

# TICUA Policy Update: Summary of the First Session of the 110<sup>th</sup> Tennessee General Assembly

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May 10, 2017

On Tuesday, January 10, 2017, Senator Randy McNally was elected by his Senate peers to be Tennessee's new Lt. Governor and Senate Speaker. McNally replaces retiring Senator Ron Ramsey who served in this capacity since 2007. As well, Representative Beth Harwell was re-elected as Tennessee's House Speaker. Harwell will be serving her fourth term as Speaker.

McNally is a long-time friend of TICUA and was awarded the TICUA William Baird Leadership award in 2002. The William Baird Legislative Leadership Award is presented to a state senator who has shown distinguished support for higher education. Senator Baird championed the bill that created the Tennessee Tuition Grant program, the State's first need-based financial aid program and a precursor of the Tennessee Student Aid Award (TSAA).

Harwell, graduate of Lipscomb University and Vanderbilt University also taught at Belmont University, is also a dear friend to TICUA. She was twice awarded (1998 and 2014) the TICUA Harold Bradley Legislative Leadership Award is presented to a state representative who has shown distinguished support for higher education. Representative Bradley championed the bill that created the Tennessee Tuition Grant program, the State's first need-based financial aid program and a precursor of the Tennessee Student Aid Award (TSAA).

During the January organizational recess, the House and Senate named the leadership and members of the Education Committees for the 110<sup>th</sup> General Assembly. The Senate Education Committee will have the same make-up as the 109<sup>th</sup> General Assembly. It is Chaired by Dolores Gresham with Vice Chairs Reginald Tate and Todd Gardenhire. Other members include Rusty Crowe, Steve Dickerson, Ferrell Haile, Joey Hensley, Brian Kelsey, and Jim Tracy.

The House continued with two Education Committees. Most higher education bills will go through the Administration and Planning Education Committee. Once again, Harry Brooks will serve as Chair and the Subcommittee Chair will be Mark White. Eddie Smith has been appointed as Vice Chair, replacing Debra Moody in that post. Members of the Committee include Raumesh Akbari, John DeBerry, Craig Fitzhugh, Roger Kane, Ron Lollar, Jimmy Matlock, Debra Moody, Johnnie Turner, Terri Weaver, Dawn White, and Mark White.

The House Education Instruction and Planning will be Chaired by John Forgety with Roger Kane serving as Chair of the Subcommittee. The committee's Vice Chair will be David Byrd who is replacing Billy Spivey. Members of the committee include Harry Brooks, Sheila Butt, Bill Dunn, Andy Holt, Sabi Kumar, Harold Love, Joe Pitts, Jay Reedy, Mike Stewart, and Joe Towns.

Below are some of the key issues tracked by TICUA staff during the First Session of the 110<sup>th</sup> Tennessee General Assembly.

## Governor Haslam and Adult Reconnect

During Governor Bill Haslam's State of the State address he announced an expansion of his free community college program. Through the Drive to 55's Adult Reconnect program, he announced that free community college will now be available for all Tennesseans. Previously, free community college was only offered through the Tennessee Promise which required the recipients to be recent high school graduates.

The Reconnect scholarship is restricted to students who are declared independent by way of the FAFSA, have not received a previous degree, and be enrolled in at least 6 credit hours. The scholarship is available to all TCAT's, community colleges, and four year colleges offering Associate degrees. It is anticipated that 24,000 students will be taking advantage of the program which begins in the fall of 2018 at a cost of nearly \$10 million. Currently enrolled students will be eligible upon the inception of the program. As with Tennessee Promise, the Reconnect program is a last-dollar scholarship; the Pell Grant and other state aid must be counted prior to Reconnect dollars being received. The scholarship amount for the four-year institutions is capped at the average community college tuition and required fees rate.

The original concept did not include four year colleges and universities. The Governor's office called TICUA prior to the State of the State address about the program and TICUA addressed the need for portability to eligible four year campuses. As well, House Education Chairman Harry Brooks objected to not including TICUA members during a briefing about the program from the Governor. Haslam quickly agreed to amend the program to include eligible four year campuses.

The General Assembly passed the measure in both chambers in the waning days of the session.

More information on Reconnect: <https://www.tn.gov/nexttennessee/topic/nt-one-pagertennessee-reconnect>

## STRONG Act

Early in the session Governor Haslam announced a new initiative for National Guard Reservists called the STRONG Act. This last-dollar scholarship program allows a member of any National Guard branch to receive free tuition at a public university or a scholarship equivalent to average of the public university tuition at a TICUA member institution.

This four-year pilot program requires the Reservist to be in good standing with the National Guard, not have previously received a BA or BS degree, and maintain a 2.0 GPA. The scholarship is a reimbursement program and pays for hours completed each semester. As well, the program is capped at 120 credit hours.

This program was strongly embraced by both the House and the Senate. Governor Haslam signed the measure into law in late April.

More information on the STRONG Act: <http://www.tn.gov/nexttennessee/topic/nt-one-pager-tennessee-strong-act>

## TSAA Improvement

During his State of the State address, Governor Haslam released his proposed budget for FY2018. The budget included a \$10 million improvement to the Tennessee Student Assistance Award (TSAA), the state's only purely need-based student aid program. This grant serves students with family incomes around \$30,000 and less. Increasingly, the grant is only serving students who receive a zero Estimated Family Contribution on the FAFSA.

Under Haslam's leadership, the TSAA has nearly doubled in funding during his tenure as Governor. It is estimated that nearly 7,400 TICUA students will receive about \$30 million for the current academic year through this critical program. If the proposed increase is approved by the General Assembly, more TICUA students will be served through about a \$3.5 million share of the improvement.

## Private/Public Board Members Allowed

Sen. Dolores Gresham and Rep. David Hawk sponsored a bill which allows Trustees serving on a TICUA member board to also serve on a board of a public Locally Governed Institution (LGI). Last year's passage of the FOCUS act prohibited Governor Haslam's appointees to the governing Boards of the former TBR universities to serve on any other higher education institutional board. As a result, some Board members of TICUA institutions were asked to resign from their post in order to accept the Governor's appointment. As passed, the bill modifies the restriction to apply only to other public institution and system governing boards and not to private colleges or universities.

## Student Loan Bill Averted

Senator Bo Watson and Representative Dawn White introduced a bill which would have required campuses to send loan notifications to students on an annual basis. The bill, which is modeled after an Indiana measure, requires the notification to include loan volume, estimated loan payment, percentage of loan eligibility used, and payoff amount. The information is to be based on all loan products including federal and private loans. Evidently Indiana University independently started the practice with federal loans and noted a decline in the amount of student loans being utilized in subsequent semesters. TBR and UT estimated that the new requirement would have cost the systems over \$800,000 per year.

TICUA and TBR met with Senator Watson and he agreed to take the bill off notice and replace it with a Senate Joint Resolution urging Congress to allow institutions to have more freedom in requiring additional student loan counseling and also allow colleges and universities to consider placing lower loan limits on academic majors which prove to have lower lifetime earnings.

## HBCU Consortium Bill Passes

Senator Reggie Tate and Representative Harold Love, Jr. sponsored a bill which creates the “Initiative on Historically Black Colleges and Universities” to provide oversight to focus on ways to strengthen the capacity of HBCUs to provide the highest quality education. The newly created consortium will be housed at THEC and will seek to increase opportunities for HBCUs to participate in and benefit from state programs.

According to the bill, the consortium will focus on five tasks:

- (1) Strengthening the capacity of HBCUs to participate in state programs;
- (2) Fostering enduring private-sector initiatives and public-private partnerships while promoting specific areas and centers of academic research and programmatic excellence throughout all HBCUs;
- (3) Improving the availability, dissemination, and quality of information concerning HBCUs to inform public policy and practice;
- (4) Sharing administrative and programmatic practices within the consortium for the benefit of all; and
- (5) Exploring new ways of improving the relationship between the state and HBCUs.

## Undocumented Student Aid Bill Fails

Early this session a bill was introduced which would have allowed students without documented citizenship to receive in-state tuition at public colleges and universities. The bill, however, failed in the House Education Administration and Planning Committee. The measure failed to get enough votes to move on to the House Finance Committee even though it had Governor Haslam’s support. Bill sponsors Sen. Todd Gardenhire and Rep. Mark White introduced similar legislation in the past but those previous attempts failed as well.

The bill, focused on undocumented residents, would have allowed eligible students to pay in-state tuition at certain public colleges and universities. To qualify the students must have lived in Tennessee for two years prior to either graduating from a Tennessee high school, obtaining a passing score on the GED or HiSET, or graduating from a homeschool program. As well, the bill empowered each institution’s governing board or governing system to decide whether they would allow the discounted tuition.

It is anticipated that the bill will be reintroduced during the Second Session which commences in January 2018.