

Higher Education Fund Summary of Recommendations - House

Section 1

Page III-64

John Newton, LBB Analyst

Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$656,250,000	\$787,500,000	\$131,250,000	20.0%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$656,250,000</i>	<i>\$787,500,000</i>	<i>\$131,250,000</i>	<i>20.0%</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$0	\$0	\$0	0.0%
All Funds	\$656,250,000	\$787,500,000	\$131,250,000	20.0%

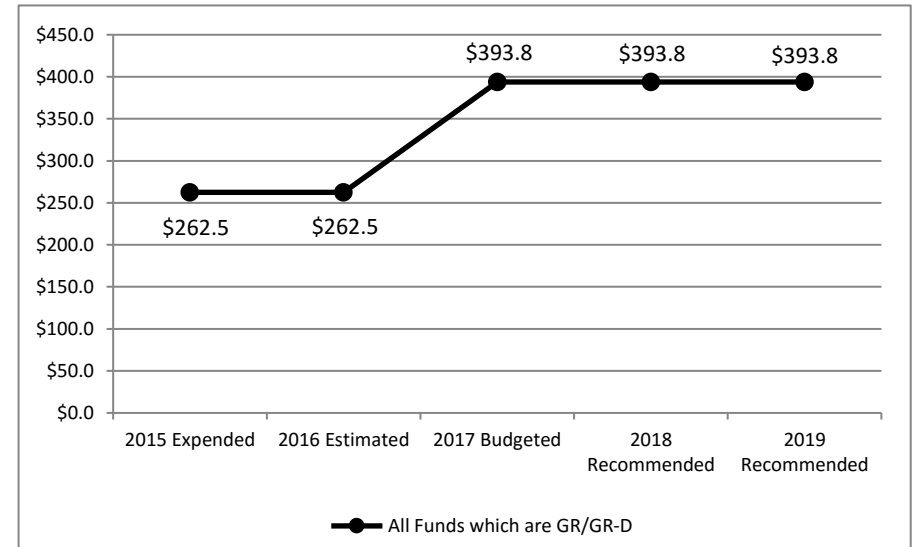
	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	N/A	N/A	0.0	0.0%

Agency Budget and Policy Issues and/or Highlights

The Higher Education Fund (HEF) is authorized in the Texas Constitution, Article VII, Section 17. The HEF provides funding for institutions of higher education that are ineligible for Available University Fund support. HEF appropriations are used for acquiring land, constructing and equipping buildings, major repair of buildings, acquisition of capital equipment, refunding bonds or issued notes, and other permanent improvements for eligible institutions.

The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Historical Funding Levels (Millions)



Higher Education Fund
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
Funding Changes and Recommendations							
A)	Fiscal years 2016-17 appropriations biennialized for fiscal years 2018-19.	\$131.3	\$0.0	\$0.0	\$0.0	\$131.3	A.1.1.
TOTAL Funding Changes and Recommendations (in millions)		\$131.3	\$0.0	\$0.0	\$0.0	\$131.3	As Listed
Funding Increases		\$131.3	\$0.0	\$0.0	\$0.0	\$131.3	As Listed
Funding Decreases		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	As Listed

NOTE: Totals may not sum due to rounding.

**Higher Education Fund
Selected Fiscal and Policy Issues - House**

1. **Fiscal years 2016-17 appropriations biennialized for fiscal years 2018-19.** Recommendations include a \$131.3 million increase in General Revenue to biennialize fiscal year 2016-17 appropriations for fiscal years 2018-19 due to the enactment of Senate Bill 1191, 84th Legislature. The Texas Constitution, Article VII, Section 17, requires the Texas Legislature to determine the HEF appropriation allocation every 10 years and to review the allocation at the end of the fifth year of the ten-year allocation. The 84th Legislature enacted Senate Bill 1191 which increased the annual HEF appropriation from \$262.5 million to \$393.8 million starting in fiscal year 2017, and reallocated the available funding among the eligible institutions.
2. **Annual appropriation amounts for the 2018-19 biennium for HEF-eligible institutions are in Texas Education Code, Chapter 62, Subchapter B:**

	(in millions)		(in millions)
University of Houston	\$52.8	Stephen F. Austin State University	\$11.6
University of Houston – Clear Lake	8.0	Midwestern State University	5.1
University of Houston – Downtown	11.8	Texas Southern University	11.7
University of Houston – Victoria	4.3	Texas Woman's University	14.8
Total, University of Houston System	\$76.8	Total, Independent Universities	\$43.2
Lamar University	\$14.1	Texas A&M University – Corpus Christi	\$11.1
Lamar Institute of Technology	2.6	Texas A&M International University	6.7
Lamar State College – Orange	1.7	Texas A&M University – Kingsville	9.0
Lamar State College – Port Arthur	2.2	Texas A&M University – Commerce	10.8
Sul Ross State University	2.1	Texas A&M University – Texarkana	1.8
Sul Ross State University Rio Grande College	0.4	West Texas A&M University	7.2
Sam Houston State University	17.3	Total, Texas A&M University System	\$46.6
Texas State University	37.2	Total, Texas State Technical College System	\$8.7
Total, Texas State University System	\$77.6		
University of North Texas	\$37.6	Texas Tech University	\$49.2
University of North Texas Health Sciences Center	17.1	Texas Tech University Health Sciences Center	23.4
University of North Texas at Dallas	2.1	Texas Tech University Health Sciences Center – El Paso	6.2
Total, University of North Texas System	\$56.8	Angelo State University	5.3
		Total, Texas Tech University System	\$84.2

**Higher Education Fund
Rider Highlights – House**

Deleted Riders

2. **Contingency for Senate Bill 1191.** Recommendations delete this rider because it is no longer needed. The Eighty-fourth Legislature, 2015, enacted Senate Bill 1191 which established the amount and allocations of the annual constitutional appropriation to HEF-eligible institutions for fiscal years 2016-25.

Higher Education Fund
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
HIGHER EDUCATION FUND A.1.1	\$656,250,000	\$787,500,000	\$131,250,000	20.0%	Recommendations include a \$131.3 million increase in General Revenue to biennialize fiscal year 2016-17 appropriations for fiscal years 2018-19 due to the enactment of Senate Bill 1191, 84th Legislature. The Texas Constitution, Article VII, Section 17, requires the Texas Legislature to determine the HEF appropriation allocation every 10 years and to review the allocation at the end of the fifth year of the ten-year allocation. The 84th Legislature enacted Senate Bill 1191 which increased the annual HEF appropriation from \$262.5 million to \$393.8 million starting in fiscal year 2017.
Total, Goal A, HIGHER EDUCATION FUND	\$656,250,000	\$787,500,000	\$131,250,000	20.0%	
Grand Total, All Strategies	\$656,250,000	\$787,500,000	\$131,250,000	20.0%	