

Testimony: Senate Finance Committee SB 1 Proposal for Higher Education Coordinating Board funding in 2020-2021

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The Center for Public Policy Priorities is an independent public policy organization that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We envision a Texas where everyone is healthy, well educated, and financially secure. To reach this vision, the state needs to adequately fund public higher education and college financial aid.

Higher education is a critical tool for economic prosperity for all Texans, and state budget support for higher education has a significant impact on Texas students and families.

SB 1 recommends a General Revenue two-year increase of 1.6 percent overall for higher education, which falls significantly short of meeting the higher education needs of Texans. The Coordinating Board's April 2018 formula funding recommendations included an overall formula increase of 8.2 percent in 2020-2021, compared to 2018-2019.

The starting-point's recommended 1.6 percent increase doesn't even meet the THECB inflation estimate of 1.7 percent for the next two years. This means, at the currently proposed rates, Texas higher education institutions would not receive enough new state funds to cover inflation and growing student populations.

Depending on how colleges respond to insufficient state funding, Texas students and families could face higher tuition and fees.

The starting-point state budget could also require a smaller average per-student award for the TEXAS Grant, a critical instrument in helping Texas families pay for higher education.

SB 1 proposes \$393 million a year for the TEXAS grant in 2020 and 2021, the same as in 2018 and 2019. But a projected addition of nearly 7,700 students means that funding decreases by almost \$540 per student between 2019 and 2021.

The TEXAS grant is absolutely critical to student completion and success and I can attest to that personally. When I graduated from the University of Texas in 2016, I was the first person in my family to get a degree and I relied on the TEXAS grant in combination with other aid and work to afford my education.

Increased funding for higher education, specifically the TEXAS grant, would mean that thousands of other Texans, like myself, can pursue higher education regardless of their financial background. I thank you for your time and will do my best to answer any questions you may have.

About CPHP

The Center for Public Policy Priorities is an independent public policy organization that uses research, analysis and advocacy to promote solutions that enable Texans of all backgrounds to reach their full potential. Learn more at CPPP.org.