

SUBJECT: Revising ballot language for junior college district annexation elections

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 7 ayes — Branch, Bonnen, Brown, D. Howard, Johnson, Lewis, Patrick
0 nays
2 absent — Castro, Alonzo

WITNESSES: None

BACKGROUND: Education Code, ch. 130 assigns service areas to each junior college district for providing educational services. A service area includes territory both within and beyond the boundaries of the district where the junior college provides services. A junior college district is allowed to enlarge its district boundaries and annex territory either by contract or by election.

Education Code, sec. 130.065 sets forth the requirements for annexation by election. The ballot must include a description of the territory proposed for annexation.

DIGEST: HB 2433 would require additional information to be included on an election ballot for a proposition to expand the boundaries of a junior college district. The ballot would have to include the name of the junior college district, the territory to be annexed, and a statement that approving the annexation also would authorize the imposition of a property tax for junior college purposes. The district's current tax rate per \$100 valuation of taxable property would have to be listed. If the rate had not been adopted, the tax rate for the preceding year would have to be listed.

The bill would take effect September 1, 2011, and the new language would be included on ballots for elections held on or after this date.

SUPPORTERS SAY: HB 2433 would bring greater transparency to voters weighing whether or not to expand the boundaries of a junior college district. The language that currently is included on a junior college district annexation election ballot does not include the applicable tax rate or identify the junior college

district seeking to annex territory. Instead, the ballot language centers on the question of whether a certain territory, specifically identified on the ballot, should be annexed for junior college purposes. HB 2433 would require that a ballot for a junior college district annexation election include specific information about the district's taxing authority and current property tax rate. The bill also would require the ballot language for these elections to identify the name of the junior college district attempting to annex territory.

Permitting community and junior colleges to annex territory without fully disclosing the costs associated with the expansion creates a hidden tax burden for Texans. This is especially true in smaller communities that lack their own media outlets, making it more difficult for some voters to have a complete picture of all of the issues. The role of an educator is to seek the truth and clearly explain the process and consequences of an action, but these ballot initiatives typically only focus on the potential benefits for students paying cheaper "in-district" tuition rates. It is disappointing and ironic that institutions of higher learning are withholding information that would have a considerable fiscal impact on the public that they are meant to serve.

Community college districts are trying to secure more funding for various reasons. Expanding a district's boundaries could instantly generate billions of dollars for its tax base to be paid by the homeowners and businesses within the newly acquired areas. The current budget shortfall could increase the need for junior and community college districts to seek more funding and become even more aggressive in their attempts to annex districts to fill gaps in state funding. HB 2433 could help to limit this practice and return the focus to education rather than funding.

**OPPONENTS
SAY:**

HB 2433 would appear to promote transparency in junior and community college annexation ballot initiatives, but the bill in its current form could prejudice voters by simply listing the name of the college and the district's ad valorem tax rate. HB 2433 would require state-sanctioned ballot language that used loaded words (e.g., "imposition") and only highlighted the burdens of annexation. It would be similarly biased if the Legislature approved a measure to change the ballot language to include words like "benefit" and specified the tuition discount amount and the number of additional students that could be served.

When voters head to the polls to decide whether or not to expand a junior or community college district, they must carefully weigh the potential costs associated with joining the district (taxes) against the potential benefits (lower tuition, increased access to higher education and vocational training, economic growth, and lower unemployment). The current process for permitting a ballot initiative for junior or community college annexation involves several local hearings to allow voters on either side of the issue to address the pros and cons of annexation within their communities. These meetings provide the most appropriate forum for local voters to voice their positions, as opposed to having the state write the ballot language to emphasize one side of the issue.

Junior and community colleges have played a critical role in helping to educate Texans at an affordable price, despite substantial decreases in state funding. While the demand for enrollment continues to soar, much of the state is not included in the tax base of any junior or community college. As a result, access to higher education and vocational training is limited to larger towns and cities, and the cost burden is shifted onto the student. Many local communities have recognized the long-term effects of these problems, and have increased support for annexation to ensure that their residents can obtain access to a high-quality education at a lower cost. HB 2433 could create a chilling effect against any expansion of educational opportunities at the expense of Texas students.

NOTES:

The companion bill, SB 1226 by Hegar, passed the Senate by 31-0 on the Local and Uncontested Calendar on April 7 and has been referred to the House Higher Education Committee.