

Support for Full Funding of Community College Reform

Key Takeaways:

- The Texas Commission on Community College Finance offers transformative recommendations to reform the state's community college finance system.
- Strategic and meaningful investment of new dollars are needed to implement the recommended reforms.
- Texas 2036 is joined by 18 other business, education, and civic organizations in supporting the need for additional funding.

Background:

Through Senate Bill 1230 (87-R), the Texas Legislature established Texas Commission on Community College Finance (TXCCCF) to make recommendations that would fiscally sustain community colleges while improving student outcomes. 54% of Texas jobs currently require postsecondary education and training, though not necessarily a bachelor's degree, but only 45% of Texans meet these requirements – resulting in 1.4 million insufficiently skilled Texans. Two-year colleges are uniquely positioned to reskill and upskill the Texans of today and the future. The TXCCCF has proposed transformative finance reform that will positively alter the trajectory of our workforce, strengthen our economy, and ensure more Texans can support themselves and their families.

Proposed Action:

Invest strategic and meaningful new funding into the TXCCCF's recommended, data-driven strategies. The recommendations cover the following: transitioning the current finance system to outcomes funding that incentivizes workforce alignment, student success, and equitable resourcing; providing foundational funding allowing all Texas regions to thrive; addressing college affordability; supporting strong partnerships between education and workforce industry to ensure alignment; and facilitating collaboration, cost-sharing, and operational efficiency among institutions.

Budget Cost Estimate:

Official estimates to implement the TXCCCF recommendations are in development. The Commission has discussed \$600-650 million over the biennium in addition to existing community college funding as an unofficial, initial estimate. However, this estimate does not cover all of the recommendations. Funding in addition to the \$600-650 million unofficial estimate will, therefore, be required.

Public Policy Impact:

The TXCCCF recommendations would resolve the underlying structural flaws of our current community college finance system while expanding access to educational opportunities. Specifically, they would prioritize community college programs to meet regional workforce needs and allow Texans equal opportunities to participate in our state's prosperity.