

# TICUA Policy Update

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January 23, 2016

## Haslam FOCUS's on Higher Education

Governor Bill Haslam has dropped two bills (dubbed the FOCUS Act) which impact key higher education issues. The first bill (SB2569/HB2578), is the much talked about initiative which decentralizes the governance of the TBR Universities. The bill calls for ten member local governing boards for each of the six TBR universities. The Governor will appoint eight of the ten members of each board, two of which may come from out-of-state. The local Boards elect a Chair and will appoint the student non-voting member and the faculty member, both of whom receive a one year term. Of the ten members, three must be institutional alumni. All board appointments must be confirmed by the Tennessee House and Senate. The boards will be vested with the authority to select and employ the institution's CEO, approve the budget, and set broad academic policies. Although the bill does not generally impact UT, it does allow the UT Board to elect an additional out-of-state member for its Board.

The bill also allows the local boards to set tuition for out-of-state students yet vests THEC with the authority to set the maximum allowable tuition levels each year. THEC will retain the authority of approving each campus's Master Plan, determine appropriations by the outcomes funding formula, and approve new academic programs. Once the campus Master Plan is approved by THEC the local boards are vested with the authority to purchase land and build facilities to accomplish the plan. Bonding, however, must still be approved by the state school bond authority.

The second bill (SB2564/HB2573) impacts THEC's procedure in approving out-of-state institutions operating in Tennessee. The bill calls for streamlining the approval and regulatory process. Institutions that are regionally or nationally accredited may request expedited review on an annual basis. The bill backs THEC away from detailed program evaluations and focuses on issues such as graduation rates/credential attainment, gainful employment, cost of attendance, and student loan default rates. As well, the bill calls for financial solvency as it is determined by the US Department of Education for Title IV eligibility.

## TICUA's Policy Initiatives

TICUA has a number of policy initiatives for the second session of the 109<sup>th</sup> Tennessee General Assembly. First, TICUA is supporting the THEC budget recommendation for an additional \$28.6 million for the state's need-based student aid program. Second, TICUA is also asking the members to consider restoring the freshman/sophomore levels of the lottery scholarship from \$3,500 to \$4,000 as soon as the revenue allows.

TICUA has also requested two bills to be drafted. The first (SB2598/HB1836) allows THEC to recognize TICUA members as veteran friendly. Currently, THEC may only recognize public institutions with this

designation. Eight TICUA members currently have the federal designation as veteran friendly, so TICUA is requesting that the state be able to do the same.

The second bill (which has yet to receive a number) will clarify Tennessee's definition of State Authorization of TICUA members in order to satisfy the US Department of Education. The US DOE has been holding back on the Title IV recertification of many TICUA members because the state's policy in authorizing our members does not satisfy the US DOE's definition. This bill will align THEC's authority to recognize our members as authorized institutions to offer postsecondary education in the state with the federal requirement.

## **House Holds Higher Education Budget Hearings**

The House Education Administration and Planning Committee held higher education budget hearings this week. Dr. Russ Deaton of THEC testified that two-thirds of public higher education costs are now borne by the students through tuition and fees. This demonstrates that the state appropriations have not kept up with the cost of providing a higher education. Deaton went on to say that THEC is requesting a \$41 million improvement in the funding formula to keep tuition increases at 3% or less among the public universities. He also emphasized the need to increase funding for the state's need-based student aid program by \$28.6 million.

## **Senator Bell Introduces a Gun Bill for Private Colleges**

Senator Mike Bell is sponsoring a bill (SB1559) which will allow private K-12 and higher education institutions to allow persons with a valid Tennessee conceal and carry permit to possess a handgun on campus. The bill is permissive and allows for campuses to prohibit such action as well. It does require each campus to develop a policy which is publically available on the issue. TICUA was consulted on the development of the bill and agreed not to oppose it as long as it remains a permissive action.

## **Gregory Named Interim Chancellor of the TBR**

David Gregory, Vice Chancellor for Administration of the TBR has been named Interim Chancellor due to the retirement of John Morgan. Morgan retires on January 31<sup>st</sup> in opposition to the Governor's bill to make the TBR universities locally governed. His departure has been very public and has been written about in numerous state and national higher education media outlets.

Gregory was also slated to retire on January 31<sup>st</sup> but has agreed to stay on as Interim Chancellor until a permanent replacement is found. Gregory is highly qualified for the Interim post and will provide a stability during this transition. He is also very familiar and works cooperatively with TICUA and its member institutions.

## **TICUA 60<sup>th</sup> Annual Meeting February 16 and 17**

TICUA is celebrating its 60<sup>th</sup> anniversary at the TICUA 60<sup>th</sup> Annual Meeting to be held on Tuesday and Wednesday, February 16 and 17, 2016. This year's policy focus will include sessions with Education

Chairs Senator Dolores Gresham and Representative Harry Brooks, Finance Chairs Senator Randy McNally and Representative Charles Sargent, House Speaker Beth Harwell, and Lt. Governor Ron Ramsey, Governor Bill Haslam, and US Senator Lamar Alexander. The TICUA Legislative Reception will conclude the events on the 16<sup>th</sup>. The morning of the 17<sup>th</sup> will include the President's Open Forum Breakfast. Once again, this year's events will be held in the conference facilities of Waller, Lansden, Dortch & Davis in the Nashville City Center.

Register today by going to [http://www.ticua.org/meetings\\_resources/annual\\_meeting](http://www.ticua.org/meetings_resources/annual_meeting)

## **TICUA to Arrange Congressional Visits**

TICUA will once again make arrangements to visit the offices of Tennessee's delegates to Congress during the upcoming NAICU Annual Meeting in Washington, DC. The meeting will be held on Sunday, January 31<sup>st</sup> through Wednesday, February 3<sup>rd</sup>. Hill visits are being scheduled for Tuesday, February 1<sup>st</sup>. If you plan to attend the NAICU Annual Meeting or will be in DC during that period and wish to join the visits please contact Dr. Claude Pressnell ([pressnell@ticua.org](mailto:pressnell@ticua.org)).