

TICUA Policy Update: Summary of the Second Session of the 110th Tennessee General Assembly

April 27, 2018

The Second Session of 100th Tennessee General Assembly adjourned sine die just before midnight on April 15, 2018. The ceremonial beginning occurred on Monday evening, January 29th, when Governor Bill Haslam delivered his final State of the State Address. During his comments, he reflected, “Seven years ago we raised our expectations. We became the kind of leaders who didn’t just talk about cutting taxes and enhancing services, we actually did lower taxes while growing our economy and providing access to high quality education. We cannot lose the momentum we have worked so hard to build.”

Part of his plan included the “Complete to Compete” signature initiative for higher education which focuses on the completion agenda. The initiative also serves as an effort to update many aspects of the Complete College Tennessee Act of 2010.

Key aspects to the Governor’s higher education package included:

- “30 in 12” which requires students participating in the Tennessee Promise and Hope scholarship programs to complete 30 semester hours in 12 months. The goal is to keep students on track to graduate on time. Student aid from these two programs will be reduced if a student fails to complete 30 hours in a year. There is a provision in the bill for students to appeal to allow college credits earned in high school to apply to the 30-hour requirement, but the details of such an appeal will be ironed out in the rulemaking process. The “30 in 12” requirement would not have applied to the Tennessee Student Assistance Award.
- Community Colleges will be required to develop a required course path for all entering Freshman. The goal of this policy is to keep students on track with completing their general education requirements as soon as possible.
- \$10 million improvement to the Tennessee Student Assistance Award. This will bring the program’s funding to an historic high of over \$100 million. The net impact of the increase, however, is only \$3.2 million. \$6.8 million of the increase will be used to off-set the cessation of a transfer of funds from the lottery proceeds to the TSAA which occurred in previous years.
- Provides one new counselor for each of Tennessee’s community colleges and a coordinator position at the TBR office.
- \$1.25 million to support the high school to college counselor network.
- \$1 million for a TBR modular lab to assist students from distressed counties gain access to college.
- \$750,000 for expansion of the SAILS college remediation program.
- \$500,000 for support of the summer college remediation Bridge program.

By the end of the session many of the Governor's higher education initiatives did not survive the legislative process.

Below is a sampling of the key issues TICUA worked on this Session.

Governor's "Complete to Compete" Initiative Fails

"Complete to Compete" was the key component of the Governor's initiative. Central to the initiative is the "30 in 12" requirement which mandates students participating in the Tennessee Promise and Hope scholarship programs to complete 30 semester hours in 12 months or lose up to \$500 in student aid the following year. The Governor's goal is to keep students on track to graduate on time. There is a provision in the bill for students to use college credits earned in high school to apply to the 30-hour requirement, but the details of usage were to be ironed out in the rulemaking process. The "30 in 12" requirement did not apply to the Tennessee Student Assistance Award. The bill sponsors were Senator Mark Norris and Representative David "Coach" Byrd.

The "30 in 12" going rate among Hope scholarship students attending a TICUA campus is over 70%, whereas the rate among community college students is only 30%. As well, the on-time graduation rate for Hope Scholarship students attending a TICUA campus is 46% and on-time rate at the community colleges is 7%. Even the public four-year campuses had much higher "30 in 12" going rates than the community colleges. Consequently, there was no compelling need to have the requirement apply to the four-year campuses.

TICUA is not opposed to creative approaches to enhance on-time graduation but is opposed to state mandated punitive policies. Taking student aid away from students has the potential of doing more harm on retention and completion than the potential benefits of forcing students to take heavier course loads.

Analysis indicates that about 29% of the TICUA members' TELS recipients would have a reduction in their scholarship aid under the proposal at a loss of \$1.4 million in student aid. It appears that students most negatively impacted will be those majoring in the sciences, are first-generation college students, or are athletes.

TICUA expressed concerns about the negative implications on four-year students to key education legislators. As well, TICUA met with the Governor's office to seek a way to protect those Hope Scholarship recipients who are at-risk through the proposed program. After offering numerous alternatives to the aid reduction approach rejected, it was obvious an agreement would not be reached. Consequently, TICUA had an amendment drafted that would take public and private four-year campuses out of the bill.

In the Senate, Senator Steve Dickerson sponsored the amendment to remove the four-year universities, but the amendment failed on a tie vote in the Education Committee. Those voting **FOR** the amendment were Senators Dickerson, Hensley, Crowe, and Lundberg. Those voting **AGAINST** the amendment included Senators Haile, Gardenhire, Kelsey, and Gresham. Senator Tate was a YES vote for the amendment but was in Memphis at the time of the hearing. The bill remained in this position all the way to the Senate Chamber.

In the House, Rep. DeBerry sponsored the amendment which had become known as the 'TIUCUA amendment.' The House Education Administration and Planning Committee overwhelmingly adopted the amendment with a vote of 10 yes, 1 no, and 2 pass. The **no** vote was Rep. Mark White and the two passing were Chairman Brooks and Rep. Akbari. Consequently, the House's version removed the universities from the bill making it apply only to community colleges. The House adopted additional amendments as well. Those included the Administration's amendment to expand the appeals process, an amendment to expand the 'academic credit bank' to include hours taken over 15 per semester, and a THEC reporting requirement that will list the 30-12 going rate for applicable institutions.

Once the DeBerry amendment was adopted by the House Education Committee, the Governor's office drafted a letter for the public university presidents to sign that indicated their support for the Administration's position on the '30 in 12' requirement and oppose the House amendment to exempt the four-year campuses. Nearly every public university president signed the letter.

Soon after the bill was heard in the House Education Committee sexual misconduct allegations were brought against House bill sponsor Rep. Byrd. The administration moved quickly to recruit Rep. Ryan Williams to become the Administration's new bill sponsor. Williams is a graduate of Carson Newman University and has Tennessee Tech in his district. As the bill sponsor, Williams supported the Administration's desire to remove the amendment that exempts the four-year campuses from the bill. TICUA consulted with Williams and encouraged him to respect the House Education Committee's action in approving the amendment.

The bill was heard in House Finance Subcommittee where an amendment by Rep. Williams was adopted which stripped the DeBerry amendment exempting four-year campuses. In other words, four-year campuses were back in the bill and subject to this new financial aid policy. At that point TICUA no longer sought to put the amendment back on the bill and began to focus on making sure the rule promulgation process addressed all the concerns mentioned by members during the Committee debates.

The bill moved to the House Chamber on Monday evening April 23rd. After considerable discussion the vote was taken and the bill was defeated on a vote of 41 yes, 46 no, and 10 present not voting. The voting board was kept open for an extended period to move 'no' votes to 'present and not voting.' If this had not happened no other education bills could have been considered after the measure's defeat. The caption on the bill was so broad that a Constitutional rule which doesn't allow that 'topic' to be considered further would have scuttled all other bills dealing with Chapter 49 in the Tennessee Code.

It was a victory for protecting student aid for nearly 16,000 Tennessee students at-risk under the proposal, 3,000 of which attend a TICUA campus. The following day the Senator Mark Norris sent the Senate version back to Calendar Committee. A move that essentially killed the bill.

TICUA is grateful to Nathan Green and his team representing Vanderbilt for their incredible assistance during the final weeks of this policy battle. As well, it demonstrated the power of what happens when member campuses make appeal calls to their Senators and Representatives.

Lottery Transfer Fails/TICUA Students' TSAA Aid Protected

Senator Dolores Gresham and Representative Eddie Smith sponsored a bill that would have moved \$25 million from the Hope Scholarship reserve to the Tennessee Promise reserve funds. Toward the end of

session Senator Mark Norris amended the Senate bill to reduce the TSAA aid going to TICUA members by 50% (up to \$15 million) and remove the president of TICUA from the Tennessee Student Assistance Corporation Board of Directors. Select members of both the House and Senate viewed this as a retaliatory move against TICUA for opposing the Governor on the 'Complete to Compete' initiative.

During the final two days of session numerous other amendments were placed on the bill to address the technological mishaps with the K-12 TNReady exams. The Department of Education has had recurring problems delivering the exams and the Legislature desired to address the issue.

Since the lottery transfer bill was the only education bill still in play at the time it served as the vehicle to pass any last-minute education amendments. After hours of debate and disagreements between chambers, the bill was taken off notice. The action effectively killed the lottery transfer and changes to the TSAA grant.

The Senate brought another education bill out of the Calendar Committee and amended it to address the TNReady concerns. The House then received the bill and concurred with the changes, bringing the debate to an end.

Teacher Education Bill Compromised

Senator Dolores Gresham and Representative Eddie Smith filed a bill that would serve as a "tuition guarantee" for recent graduates of the state approved teacher education programs. Graduates in their first year of teaching who are considered lower performing (levels 1 and 2) would be given the opportunity to receive free remedial education from their alma mater.

Rep. Smith amended the bill to require a detailed study on the low performing teachers and their need for remediation. However, Senator Gresham maintained to original purpose of the bill and added an amendment that requires remediation be delivered within current campus resources.

The bill went to a conference committee to iron out the differences. The final version of the Conference Committee Report requires campuses to report to THEC, the State Board, and the Chairs of the House and Senate Education Committees the number of Level 1 and Level 2 teachers graduating from state certified teacher education programs and to estimate the cost of providing remediation. Remediation does not need to be offered, simply the cost of doing so will need to be calculated and reported.

TICUA will work with the State agencies to get more information about the reporting requirements and deadlines.

Dual Enrollment Bill to Favor Community Colleges Stopped

Representative David Hawk and Senator Ken Yager introduced a bill that would require dual enrollment students to first seek to enroll in a community college before they can attempt to enroll in a four-year college or university. The bill was filed by the Board of Regents to solve an ongoing issue between a select few community colleges and public universities. TICUA was part of a discussion which sought a non-legislative resolution.

TICUA opposed the bill along with other four-year universities, the Department of Education, Tennessee School Boards Association and others. TICUA visited with the bill sponsors and was assured that TICUA members will be amended out of the bill if it moved forward.

In the end, the bill was taken off notice with the plan of having THEC to work with the concerned parties in order to reach an amenable solution.

Student Loan Bill Averted

Senator Jon Lundberg 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. Some time ago Indiana University independently started the practice with federal loans and noted a decline in the amount of student loans being utilized in subsequent semesters.

TICUA met with Senator Lundberg and explained the current entrance/exit interview process for loan holders and the complications surrounding such a reporting requirement. He then agreed to take the bill off notice. The measure was like the bill proposed last session by Senator Bo Watson and Representative Dawn White which was also taken off notice after TICUA met with the bill sponsors.

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.