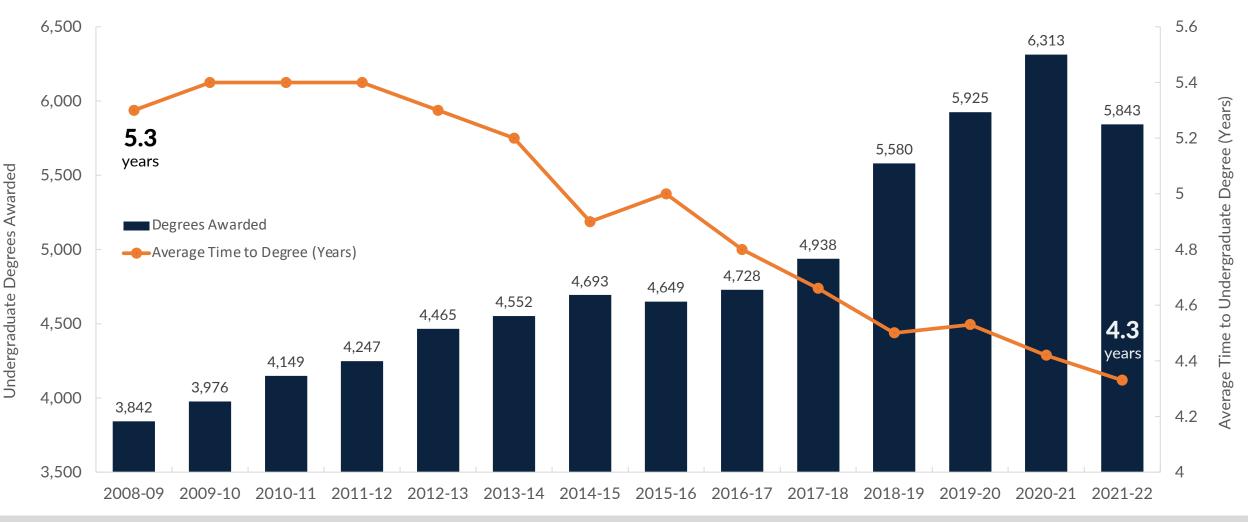


SENATE FINANCE COMMITTEE SENATE BILL 1 BRIEFING

Dr. Taylor Eighmy President, UTSA

February 8, 2023

UNDERGRADUATE DEGREES AWARDED & TIME TO DEGREE



UTSA. BOLD FUTURES

DRIVING ECONOMIC & SOCIAL MOBILITY





UNIVERSITY OF TEXAS SYSTEM AFFORDABILITY PRIORITIES

- General Academic Formula Funding •
- **Comprehensive Regional University Funding**
- Hazelwood Legacy Program •
- Higher Education Insurance Funding
- No tuition and fee increases



December 14, 2022

The Honorable Dan Patrick, Lt. Governor The Honorable Dade Phelan, Speaker - Texas House of Representatives The Honorable Joan Huffman, Chair - Senate Finance Committee The Honorable Greg Bonnen, Chair - House Appropriations Committee

Dear Legislative Leaders

As chancellors of the six major higher education systems, we understand the value of world-class, affordable higher education opportunities within the state and at the same time remain fully committed to controlling costs for students wherever possible. However, the cost of providing education across institutions continues to increase. Our education mission is funded almost entirely by two sources of funding: state support and student tuition and fees. Without increased state support. Texas institutions must look to additional efficiencies and then tuition and fees to be able to continue to maintain high quality education. In order to hold tuition flat for our students and their families, Texas universities seek increased state investment

Higher education requires more personal, hands-on student support and technology services to meet the needs of today's students. At every step in the process, from admission to retention and graduation students require more advising tutoring and supplemental instruction mental health services, and financial planning in addition to high quality teaching in order to succeed and overcome challenges in the journey to academic success. These critical services require ongoing, additional resources to provide students with this needed support.

Like all other entities, institutions of higher education are facing steep cost increases as a result of inflation, supply-chain delays, and skilled labor shortages. Other unique cost drivers, such as the Hazlewood Legacy program, mean that even when formulas are funded at prior biennial levels, institutions start off each biennium with a funding deficit.

In order to ensure affordability for our students, we propose the following compact between the state and higher education institution

State Investmen

- > General Academic Formula Funding (est. \$352 million) As institutions face record inflation, we need to return to investing in formula funding beyond simply covering enrollment growth. We support a 6.8% increase to the general academic Instruction and Operations Infrastructure and Research formula rates recommended by the Texas Higher Education Coordinating Board.
- Comprehensive Regional University (CRU) Funding (\$80 million) Last session, the legislature made a targeted investment in student success at the state's comprehensive regional universities by providing one year of federal funding. As the state looks to invest in

Tedd Mitchel

Chancello Texas Tech University System

ucation, an investment of \$80 million would provide two years of risk students graduate and enter the workforce gram (est. \$276 million) - We fully support the Hazlewood s, but we seek the state's help with the costs. In FY 2021, higher ived \$176.4 million for legacy exemptions and received state 3% of this cost, resulting in a shift of the cost of the Legacy g students. We propose 100% reimbursement for legacy costs to is remain leaders nationally among veteran-friendly institutions tuition-paying students.

p Insurance (HEGI) Funding (est. \$290 million) - Higher h insurance alone is only partially funded compared to most state currently below 80% of the rate for state employees under ERS. As additional funding to raise this rate to 100% of the funding rate for us keep costs lower and thus help ensure higher education remains

above basic needs, our general academic institutions will ensure that cademic costs, including tuition, mandatory academic fees, all nd college course fees will remain at currently approved levels for extraordinary circumstances, even these increases might leave some 3 state funding levels. In the spirit of this compact to address uest consideration of certain individual institutions if necessary

s increases to the formula within the general academic institutions, alth-related institutions also request consideration for similar With this commitment and partnership, together we can ensure ble for our Texas students and their families

Iohn Sharr Chancellor



michael R Ulilliam Michael R. Williams

Chancellor University of North Texas System

Brian Milan Brian McCall Chancellor Texas State University System



OVERVIEW
 LEGISLATIVE PRIORITIES

UNIVERSAL HIGHER EDUCATION PRIORITIES	NON-FORMULA FUNDING & SPECIAL REQUESTS	CAPITAL CONSTRUCTION ASSISTANCE PROJECT (CCAP)
 Increase Formula Funding State Research Funding Commitment Hazelwood Historically Underutilized Business (HUB) Program Core Research Support Fund (CRSF) Texas Research Incentive Program (TRIP) 	 San Antonio Life Sciences Institute Bold Research Initiative Cybersecure Advanced Manufacturing for Texas Texas Demographic Center The Institute of Texan Cultures Small Business Development Center (SBDC) & South-West Texas Border SBDC Institutional Enhancement Bexar County Fostering Educational Success Program Pre-freshman Engineering Program (PREP) 	 Building Revitalization Initiative Student Success Center Creative Arts Education & Engagement Building



SAN ANTONIO LIFE SCIENCES INSTITUTE

Increased Funding Request \$7,000,000 per year | \$14,000,000 over biennium



Improve health outcomes

through strategic R&D investment in neuroscience, cancer prevention, infectious diseases and regenerative medicine while advancing discovery through bioinformatics



Build Texas's health sciences

workforce by providing salaries, stipends, fellowships and start-up packages for strategic faculty hires, post-docs, technicians, graduate students and undergraduate researchers



Provide R&D foundational support via modern instrumentation acquisition and specialized facilities upgrades for genomics, metabolomics, cell and tissue culture and tissue characterization

"Investing in human capital for Texas's workforce in the life sciences"



BOLD RESEARCH INITIATIVE

Funding Request \$16,000,000 per year | \$32,000,000 over biennium



Advance national security

through strategic R&D investment in quantum security, AI, cloud computing, data analytics, microelectronics, and next gen communication



Compete for national grants

through strategic R&D investment in bioengineering and related fields like materials science, tissue engineering and neuroscience

\$

Build talent for Texas data science and human bioengineering sectors

by providing salaries, stipends, fellowships and start-up packages for strategic faculty hires, post-docs, technicians, graduate students and undergraduate researchers

"Building knowledge ecosystem for high impact research & applied technology development to leverage Federal investment"



CYBERSECURE ADVANCED MANUFACTURING FOR TEXAS

Increased Funding Request \$750,000 per year | \$1,500,000 over biennium

Addressing cyber threats to advanced technology and manufacturing companies essential to Texas and San Antonio economy.

Helps Texas manufacturers:

- Earn required Cybersecurity Maturity Model Certifications (CMMC)
- Improve their cybersecurity posture



- - manufacturing innovation institute

- Train their workforce
- Expand their global competitiveness

CREATING FUTURES