

109th Tennessee General Assembly – First Session Summary

April 22, 2015

Even though the First Session of the 109th General Assembly was fraught with various challenges such as a two week organizational recess, a one week extraordinary session, and a closure due to a record ice storm, the leadership was able to obtain adjournment by April 22nd. In summary, independent higher education fared quite well during this policy season. There is an increase in student aid, passage of the State Authorization Reciprocity Agreement, clarification on the Tennessee Promise, and expansion of our bonding authority.

Below are some of the key issues tracked by the TICUA staff this year:

Governor's Budget Increases Student Aid

Governor Bill Haslam included a generous \$10 million improvement to the Tennessee Student Assistance Award, the state's only purely need-based aid program. Based on previous distribution of this program, students attending TICUA member institutions receive between 33-35% of this program. Consequently, our students may see an increase of \$3.3-\$3.5 million in aid for the fall of 2015. Currently, TICUA students receive about \$20 million each year in this program that serves students with a family adjusted gross incomes of about \$30,000 and less.

SARA Legislation Passed

Both the House and the Senate unanimously passed the State Authorization Reciprocity Agreement (SARA) bill. Once Governor Haslam signs the bill, the measure will allow Tennessee to apply for membership with NC-SARA which promises to significantly reduce the administrative burden and cost of offering online programs in other states. By participating in NC-SARA, TICUA member institutions will be able to offer online courses in other NC-SARA participating states without additional fees or regulatory burdens. It is hoped, that Tennessee will be in a position to begin accepting institutional applications as early as this summer with full SARA participation by fall 2015.

Tennessee Promise Adjustments

The General Assembly passed the Tennessee Promise corrections bill which clarifies a number of issues related to the new student aid program. Most importantly to TICUA members, the Promise "clean-up" bill defines last dollar to only include the Pell Grant, TSAA, and TELS. The bill was amended to clarify that Tennessee Promise students choosing a four year institution would not be given Promise scholarship aid for any courses taken prior to being admitted to the formal Associate degree program.

Free Adult Community College

Governor Bill Haslam's Adult Community College Reconnect Pilot bill was embraced by the General Assembly this year. This bill provides \$1.5 million as last-dollar scholarship aid for adult students who meet certain criteria. The pilot is currently restricted to students who choose to attend the public community colleges. To be eligible the students must be considered "independent" as defined by the FAFSA, file the FAFSA by March 1st preceding the fall semester to be enrolled, apply for the Reconnect Grant by June 1st preceding the fall semester, have not been enrolled for the past 24 months, have already completed 30 semester hours, have an adjusted gross income of \$36,000 or less. To continue eligibility the student must be enrolled for at least 9 semester hours, maintain a 2.0 GPA, and annually file the FAFSA and Reconnect Grant applications by March 1 and June 1 respectively. If the pilot is successful, the Governor plans to expand in years to come.

HiSET Takers Now Eligible for TELS

Education Committee Chairs Senator Dolores Gresham and Representative Harry Brooks successfully shepherded a bill through the legislature that makes a minor adjustment to the Tennessee Education Lottery Scholarship programs. This bill allows recipients of the HiSET high school equivalency credential to be eligible for a Tennessee HOPE scholarship in the same manner as recipients of the GED high school equivalency credential. The applicable minimum HiSET score for scholarship eligibility will be 15. This bill also revises the required GED score under the HOPE scholarship eligibility requirements to conform to the scale used for the new version of the GED. The new required GED score will be an average of at least 170.

Attempts to Modify TELS Fail

As is the tradition of the Tennessee General Assembly, there were a number of bills filed to modify the Tennessee Education Lottery Scholarship. With the excess lottery reserve now dedicated to the Tennessee Promise scholarship there was no fiscal room to make the proposed adjustments. Below are some of the measures which failed.

Senator Mark Green and Representative Joe Pitts attempted to move the "Come Back for Your Future" bill through the legislature but failed. The bill would have provided up to \$3,500 in grants for adult learners to return to college to complete their degrees at four year institutions. This is a pilot program, which somewhat mimics the community college Adult Reconnect scholarship, had a fiscal note of \$1.5 million from the lottery scholarship funds. TICUA member institutions would have been eligible for the program had it passed.

Senator Mark Green and Representative John Ragan have sponsored an unsuccessful bill which proposed that semester hours and grades earned as a part of a ROTC program would not be counted as a part of the TELS hours or GPA. The bill addressed an issue where students participating in ROTC lose TELS eligibility when majoring in STEM degrees because it quickly puts them over 120 hour or program limit.

The legislative attempt to expand the number of institutions eligible for the Tennessee Education Lottery Scholarships also failed. The bill was designed to add colleges accredited by the Association of Biblical Higher Education. Effectively, the bill would have added three new institutions to the TELS eligible list.

Senator Ken Yager's bill which would have allowed students taking dual enrollment courses to use those grades toward retaining the Hope Scholarship also failed. If it had passed, students would have been able to choose whether or not to use the GPA prior to enrolling in a postsecondary institution. While the grades may be used to boost the overall TELS GPA the hours taken will not count against any of the Hope Scholarship terminating events. The bill carried a \$1.3 million fiscal note which assured its demise.

As well, the bill which would have allowed Hope Scholarships students to drop from full-time to part-time status failed in the House Education Administration and Planning Subcommittee. The bill would have provided students one "free" drop below full-time student status without jeopardizing their scholarship eligibility.

The Educator Protection Act of 2015

Governor Bill Haslam's "The Education Protection Act of 2015" creates a one-time \$5 million invested pool to fund professional liability insurance for public K-12 teachers and student teachers. The insurance coverage will be provided at no cost to the teachers and will serve as supplemental coverage to what the Local Education Agencies (LEA's) already provide. The bill successfully made it through the General Assembly and will supplement the liability coverage for TICUA member student teachers.

Firearms Bill Passes

Senator Mark Green and Representative Curry Todd sponsored a bill which expands the rights of those who possess a firearm conceal and carry permit. The provision allows employees to take civil action against an employer if the employer discharges or take adverse employment action against the employee solely for transporting or storing a firearm in their trunk.

The bill expands employee rights from civil protection into labor law. The bill, however, does not prohibit institutional policy against having firearms on campus nor does it trump posting signs prohibiting firearms but it does create a special class of employee related to this issue.

Governor Haslam signed the bill into law on April 6th with an effective date of July 1, 2015.

TICUA will partner with Waller LLP to bring a legal briefing webinar on this issue. Whereas, the webinar will provide general guidance to our campuses, it is recommended that you consult your own attorney about the specifics of handling this issue on your campus.

VISA Reporting Bill Passes

Senator Bill Ketrone and Representative Judd Matheny successfully sponsored a measure that requires campuses to report to the Tennessee Department of Safety the number of M1 and F1 visa holders on

campus. There will be two reporting cycles per enrollment term which will request the number of visa holders who begin a term and then how many complete that same term. The bill arose from a frustration in getting the same information from INS at the federal level. The sponsors decided to go directly to the campuses to obtain the data. TICUA will continue to monitor the rule promulgation process and inform member campuses on how to comply once the reporting cycles begin.

Bonds for TICUA Members Expanded

Senator Barbara Massey and Representative Harry Brooks successfully passed a bill through the legislature which allows TICUA members to finance out-of-state projects with bonds secured in Tennessee. The bill was brought by Johnson University who recently acquired a campus in Florida. This measure is expected to provide significant savings for the Knoxville campus.

Psychology/Social Work Religious Freedom Bill

Senator Joey Hensley and Representative John DeBerry unsuccessfully sponsored a measure which would have prohibited a public institution of higher education from discriminating against, disciplining, expelling, remediating, or taking any other adverse action against a student in a counseling, social work, or psychology program because the student refused to counsel or serve a client as to goals, outcomes, or behaviors that conflict with a sincerely held religious belief of the student.

If the measure had passed, it would have put Tennessee's public higher education institutions at odds with the national groups which accredit these programs. This would have jeopardized the accreditation of the programs and ultimately the employability of graduates.

Nationally Accredited School Measures Stopped

The nationally accredited for-profit schools had two bills which attempted to modify their state oversight and some consumer protection measures. The first bill dealing with the reconstitution of the THEC committee may have given the schools more control over the committee which could have impacted how they are governed and the fees they pay. The second bill would have allowed them to use the term "university" which is currently against the THEC regulations and would have allowed them to remove the non-transferrable qualifier to their degree names even though they did not have any articulation agreements in place with regionally accredited colleges or universities. TICUA opposed the bills and provided testimony during the Senate Education Committee deliberation. These measures have been brought before the General Assembly numerous times over the past decade.

Contract Education Remains Stable

The Contract Education program administered through the Tennessee Higher Education Commission received a stable budget recommendation for 2015-2016. \$2.1 million was appropriated for the program that benefits students attending Meharry Medical College, Southern College of Optometry, Maryville College, and Vanderbilt University. Whereas, the previous allocation was done by way of the SREB formula system, the future allocations will be done through the THEC direct grants program.

