Gov. Perry Announces Initiatives to Meet Growing Demand for Higher Education

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Gov. Rick Perry today outlined his initiatives for the upcoming legislative session to improve accessibility, accountability and affordability in higher education. The governor called for a four year tuition freeze, outcomes-based funding for institutions and increased fiscal transparency for students and families. He also renewed his challenge for institutions to create more affordable $10,000 bachelor's degree options.

"More and more young Texans of all backgrounds are thinking of college as a vital component of their personal success and they're taking active steps to get themselves there," Gov. Perry said. "Implementing these measures will meet the growing demand for higher education in a way that provides encouragement for students to complete their degree in a timely fashion and with financial certainty."

Ensuring students complete their degrees in a timely manner is critical to controlling costs, both for families and institutions. In addition to providing an incentive for students to graduate on time, the governor's call for a four-year tuition freeze at the rate a student pays his or her freshman year gives families predictability as they plan for the cost of higher education.

"While striving to enhance excellence, we need to offer multiple options to Texas students, families and taxpayers to rein in college costs," House Higher Education Committee Chairman Dan Branch said.

Along these lines, Gov. Perry has proposed outcomes-based funding for institutions, tying 10 percent of an institution's state funding to the number of students it graduates. Currently less than 30 percent of students at four-year institutions graduate in four years, with only 58 percent graduating in six. Additionally, the governor has called for more cost transparency so students and families know the full financial cost of delayed graduation.

In 2011, Gov. Perry challenged institutions of higher education to find efficiencies in the way they teach students, including offering bachelor's degrees for $10,000 or less, including books. So far, nine institutions have announced or implemented a $10,000 degree:
• The University of Texas at Arlington, Tarrant County College System and Mansfield School District
• The University of Texas at Permian Basin
• The University of Texas at Brownsville
• Tarleton State University
• Texas A&M University - Commerce and South Texas College
• Texas A&M International University
• Texas A&M University - San Antonio and Alamo Colleges
• Texas A&M University - Texarkana
• Sul Ross State University Rio Grande College and Southwest Texas Junior College

For more information about the governor's education priorities, please visit http://governor.state.tx.us/initiatives/education/.
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Just a week or so ago, we got the welcome news that participation in the SATs has soared over the last five years, particularly among our state's minority populations.

We saw a 65 percent increase among Hispanic students, and a 42 percent increase among African-Americans.

Those are incredible numbers, because if there's any statistic that measures hope, that's the one.

Students take the SAT for one reason, and one reason only, they're dreaming of going to college.

As many of the legislators here today can attest, the state has taken initiative in many ways to encourage these students to reach for their dreams.

Just today, in fact, the TEA announced a new website, texascollegeandcareer.org, which helps match students up with information about their collegiate and career options.

However, beyond our efforts, there's a growing realization among today's students that they'll need more than a high school degree to compete for the jobs of the future.

So more and more young Texans of all backgrounds are thinking of college as a vital component of their personal success, and they're taking active steps to get themselves there.

As state officials, we have to do everything we can to remove the roadblocks and allow them to pursue that success.

That's why I'm calling for a four-year tuition freeze for incoming freshmen.

Not only will this give students cost certainty heading into their education, it also will provide a powerful incentive for them to finish their degree on time.

Currently less than 30 percent of students at Texas' four-year institutions graduate in four years, and only 58 percent have their degree in six.

Clearly, the system can, and must, be improved.

That's why we also need to link a portion of each university's funding to student outcomes.

Under the existing formula, university funding is based primarily upon enrollment, but I'm calling for a portion of that funding - 10 percent - to be tied to how many of those students are actually receiving degrees.

Put simply, if you're not graduating your students, you'll get less state funding.
This will encourage universities to do everything they can to help their students complete their degrees, and graduate in a timely fashion.

Along those lines, we're going to make sure students have a clear picture of how much is at stake when it comes to graduating on time, by requiring universities to inform students how much they'll spend on their degree if they graduate in four years, and how much more it'll cost if it takes five or six.

Last year during the State of the State address, I called on colleges and universities to develop and implement degree programs that cost no more than $10,000.

At the time, some insisted it couldn't be done.

Everybody else went to work.

Already, nine institutions have announced programs to meet that challenge, including UT-Arlington, in Rep. Dianne Patrick's district.

And more are in development as we speak.

Implementing these measures will meet the growing demand for higher education, in a way that provides encouragement for students to complete their degree in a timely fashion and with financial certainty.

The average debt of Texas graduates is still lower than the national average, and these steps will help us keep it that way.