

BILL ANALYSIS

Senate Research Center
87R9376 JRJ-D

S.B. 1230
By: Taylor
Higher Education
3/27/2021
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1230 establishes the Texas Commission on Community College Finance. The focus of the commission shall be to study state appropriations (formula funding for instruction, healthcare employee group insurance proportionality, etc.) for public community and junior colleges and to make recommendations for consideration by the 88th Texas Legislature for establishing a state funding formula and funding levels sufficient for sustaining viable community college education and training offerings throughout the state.

As proposed, S.B. 1230 amends current law relating to establishing the Texas Commission on Community College Finance.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter G, Chapter 130, Education Code, by adding Section 130.1305, as follows:

Sec. 130.1305. TEXAS COMMISSION ON COMMUNITY COLLEGE FINANCE. (a) Establishes the Texas Commission on Community College Finance (commission) to make recommendations for consideration by the 88th Texas Legislature regarding the state funding formula and funding levels for public junior colleges in Texas that would be sufficient to sustain viable junior college education and training offerings throughout the state.

(b) Provides that the commission is composed of 11 members as follows:

- (1) three members appointed by the governor;
- (2) three members appointed by the lieutenant governor;
- (3) three members appointed by the speaker of the Texas House of Representatives (house);
- (4) one member appointed by the board of the Texas Association of Community Colleges; and
- (5) one member appointed by the board of the Community College Association of Texas Trustees.

(c) Requires that members appointed by the governor be representatives of junior college leaders, business leaders, or other stakeholders knowledgeable in junior college mission, instructional programs, and finance.

(d) Requires that members appointed by the lieutenant governor consist of two members of the Texas Senate, and an administrator from an institution of higher education as defined by Section 61.003 (Definitions).

(e) Requires that members appointed by the speaker of the house consist of two members of the house of representatives, and an administrator from an institution of higher education as defined by Section 61.003.

(f) Requires the governor, lieutenant governor, and speaker of the house, in making appointments, to coordinate to ensure that the membership of the commission reflects, to the extent possible, the geographic diversity of Texas public junior colleges and the ethnic diversity of the communities served by those junior colleges.

(g) Requires the commission to convene not later than the 90th day after the enactment of this section by the legislature and to continue its activities until completion of a final report.

(h) Requires the commission to examine trend and forecast data, seek stakeholder input, and account for equity in student outcomes, with a particular focus on students who are underrepresented in higher education, including from families in the bottom quintiles of the economic spectrum, and make recommendations on the following policies:

(1) contact hour funding formulas established for public junior colleges under Subchapter C (Powers and Duties of Board), Chapter 61 (Texas Higher Education Coordinating Board), and Subchapter A (General Provisions) of Chapter 130 (Junior College Districts);

(2) the use of student success points established under Section 61.0593 (Student Success-Based Funding Recommendations) to determine the allocation of state funding to public junior colleges;

(3) historical or innovative funding methods for supporting underfunded colleges;

(4) revenue source proportionality in the payment of employee group insurance benefits; and

(5) the feasibility of establishing shared service agreements or interinstitutional collaboratives where institutions of higher education perform administrative services, other than direct instruction and student support services, for other institutions of higher education for a fee or other consideration.

(i) Authorizes the commission to seek resource support, including data analyses and technical assistance, from the Texas Higher Education Coordinating Board, the Texas Association of Community Colleges, and research organizations. Authorizes the commission to accept gifts, grants, and donations from any source to be used to carry out a function of the commission.

(j) Requires the commission to submit a final report and recommendations to the governor, lieutenant governor, and both houses of the legislature not later than November 1, 2022.

(k) Provides that this section expires January 1, 2023.

SECTION 2. Effective date: upon passage or September 1, 2021.