation of a technology center grant program for rural counties. Effective 6/15/2007.
- **HB3851** by Morrison. Relating to the admission of high school graduates and undergraduate transfer students to certain institutions of higher education, the computation of a student’s high school grade point average for purposes of determining eligibility for admission, and policies to promote the admission of undergraduate transfer students. Effective 6/15/2007.
- **SB1007** by West. Relating to student representation on the Texas Higher Education Coordinating Board and certain coordinating board advisory committees. Effective 9/1/07.
- **SB1325** by West. Relating to the eligibility of relatives of public college and university board members to receive certain scholarships; providing a criminal penalty. Effective 9/1/07.

Summary of Community College Appropriations

- Prior to the Governor's veto, total general revenue (GR) appropriations for Texas Public Community Colleges would have increased \$129.0 million (6.7%) from the previous biennium (see table below). In addition, for the first time in the history of community college funding, the State of Texas would have appropriated over \$2.0 billion to community colleges.
- The Governor's veto reduced the total general revenue appropriation to community colleges by \$28.2 million when compared to the previous biennium (a 1.5% decrease).

Source of Funds	FY 06-07	FY 08-09	\$ change
Formula Funds	1,611,379,025	1,704,569,985	93,190,960
Group Insurance (prior to veto)	277,863,531	307,959,598	30,096,067
Group Insurance (after veto)	277,863,531	153,979,799	(123,883,732)
TX Educational Opportunity Grant	9,000,000	14,000,000	5,000,000
<i>Nursing Growth (all higher educ)*</i>	<i>6,000,000</i>	<i>14,700,000</i>	<i>8,700,000</i>
-Community College %	2,820,000	5,880,000	3,060,000
Enrollment Growth	4,518,786	3,518,786	(1,000,000)
New Campuses (prior to veto)	3,550,167	3,283,507	(266,660)
New Campuses (after veto)	3,550,167	0	(3,550,167)
Alternative Teacher Certification	0	0	0
Non-Formula Items	15,701,394	14,274,439	(1,426,955)
STARLINK/VCT	1,271,112	1,271,112	0
BAT Formula Funds	0	378,902	378,902
Total CC GR (prior to veto)	1,924,832,903	2,053,865,217	129,032,314
Total CC GR (after veto)	1,924,832,903	1,896,601,911	(28,230,992)
*not included in total CC GR			
Other Programs in HB1	FY 06-07	FY 08-09	\$ change
Skills Development Fund	9,787,604	49,635,107	39,847,503
Self-Sufficiency Fund	5,971,323	6,234,502	263,179
Inmate Education	4,665,429	4,665,429	0
Total CC GR (prior to veto)	1,947,257,259	2,114,400,255	169,142,996
Total CC GR (after veto)	1,947,257,259	1,957,136,949	11,879,690

Formula Funding for 2-year Colleges

- The 2008-09 appropriation for community colleges represents **51.4 %** of the full formula.
- Community colleges received the highest increase from the previous biennium (5.9%).
- The THECB recommended full funding of the Community and Technical College Formula less the amount colleges receive for tuition and fees. As shown in the table, the percent of THEB recommendation varies among the 2-year institutions.

	THECB Formula Recommendation	FY 2006-07 Formula Appropriation	FY 2008-09 Formula Appropriation
Public Community Colleges	2,251,018,781	1,611,379,025	1,704,569,985
% change in BY Contact Hours	-0.9%		
% change from 2006-07	5.8%		
% of THECB Recommend	75.7%		

- See table on next page for formula appropriation by college.

Formula Appropriation

Community College District	Contact Hr % change	Appropriation FY 2006-07	Appropriation FY 2008-09	% Change from 06-07
Alamo	-2.3%	130,818,758	135,693,392	3.7%
Alvin	3.2%	16,149,214	16,913,417	4.7%
Amarillo	-5.7%	33,656,507	34,306,533	1.9%
Angelina	-13.9%	16,814,428	16,814,429	0.0%
Austin	6.2%	74,251,591	83,559,699	12.5%
Blinn	1.7%	37,793,353	41,139,958	8.9%
Brazosport	2.0%	11,177,985	11,515,769	3.0%
Central Texas	-2.0%	38,750,175	39,995,821	3.2%
Cisco	-2.1%	9,985,407	10,996,216	9.8%
Clarendon	13.0%	4,177,194	4,177,194	0.0%
Coastal Bend	-24.1%	13,632,016	13,632,017	0.0%
College of the Mainland	-10.7%	12,714,125	12,714,124	0.0%
Collin	6.8%	50,044,658	56,382,881	12.7%
Dallas	0.1%	169,505,495	178,896,409	5.5%
Del Mar	-5.6%	37,271,179	37,317,354	0.1%
El Paso	-1.8%	63,354,599	66,712,421	5.3%
Frank Phillips	-9.2%	5,431,417	5,431,416	0.0%
Galveston	-9.7%	9,458,698	9,458,699	0.0%
Grayson	-1.6%	12,978,201	13,910,141	7.2%
Hill	8.6%	11,077,994	12,995,631	17.3%
Houston	-1.0%	122,624,736	127,254,865	3.8%
Howard	-7.9%	15,912,822	15,912,822	0.0%
Kilgore	-2.3%	20,340,250	20,366,429	0.1%
Laredo	-7.1%	25,279,799	25,279,799	0.0%
Lee	-7.6%	20,144,016	20,144,015	0.0%
McLennan	-2.3%	26,573,844	27,607,204	3.9%
Midland	2.0%	17,742,065	19,456,889	9.7%
Navarro	7.4%	21,174,132	24,249,318	14.5%
North central Texas	11.9%	15,620,322	18,838,618	20.6%
North Harris Montgomery	4.5%	98,226,724	109,713,056	11.7%
Northeast Texas	-5.9%	7,681,236	7,980,432	3.9%
Odessa	-14.7%	16,947,526	16,947,527	0.0%
Panola	0.0%	6,600,412	7,287,116	10.4%
Paris	-0.9%	15,017,857	16,290,310	8.5%
Ranger	3.4%	4,179,620	4,179,620	0.0%
San Jacinto	-1.8%	70,406,385	74,246,025	5.5%
South Plains	-5.3%	28,776,486	29,025,717	0.9%
South Texas	1.5%	46,457,056	50,542,148	8.8%
Southwest Texas	-12.6%	15,409,063	15,409,063	0.0%
Tarrant	-0.8%	86,723,323	90,885,520	4.8%
Temple	6.9%	12,298,121	14,101,299	14.7%
Texarkana	-5.2%	17,908,242	18,213,070	1.7%
Texas Southmost (UT)	6.2%	24,539,632	27,965,642	14.0%
Trinity Valley	-2.4%	22,173,183	23,148,354	4.4%
Tyler	-3.4%	31,990,297	32,974,900	3.1%
Vernon	-8.4%	10,906,245	10,906,246	0.0%
Victoria	-6.4%	13,632,175	13,632,174	0.0%
Weatherford	-0.3%	15,419,006	16,468,261	6.8%
Western Texas	6.8%	5,427,834	6,128,017	12.9%
Wharton	-3.4%	16,203,622	16,832,008	3.9%
Community College Total	-0.9%	1,611,379,025	1,700,416,474	5.5%

Group Health Insurance Appropriation by College

Community College District	FY2008	FY2009*	Total
Alamo	12,185,357	0	12,185,357
Alvin	1,574,860	0	1,574,860
Amarillo	3,758,285	0	3,758,285
Angelina	1,367,325	0	1,367,325
Austin	7,164,544	0	7,164,544
Blinn	3,054,600	0	3,054,600
Brazosport	1,373,650	0	1,373,650
Central Texas	2,731,087	0	2,731,087
Cisco	924,722	0	924,722
Clarendon	461,040	0	461,040
Coastal Bend	1,497,422	0	1,497,422
College of the Mainland	2,138,088	0	2,138,088
Collin	3,784,295	0	3,784,295
Dallas	15,758,341	0	15,758,341
Del Mar	4,018,340	0	4,018,340
El Paso	6,182,391	0	6,182,391
Frank Phillips	585,527	0	585,527
Galveston	943,016	0	943,016
Grayson	1,468,952	0	1,468,952
Hill	954,181	0	954,181
Houston	10,278,053	0	10,278,053
Howard	1,656,424	0	1,656,424
Kilgore	2,129,068	0	2,129,068
Laredo	3,342,228	0	3,342,228
Lee	2,119,681	0	2,119,681
McLennan	2,724,160	0	2,724,160
Midland	2,065,163	0	2,065,163
Navarro	1,470,933	0	1,470,933
North Central Texas	1,418,908	0	1,418,908
North Harris Montgomery	10,002,351	0	10,002,351
Northeast Texas	874,764	0	874,764
Odessa	1,963,198	0	1,963,198
Panola	945,499	0	945,499
Paris	1,278,367	0	1,278,367
Ranger	374,105	0	374,105
San Jacinto	6,628,666	0	6,628,666
South Plains	3,338,955	0	3,338,955
South Texas	3,985,978	0	3,985,978
Southwest Texas	1,666,736	0	1,666,736
Tarrant	9,207,978	0	9,207,978
Temple	1,330,783	0	1,330,783
Texarkana	1,667,329	0	1,667,329
Texas Southmost (UT)		0	
Trinity Valley	1,701,713	0	1,701,713
Tyler	3,361,192	0	3,361,192
Vernon	1,120,729	0	1,120,729
Victoria	1,519,013	0	1,519,013
Weatherford	1,397,289	0	1,397,289
Western Texas	694,843	0	694,843
Wharton	1,789,670	0	1,789,670
Community College Total	153,979,799	0	153,979,799

