2019 Higher Education Government Relations Conference

Making the Case for Higher Education Amid Scarcity and Division

AACC • AASCU • APLU • CASE
State Policy Update

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American Association of State Colleges and Universities
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About AASCU

• 370 presidents/chancellor of public universities & state systems of higher education

• Emphasis: undergraduate education, college access, student success, institutional leadership

• Only DC presidential association with both a state and federal focus

• Leadership/professional development programming for CEOs, CAOs, Government Relations, Communications, International Affairs
2019

PUBLIC POLICY AGENDA

• Annual summary of state and federal policy priorities
• Focus on student access, affordability and success
• Endorsed by several other higher education groups
2019 Elections Results

1. 2019 Election Results
2. Top 10 Higher Education Policy Issues for 2019
3. Emerging Issues in the States
State Government Trifectas—after 2016 election

State Legislative Trifectas After the 2016 Elections

- Republicans control the NY and WA senates thanks to renegade Democrats
- Democrats control the AK House thanks to independents and renegade Republicans

Source: Ballotpedia, 2019
State Government Trifectas

Post-2019 election state government trifectas

Source: Ballotpedia, 2019
State Government Trifectas

Partisan Composition Overview 2019

Legislators by Party
- Democrats: 3462 (46.89%)
- Other: 72 (1%)

Legislative Control by Party
- Democrats: 18 (20.97%)
- Republicans: 22 (26.24%)
- Divided: 12 (14.16%)

State Control by Party
- Democrats: 14 (17.16%)
- Republicans: 22 (26.24%)
- Divided: 13 (16%)

Legislative Control 1997-2018

Source: NCSL, 2019
Election Results from 2019

KY-Gov: Dems flip governor’s office in KY
LA-Gov: Dems maintains governor’s office in LA
MS-Gov: GOP maintains governor’s office in MS
Legislatures:
GOP maintains control of KY, LA, and MS legislatures
Dems gain total control of VA government for 1st time in a generation
Dems maintains control of NJ legislature
Ballot measure:
Ballot measure restoring affirmative action in public college admissions narrowly defeated in WA

Balance of Power

Democrats have total control (trifectas) of 15 states

GOP has total control (trifectas) of 20 states

14 states have split power. Nebraska is considered nonpartisan.

Only 1 state has a split legislature (Minnesota)

2020 Gubernatorial Races

2020 Legislative Races

No races in AL, LA, MD, MS, NJ, and VA. Only lower house in MI, only upper house in ND.

2020 legislative and gubernatorial results will influence redistricting following 2020 census

• 1) Federal Policy
• 2) The Economy
• 3) State Budgets & College Affordability
• 4) Demographic Shifts
• 5) Economic and Workforce Development
State Policy: The Top 10 Issues

• 6) Free College
• 7) Implementation of the Tax Cuts and Jobs Act
• 8) Immigration
• 9) Campus Sexual Assault
• 10) Political Polarization
State Policy: Honorable Mention

• Guns on Campus
• Free Speech
• Enhanced Consumer Protections for Student Borrowers
• Data and Privacy
• Dual Enrollment
Highlights from the 2019 Legislative Sessions

- Modest reinvestment in higher ed, mild tuition increases
- Free/reduced tuition legislation approved in Washington, California, West Virginia
- Legislative wins for undocumented/DACA students
- Renewed interest in paying college athletes
- New focus on meeting basic needs for students
2. The Economy

• Concerns about a possible recession ahead

• Economic indicators are largely good, however:
  • Unemployment is low
  • Moderate GDP growth
  • Low interest rates and stable prices

• Concern about social mobility, stagnant incomes, lack of education and training for many to meaningfully participate in economy
3. State Budgets and College Affordability

• Most states are re-investing in higher education, although modestly
• Tuition increases continue to be mild (by historical standards)
• Free college plans
• Financial aid
State Higher Education Funding

Source: SHEEO, 2019
## College Tuition and Fees

<table>
<thead>
<tr>
<th>State Systems of Higher Education</th>
<th>Percent of Tuition Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona Board of Regents</td>
<td>1.8% to 2.9%</td>
</tr>
<tr>
<td>Arkansas State University System</td>
<td>1.7% to 3.4%</td>
</tr>
<tr>
<td>California State University</td>
<td>0</td>
</tr>
<tr>
<td>University of California</td>
<td>0</td>
</tr>
<tr>
<td>Colorado State University System</td>
<td>0</td>
</tr>
<tr>
<td>Connecticut State Colleges and Universities</td>
<td>5%</td>
</tr>
<tr>
<td>University System of Georgia</td>
<td>7.59%</td>
</tr>
<tr>
<td>University of Hawaii System</td>
<td>0</td>
</tr>
<tr>
<td>Idaho State Board of Education</td>
<td>4.9% to 6.1%</td>
</tr>
<tr>
<td>Kansas Board of Regents</td>
<td>0</td>
</tr>
<tr>
<td>University of Maine System</td>
<td>2.4% to 3.7%</td>
</tr>
<tr>
<td>University System of Maryland</td>
<td>Average of 7%</td>
</tr>
<tr>
<td>University of Minnesota</td>
<td>1.5% to 2%</td>
</tr>
<tr>
<td>Mississippi Institutions of Higher Learning</td>
<td>Average of 4%</td>
</tr>
<tr>
<td>University of Missouri System</td>
<td>5%</td>
</tr>
<tr>
<td>Montana University System</td>
<td>0</td>
</tr>
<tr>
<td>University of Nebraska</td>
<td>Average of 2.73%</td>
</tr>
<tr>
<td>State University of New York System</td>
<td>3%</td>
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<tr>
<td>Oklahoma State Regents for Higher Education</td>
<td>Average of 2.5%</td>
</tr>
<tr>
<td>Pennsylvania State System of Higher Education</td>
<td>0</td>
</tr>
<tr>
<td>South Carolina (all public universities)</td>
<td>0</td>
</tr>
<tr>
<td>South Dakota Board of Regents</td>
<td>2.3% to 4.0%</td>
</tr>
<tr>
<td>Utah Board of Regents</td>
<td>0 to 5%, average of 3.66%</td>
</tr>
<tr>
<td>Vermont State Colleges</td>
<td>1%</td>
</tr>
<tr>
<td>Virginia (all public universities)</td>
<td>0</td>
</tr>
<tr>
<td>West Virginia (all public universities)</td>
<td>Average of 2.4%</td>
</tr>
<tr>
<td>University of Wisconsin System</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: AASCU, 2019
College Tuition and Fees: 2-year

Source: College Board, 2018
College Tuition and Fees: 4-year

Source: College Board, 2018
College Tuition and Fees: Private 4-Year Colleges

Source: College Board, 2018
Tuition Increases

• Published tuition rates at public four-year colleges in 2018 dollars (Room and Board)
  • 1988-89: $3,360 ($9,480)
  • 1998-99: $5,020 ($12,000)
  • 2008-09: $7,560 ($16,640)
  • 2018-19: $10,230 ($21,370)
Source: College Board, 2018
• Meanwhile, stagnant wages for middle-class families
Median Household Income

Source: Federal Reserve
Student Debt

Non-Housing Debt Balance

Source: Quarterly Report on Household Debt and Credit, Q1 2018, New York Fed
4) Demographic Shifts

Enrollment: Decreased enrollment continues to be one of the most talked about state-level issues in higher education right now. Since early October, there have been news stories about enrollment drops or lower college-going rates in AR, CT, HI, MA, MD, MI, NY, OK, and PA, and WI
4) Demographic Shifts

Source: WICHE, 2016
4) Demographic Shifts

State Profile for Texas

Texas

Overall High School Graduate Trends

- 2nd highest producer of high school graduates with 346,300 high school graduates, on average, projected per year between school years 2011-12 and 2031-32.

- The total number of graduates is projected to increase by 22.6% between 2011-12 and 2024-25, the next highest year for Texas.

- Texas generates about 27.1% of the South’s total, on average.

Source: WICHE, 2016
4) Demographic Shifts

State Profile for Maine

Overall High School Graduate Trends

- 13,900 high school graduates, on average, projected per year between school years 2011-12 and 2031-32.

- The total number of graduates in Maine is not projected to increase after 2011-12, ending at 12,400 in 2031-32.

- Maine generates about 2.4% of the Northeast’s total, on average.

Source: WICHE, 2016
5) Economic and Workforce Development

• Lawmakers are interested in connecting education programs to available jobs in the state
• Focus on STEM, career and technical education
• Various policy levers=free tuition, loan forgiveness, promoting public-private partnerships
6) Free College

• More states are exploring last-dollar solutions to free college
• Differ from state to state---community college vs 4-years, targeted vs broad, etc.
• Is this the most efficient use of resources? Is the message more powerful than the money?
• Bills approved in WA, WV, and CA. NM has outlined an ambitious free college plan
7) Tax Cuts and Jobs Act

• Key issue---how will this affect state budgets? And higher education funding?
8) Immigration

- Wins in the 2019 legislative session for undocumented and DACA students access to in-state tuition and financial aid
  - Colorado
  - New York
  - Illinois
  - Arkansas
  - Maryland
  - Arizona
9) Combatting Campus Sexual Assault

- Waiting on regulations from DC, but much interest from legislatures
- Affirmative consent, transcript notation, MOUs, and due process are all issues that have been discussed in the states
- Texas was a leader on this issue in the 2019 legislative session
10) Political Polarization

• Most states are in one party control

• Contentious lame duck sessions in some states might “poison the well” for cooperation on higher education issues
Guns on Campus

• Perennial issue
• Bills introduced in many states in 2019, but none were signed into law
• About 10 states allow guns on campus
Free Speech

- Numerous states have approved free speech bills
- Many of these bills restate existing law
- Some eliminate free speech “zones” on campus and have reporting requirements
- States cannot modify the 1st Amendment
Governance

• States are continuing to adjust their approach to governing higher education
  • Rhode Island
  • Nevada
  • Hawaii
  • Discussions in other states

• Some states---Alaska and Maine---are exploring single accreditation models, but Alaska’s was rejected yesterday.
State Protections for Student Loan Borrowers

- A handful of states have approved bills providing new consumer protections for student loan borrowings
  - Ombudsman, complaint processes, etc.
- Pushback from the Trump Administration
Dual Enrollment

• Concerns in Georgia regarding costs
• Lawsuit in Vermont regarding possible religious discrimination
• New dual enrollment task force in Louisiana
Athletics

Following the new California law, bills have been drafted in several states that would allow for student-athlete compensation. The NCAA has responded that they are planning changes to their compensation ban, but full details have not emerged. Bills have been drafted or discussions have occurred in CT, FL, GA, IA, IL, KY, MI, NJ, NY, PA, and WI.
Other issues

**Income-share agreements:** In Illinois, a new fund will allow for state-level income share agreements.

**Admissions:** In California, tighter admissions regulations and special sign-off on “admissions by exception” due to the Varsity Blues scandal have been approved.

**Financial Transparency for Colleges:** Growing concern about campus closures in Massachusetts have prompted lawmakers to seek greater financial transparency and closure plans for financially struggling colleges.

**Financial Aid:** South Dakota is exploring a need-based scholarship, and Virginia is reconfiguring its approach and calculations of need-based aid. Utah is moving toward need-based aid. Michigan’s private college students lost state aid in the final budget.

**Campus sexual misconduct:** Vermont is exploring transcript notations when students are found responsible and dismissed for sexual misconduct.
Emerging Issues for 2019

Mandatory FAFSA completion

Student Athlete Compensation

Reactions to the Federal IX Regulations

Continued focus on student loans/debt/servicing

2020 elections
AASCU Webinars

HIGHER EDUCATION POLICY AND THE STATES:
A Review of the 2019 Legislative Sessions

Webinar—Higher Education Policy and the States:
A Review of the 2019 Legislative Sessions
Tuesday, Sept. 24, 2019, from 1 p.m. to 2 p.m. ET

Register Today

The American Association of State Colleges and Universities (AASCU), Education Commission of the States (ECS), National Conference of State Legislatures (NCSL), and State Higher Education Executive Officers (SHEEO) will co-host a webinar on Tuesday, Sept. 24, at 1 p.m. ET to discuss higher education policy developments that occurred in the states during the 2019 legislative sessions. Major state policy trends in higher education, and the policy outlook in statehouses next year.

Experts from these associations will also cover key state-level policy issues, including the following:

- Higher education appropriations
- State financial aid programs
- Economic and workforce development
- Community colleges
- Developmental education
- Student safety
- Free speech
- Student debt
- Promise programs

This webinar is free and open to the public. It is designed for college and university officials, lawmakers, legislative and executive staff, and others interested in state higher education policy.
Subscription Link:

http://www.aascu.org/policy/publications/subscriptionform/
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