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*Higher Education*

## Commission addressing community college funding in Texas

*July 28* — As some community colleges in Texas struggle with recent decreases in post-secondary students and resources, a new commission is tasked with making recommendations on community college funding.

While overall enrollment in higher education has increased steadily in Texas [since 2010](#), community colleges, excluding dual-credit students, have seen a decrease, according to [data](#) presented at a commission hearing by the Texas Higher Education Coordinating Board.

The Texas Commission on Community College Finance, which was created last year by the 87th Texas Legislature as part of SB 1230 by Taylor, includes two members each from the Texas Senate and Texas House, and eight professionals from higher education, business, or education-related nonprofits. The commission is tasked with making recommendations to the Legislature on the state funding formula and funding levels for community colleges that would improve student outcomes in alignment with the postsecondary goals of the state.

Major sources of community college funding include local taxes, tuition and fees, state appropriations, and federal funds. While the funding system for the state's 50 community college districts has seen few changes since 1973, the relative funding proportions from each source have shifted. Currently, state appropriations account for around a fifth, according to coordinating board data and information provided in the 2021 Texas Public Higher Education Almanac, while the remainder comes from federal funds, tuition and fees, and local taxpayers.

Recent decreases in post-secondary enrollment have reduced the contact hours for many community colleges, which in turn limits the state funds a school is eligible to receive. Although Texas experienced the most population

growth in absolute numbers of any state between 2010 and 2020, most Texas counties lost population, according to federal census data. At the same time, rural community college districts have tended to lose a higher percentage of their students than their urban counterparts, thus losing more state-appropriated funding.

In 2015, the Texas Higher Education Board adopted the 60x30TX higher education plan, which is designed to help 60 percent of the state's workforce acquire some form of professional credentials or college degree by the year 2030. About 42 percent of working-aged Texans currently have an associate degree or higher, according to the 60x30 [website](#) published by the Texas Higher Education Coordinating Board. As new jobs are created in the state, most of them are expected to require some higher education. Community colleges are generally considered to offer a less expensive, more accessible route to higher education than four-year colleges for millions of Texans.

Working groups from the commission have considered multiple topics, including prioritizing funding for small and rural [schools](#), expanding access to [dual credit](#) classes, and analyzing how [other states](#) fund their community colleges, according to reports. The commission has also considered the variation between community college taxing districts and service areas and the relationship between economic cycles and student enrollment, both of which could help explain some of the divergent enrollment outcomes between rural and urban community colleges.

The commission must submit its final report to the governor, lieutenant governor, and the Legislature by November 1. The next commission meeting is scheduled for September 12.

— Matt Lowe