

- SUBJECT:** Providing funding for comprehensive regional universities
- COMMITTEE:** Higher Education — committee substitute recommended
- VOTE:** 10 ayes — Murphy, Pacheco, Cortez, P. King, Muñoz, Ortega, Parker, Raney, C. Turner, J. Turner
- 0 nays
- 1 absent — Frullo
- WITNESSES:** For — Justin Yancy, Texas Business Leadership Council; (*Registered, but did not testify*): Dana Harris, Austin Chamber of Commerce; Libby McCabe, Commit Partnership; Molly Weiner, United Ways of Texas)
- Against — None
- On — Cynthia Matson, Texas A&M University San Antonio; Carine Feyten, Texas Woman's University; Jesse Pisors, University of Houston Victoria
- BACKGROUND:** Interested parties have called for increasing funding to support comprehensive regional universities in Texas. These universities serve a growing population of at-risk students who often require additional academic support.
- DIGEST:** CSHB 3175 would provide funding for certain eligible institutions to support such institutions in serving at-risk students, helping to meet the state's workforce needs and enhancing the institution's regional economy.
- The bill would define "eligible institution" to mean an institution of higher education designated as a comprehensive university, doctoral university, or master's university under the Texas Higher Education Coordinating Board's (THECB) accountability system.
- "At-risk student" would mean an undergraduate student of an eligible

institution:

- whose score on the SAT or ACT assessment test was less than the national mean score of students' scores on those tests; or
- who had previously received a grant under the federal Pell Grant program.

Funding. For each state fiscal biennium, an eligible institution would be entitled to receive an amount equal to the sum of:

- a base amount of \$500,000 or a greater base amount provided by appropriation; and
- the product of \$1,000 or a greater amount provided by appropriation and the average number of at-risk students awarded a degree by the institution each year during the three state fiscal years preceding the biennium.

An alternative method of allocating funding could be provided by appropriation.

Study and report. THECB, in consultation with a representative group of eligible institutions, would be required to conduct a study on the bill's proposed method of funding to determine its effectiveness in allocating state funds fairly and equitably and promoting student success at eligible institutions.

By September 1, 2022, the THECB would be required to submit to the governor and the Legislative Budget Board a report on the results of the study and any recommendations for legislative or other action.

The bill's provisions relating to the study and report would expire September 1, 2023.

An eligible institution would be entitled to receive funding under the funding model proposed in this bill beginning with the first state fiscal biennium for which money was appropriated for that purpose.

The bill would take effect September 1, 2021.

NOTES:

According to the Legislative Budget Board, the bill would have an estimated negative impact of about \$43 million to general revenue related funds through fiscal 2022-2023, with a similar impact in subsequent biennia. The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.