

85th Legislative Session

Expectations & Messaging

Steven Johnson, Ph.D.
Texas Association of Community Colleges

Today, my goal is to cover....

- Decisions from last session: Budget
- Forecasts for economy & the next state budget
- Policy areas of next session
- The Community College “ask” for funding of the 85th Legislature
- Initial messaging around the “ask”
- TACCM & TACC Working Together

84th Session: State Budget

Overall State Spending Increased

2.9% (\$5.802 billion in All Funds)

However, \$1.2 billion in Tax Cuts - mostly tax swap for property tax reduction by increasing Homestead Exemption

Higher Education Over All Spending Increased

7.9% (+ \$1.46 billion – mostly General Revenue)

- Community Colleges: **-1.4 % decrease**
- General Academics: **7.6 % increase**
- Health Related Institutions: **8.4 % increase**
- Tuition Revenue Bonds: **\$250 million** in state funding (\$3.1 billion in Bonds)
- Overall State Student Financial Aid Programs: **4.9 % increase**

State Budget: Community Colleges

State Instructional Funding	Budget 2014-15	Introduced Base Bill	Final Budget 2016-17
Core Operations	\$50,000,000	\$50,000,000	\$50,000,000
Student Success Points	\$172,015,292	\$164,095,535	\$169,168,401
Contact Hours	\$1,547,844,778	\$1,476,859,817	\$1,522,515,612 (+ \$3,963,138 HH)
Total	\$1,769,860,070	\$1,690,955,352	\$1,745,647,151
		- 4.5 % from 2014-15	- 1.4 % from 2014-15

The State Budget & Economy: 85th Session

Comptroller's Estimates Continue to Decline

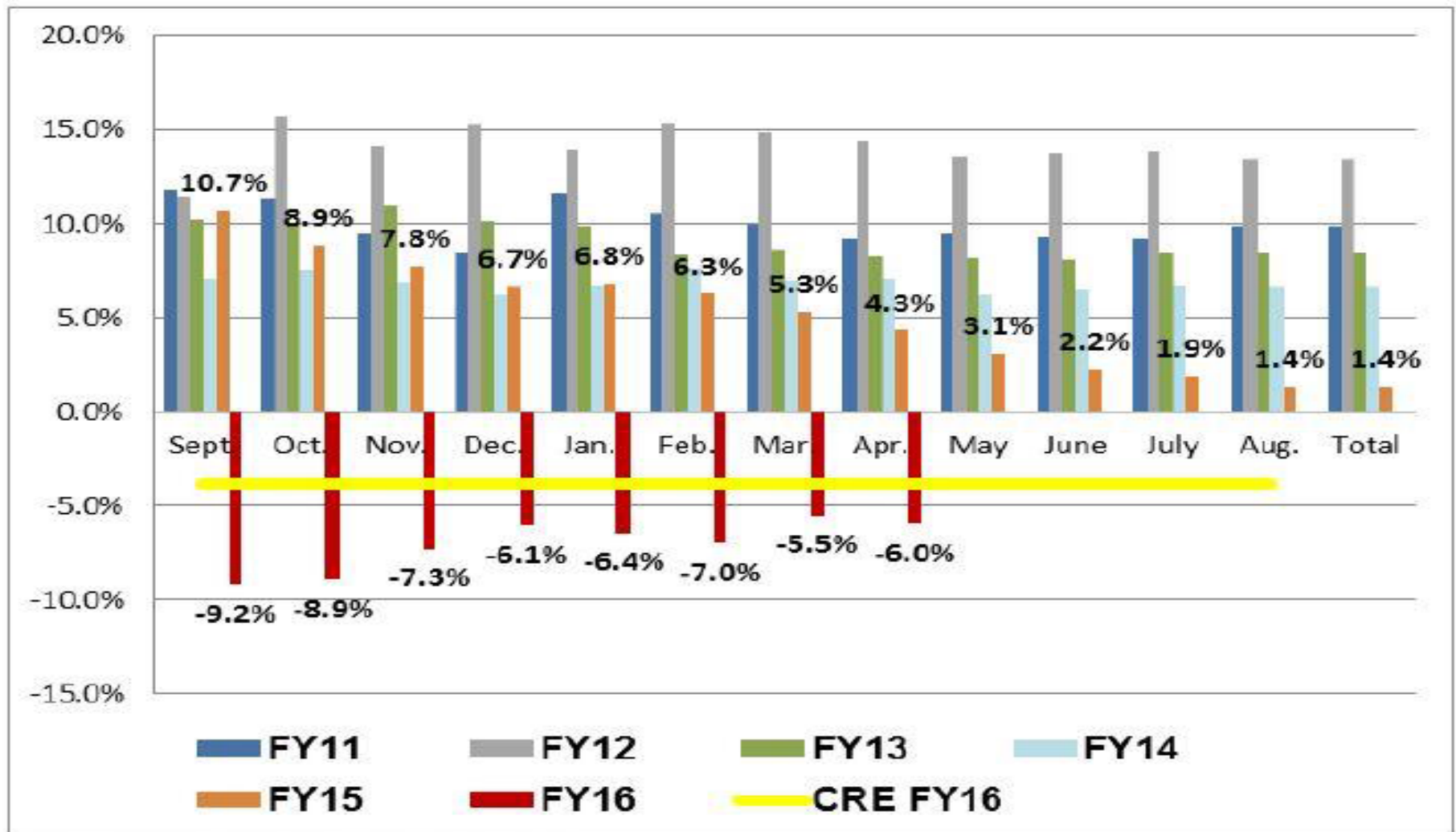
- \$6.4 billion surplus...post 84th Session
- Now is \$4.22 billion as of Oct. 2015
- Could be near \$1 by the 85th Session
- \$10 Economic Stabilization Fund (\$1 billion less than estimate)

Tax Revenue Declines

Estimate: revenues to be down -3.8% actually down - 6.1%

- Total state revenue would be lower - except for increase in Federal Medicaid funds

Figure 1: Cumulative YTD Growth in Tax Collections, various fiscal years



Source: Comptroller of Public Accounts

The State Budget & Economy: 85th Session

Budget Constraints

More than \$9 billion less available in revenue for 85th Legislature

- Tax relief: Franchise and Property Tax
- Other approved tax exemptions

Public School Costs

- Increase in enrollments and costs...\$1 to \$2 billion for growth each biennium plus rising costs
- Additional state dollars into system?

Increases in Medicaid caseload growth

Outstanding Tax Sales Lawsuits

Further Slowing of State's Economy

- Lower price of oil
- Further effect on sales tax

Community College “Ask” for the 85th

Core Operations: \$50,000,000 (same as 2016-17)

- All 50 college districts have basic operating costs. The \$500,000 per district per year level of funding was established by the 83rd Legislature.

Student Success: \$186,621,616 (\$17 million increase from 2016-17)

- In order for the Student Success Points system to effectively reward institutions for improvements in student success, the points need to be funded at a minimum of \$185 per point.

Instruction: \$1,705,262,397 (\$183 million increase from 2016-17)

- The ability of community colleges to meet workforce skills demands, increase dual credit courses, and expand educational opportunities for all students is directly tied to instructional funding appropriated by the Legislature.

Total Additional Revenue Request of Texas Community Colleges: \$200,200,000

Policy Areas for the 85th

Tuition Affordability / Debt

- Caps on rate of growth - Linked to student achievement?

Dual Credit Policy

Transfer / Credit Loss

Property Tax Caps

- Appraisal reforms / roll back election reforms / revenue caps

Campus Carry

Hazelwood

Undocumented Student in-state Tuition

Initial Messaging

Telling Stories

*“People don’t want more information. They are up to their eyeballs in information.
They want faith—faith in you, your goals, your success, in the story you tell...
Once people make your story their story, you have tapped into the powerful force.”*

Annette Simmons
The Story Factor

Topline Messaging Points

- **Texas community colleges continue to be innovators that drive student success and economic growth**
- **Community colleges are the linchpins to achieving the essential goals of the state's new 60x30TX strategic plan for higher education**
- **Investing in Community Colleges is an investment in local leaders of change and positive student outcomes**

As goes Texas Community Colleges, so goes the state. And as goes Texas, so goes the nation

TACC & TACCM

- TACC communicated the need for a cohesive, statewide communication plan that builds the case for the state to invest in community colleges
- Our communication efforts should be proactive (not reactive), yet flexible enough to be responsive to negative communications
- We will want to tell stories that demonstrate the impact of community colleges on the state

TACC & TACCM

Primary targets:

Policy makers (legislators, local elected officials, etc.)

Secondary targets:

TACC and TACCM members; other organizations/groups that will help distribute key messaging to target audiences

Potential channels:

- Marketing toolkit for TACC and TACCM members (talking points, news releases, op eds, presentation)
- Statewide distribution via TACCM membership
- Earned media plan
- Social media
- Community College Day
- Geofencing (legislative session, Community College Day, etc.)

TACC & TACCM

Execution timeline:

- Prepare draft of talking points: June CCATT Meeting
- TACCM / TACC Advisory team will regroup at the end of the TACCM Conference to review info from regional focus groups and begin formalizing the plan
- Complete basic communication plan outline: End of July
- Create earned media plan/calendar (focus on a different theme each month) and develop story inventory
- Introduce framework for communication plan to CEOs - July 6-9 TACC Summer Conference
- Schedule first op ed / news release / stories for August (beginning of the fall semester)

NOTE: Rely on strengths of TACCM members to help implement various components of the plan

Resources

www.tacc.org

www.texas trustees.org

www.txsuccess.com

Twitter:

@texassuccess

@Txtrustees

TACC Facebook Page

Questions?

Steven Johnson

Senior Vice President & COO

Texas Association of Community Colleges

sjohnson@tacc.org