

SUBJECT: Requiring additional online information about higher education institutions

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 9 ayes — Branch, Castro, Alonzo, Bonnen, Brown, D. Howard, Johnson,
Lewis, Patrick

0 nays

WITNESSES: (*On original version:*)
For — Jason Sabo, United Ways of Texas

Against — None

BACKGROUND: Education Code, ch. 51A requires the Texas Higher Education Coordinating Board to maintain online resumes for each higher education institution, including medical and dental schools. Each higher education institution's online resume is available to the public through a prominent link on the coordinating board's website home page. Each institution must ensure that its website homepage has, in a prominent place, a link to its online resume maintained by the coordinating board's website.

The coordinating board is required to maintain two online resumes for each institution — one for use by legislators and other policy makers and one for use by prospective students, parents, and the public. A few of the items required on the resumes are annual student enrollment, student costs, student success rates, student financial aid statistics, percentage of students needing developmental education, and graduation rates, among others.

DIGEST: CSHB 736 would require each higher education institution, except for medical and dental schools, to put the following information on the institution's Internet website:

- the student/faculty ratio;
- the percentage of full-time faculty members with teaching responsibilities who are tenured or tenure track;
- the percentage of semester credit hours taken by freshmen and sophomores that are taught by tenured and tenure-track faculty;

- the number of faculty members in each of the following ranks, including for each rank the numbers of faculty by race, ethnicity, and gender: professors; associate professors; assistant professors; instructors; nontenured or nontenured track; and teaching assistants;
- the average faculty salary by rank
- the amount of legislative appropriations per full-time faculty member and full-time student;
- the total revenue the institution spent per full-time faculty member and full-time student;
- the amount of federal and private research expenditures per tenured or tenure track full-time faculty member;
- the number and percentage of faculty members holding extramural research grants;
- the number and names of awards to faculty members from nationally recognized entities, including those identified by the Center for Measuring University Performance; and
- the number of endowed professorships or chairs.

Higher education institutions would have to update these items no later than December 31 of each year. The Texas Higher Education Coordinating Board would be authorized to adopt rules necessary to administer these provisions.

Four-year general academic teaching institutions. The bill also would require additional information on the online resumes of general academic teaching institutions for use in the comparison of one state fiscal year to the one preceding it. It would require the information to be included on the online resume for each four-year general academic teaching institution maintained by the coordinating board for legislators and other policy makers.

Under the “*enrollment*” section of the resume, the data would have to include the percentage of first-time undergraduate transfer students enrolled in an institution during the fall semester that ended in the fiscal year covered by the resume. Under the “costs” section, the following data would be required for both the institution and the institution’s in-state and out-of-state peer institutions:

- the percentage of students receiving student loans;
- the average annual amount of student loans received by a student;

- the percentage of students receiving federal or state grants; and
- the average amount of federal and state grants.

The bill would require the “*student success*” section of the resume for legislators to include data on the five-year graduation rates of students seeking bachelor’s degrees for the institution and its in-state and out-of-state peers.

The “*funding*” section of each university’s resume would have to include for the fiscal year the amount and the corresponding percentage of each institution’s operating budget that came from these sources:

- money appropriated by the Legislature;
- federal funds from all federal sources, including grants and research funds received; and
- total academic costs charged to students.

The bill would require the “*costs*” section of the resume to include the average annual amount and percentage by which the total academic costs charged to a resident undergraduate student enrolled in 30 semester credit hours had increased in each of the five most recent state fiscal years at both the institution and its in-state and out-of-state peers.

Information for students and parents. The bill would require additional information to be included on the online resume for each general academic teaching institution maintained by the coordinating board for prospective students, parents, and the public.

Under the “*enrollment*” section of the resume that contains information on the most recent state fiscal year, the data would have to include the percentage of first-time undergraduate transfer students enrolled in the institution during the fall semester that ended in the fiscal year covered by the resume. The bill would remove the requirement for information about tuition reporting by degree programs or course level and add:

- the percentage of undergraduate students enrolled in the institution who received student loans; and
- the average amount of an undergraduate student’s student loans.

CSHB 736 would require the “*baccalaureate success*” section of the resume for prospective students and parents to include data on the

retention rate of first-time, full-time, degree-seeking entering undergraduate students enrolled in the institution after one academic year and after two academic years.

Under the “*funding*” section of each institution’s online resume, the bill would require for the fiscal year the amount and the percentage of each institution’s operating budget that came from these sources:

- money appropriated by the Legislature, including funds for faculty and staff health coverage and retirement benefits;
- federal funds from all federal sources, including grants and research funds received;
- the total academic costs charged to students by the institution; and
- the total amount of money available to the institution.

The bill would add to the “*costs*” section of the resume the average annual amount and percentage by which the total academic costs charged to a resident undergraduate students enrolled in 30 semester credit hours have increased in each of the five most recent state fiscal years at the institution and its in-state and out-of-state peers.

Lower division institutions. The bill would require additional information on the resumes of lower-division institutions for use in the comparison of one state fiscal year to the one preceding it. It would require the information to be included on the online resume for each lower division institution maintained by the coordinating board for legislators and other policy makers.

Under the “*enrollment*” section of the resume, the bill would add:

- the percentage of students who were in one or more developmental education courses, and
- the percentage of students enrolled in the institution in one or more dual credit courses.

Under the “*costs*” section of the resume, the bill would add a requirement for the following information about the institution and the institution’s in-state peers:

- the percentage of students receiving student loans;
- the average annual amount of student loans received by a student;

- the percentage of students receiving federal or state grants; and
- the average annual amount of federal and state grants received by students.

Also under the “*costs*” section, the bill would require the average annual amount and percentage by which the total academic costs charged to a student enrolled in 30 semester credit-hours toward a two-year degree or certificate had increased in each of the five most recent state fiscal years for which the information was available at the institution and at the institution’s in-state peers.

Under the “*funding*” section of the resume, the bill would add:

- the percentage of the institution’s operating budget for a state fiscal year made up of money appropriated from the Legislature;
- the amount of federal funds received from all sources, including grants and research funds, and the corresponding percentage of the institution’s operating budget from federal funds; and
- the total academic costs charged to students by the institution in a state fiscal year and the corresponding percentage of the institution’s operating budget from academic charges.

Website links. The bill would change the requirement for the link to the online resume of each higher education institution on the Internet websites of the coordinating board and of each institution from being in a “prominent place” on the websites to being on the first frame of the website’s home page in a font that was larger than the font of the majority of the text on the home page.

The provisions related to Internet access to faculty information would take effect beginning with the 2012 fall semester. The coordinating board and higher education institutions would have to comply with changes made to online resumes by February 1, 2012.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.

SUPPORTERS
SAY:

Consumers deserve more detailed information about the costs they will incur while at public institutions of higher education. As prospective students and their families weigh important decisions about going to

college and how to pay for it, having this information available would allow them to develop a budget or a plan for employment that met their needs.

The bill is consumer-focused and would provide basic information that students and their families need to gauge college affordability. As higher education costs increase dramatically and student financial aid declines, Texas families need easy access to detailed information about an institution, the success of its students, and the total costs they would incur. Even though higher education institution websites must have a link to their online resume that is available on the coordinating board's website, the link very often is difficult to find and hard to read. The link needs to be more prominent so that prospective students can easily find it.

The bill simply would require additional information to be shared in online formats that already are established. Most of the information required by the bill, including faculty information, already is being collected by institutions and the coordinating board and would be easy to add. If certain data were not available from institutions or other reporting entities, current law allows the coordinating board some flexibility in adjustments needed for data that is not available to it.

There are dramatic cuts being proposed to student financial aid, while tuition and fees likely will increase as a result of limited state revenue. Proposed cuts to the TEXAS Grants program could be about 41 percent, and if that occurred, the number of students receiving a TEXAS Grant would decline significantly in the upcoming biennium. The decline in overall state funding for higher education could cause a cost shift to students. This means that fewer students would be able to take advantage of grants and more would be taking out loans.

Borrowing for college is going to increase, so it is important to create transparency for consumers by providing the most information possible about their publicly supported state institutions. With student debt rising and jobs hard to come by, it is more important than ever for students to be able to shop around when deciding where to go to college.

It also is important for legislators and policy makers to have access to institutions' total funding picture and institutional profile in order to make sound decisions on state appropriations and policy direction for higher education.

OPPONENTS
SAY:

CSHB 736 would present some problems for higher education institutions, especially in times of shrinking state support. The collection and maintenance of additional information would be burdensome at a time when institutions are having to cut staff and do more with less. There are other proposals in the Legislature this session that would remove some of the reporting requirements for higher education institutions, and this bill would be going in the opposite direction.

A few of the measures proposed by the bill would require information that could be difficult to ascertain, including the requirement for comparative data for peer institutions. Other requirements, such as online student loan information that the bill would mandate, would not present the full picture of student loan information. Institutions have loan information only for loans made through or in conjunction with the institution. While the goal to present to prospective students and their families the full scope of college costs and debt is laudable, it might not be an accurate representation.

The bill's mandates requiring additional reporting would be especially burdensome for the two-year institutions because of limited staff and shrinking budgets. In addition, the research, tenure, and awards items would not be relevant to these institutions. Also, different institutions have different standards for placing students in developmental education. A better measure of the level of preparation for students at lower-division institutions would be the number of entering students who were below the state's Texas Success Initiative standards in one or more areas.

OTHER
OPPONENTS
SAY:

The original version of CSHB 736 would not be overly burdensome on the entities that would be required to collect and post additional data because much of the information already is collected. The committee substitute's requirement for additional faculty information would be particularly burdensome. It is not clear how collecting this data and making it available to the public would be useful or for what kind of measurements it could be used.

NOTES:

The committee substitute differs from the original version of the bill by requiring higher education institutions, except for medical and dental schools, to make available to the public on institution websites certain faculty information; requiring institutions to update this information by a certain time; authorizing the Texas Higher Education Coordinating Board to adopt administrative rules; and making those provisions applicable

beginning with the 2012 fall semester. The substitute also added provisions not in the original regarding online resumes maintained by the coordinating board for each lower-division institution for legislators and other policy makers.