

TICUA Policy Update

March 30, 2017

Student Loan Bill Introduced

Senator Bo Watson and Representative Dawn White have introduced a bill which will require 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 have estimated that the new requirement will cost the systems over \$800,000 per year.

TICUA and TBR met with Senator Watson on Wednesday and the sponsor 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.

Legislature Begins to Move More Quickly

The movement of Governor Haslam's gas tax bill is allowing other bills to move more quickly. Early in the session the measure, which calls for a 6 cent per-gallon increase in the gas tax and decrease in the food tax, caused a lot of consternation for Republicans who opposed any tax increase. Once the D.C. based *Americans for Tax Reform* analyzed the bill and determined the tax increase was offset by the decrease in food tax many conservatives decided to no longer oppose the bill.

Once the tax measure is passed, it will make way for the Governor's budget amendment and consideration for other budget amendments. As a result, the Governor's Reconnect and Strong Act scholarship programs are making their way through the House and Senate Finance Committees.

Other bills, such as those impacting undocumented students related to in-state public tuition, allowing Governor appointments to the public locally governed institutions to also serve on TICUA institution boards, and adjustments to the TICUA appointment to the BEST Board are all moving through their respective committees.

Many of the Senate and House Committees have announced that they are working on their final calendars for the session, which means no additional bills will be heard this session. Even with that announcement, however, the Senate Education Committee began work on a calendar which contains 97 bills and the House Education Administration and Planning Committee dealt with 45 bills this past Tuesday afternoon. The adjournment goal remains to be in late April or early May.