

HCS SCS SB 492 -- HIGHER EDUCATION

SPONSOR: Pearce (Thomson)

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Higher Education by a vote of 8 to 2.

This bill establishes procedures for oversight of teacher training institutions, reciprocity agreements for distance education, and the allocation of additional core funding over the Fiscal Year 2015 level for public higher education institutions.

TEACHER TRAINING (Section 161.097, RSMo)

This bill changes the law on the approval of teacher training programs in higher education institutions. In its main provisions, the bill:

(1) Establishes the Missouri Advisory Board for Educator Preparation within the Department of Elementary and Secondary Education, to advise the State Board of Education and the Coordinating Board for Higher Education on matters of mutual interest in quality educator preparation programs; and

(2) Repeals an obsolete provision that allows the State Board of Education to accredit law schools.

COMMUNITY COLLEGES (Section 163.191)

In addition to technical changes, the bill requires that beginning in Fiscal Year 2016, at least 90% of any increase in core funding over the appropriated amount for the previous fiscal year must be distributed in accordance with the achievement of performance-funding measures under Section 173.1006. The bill adds the Governor and the Joint Committee on Education to those to whom the Department of Higher Education must submit a report evaluating the effectiveness of the resource allocation model by October 31, 2019, and every four years thereafter.

The Department of Higher Education may request new and separate state-aid funds for any new community college district for its first six years of operation and the request will be based upon the same level of funding being provided to existing districts.

RECIPROCITY AGREEMENTS FOR DISTANCE EDUCATION (Section 173.030)

This bill specifies that the Coordinating Board for Higher Education in the Department of Higher Education must be responsible for entering into agreements for interstate reciprocity regarding

the delivery of postsecondary distance education. The coordinating board will have responsibility for administering the agreements and approving or disapproving applications from postsecondary education institutions with their principal campus located in Missouri to participate in the agreements.

The coordinating board must establish standards for institutional approval, including a definition of physical presence for non-Missouri institutions serving Missouri residents consistent with other states' definition of physical presence; establishment of consumer protection policies for distance education addressing recruitment, marketing activities, disclosure of tuition, fees, and other charges, disclosure of admission processes and procedures; and student complaints. The coordinating board must establish policies for the review and resolution of student complaints arising from programs offered under the agreement.

The coordinating board may charge fees to any institution applying to participate in an interstate reciprocity agreement. The fees cannot exceed the coordinating board's cost of reviewing and evaluating the applications.

#### PERFORMANCE MEASURES (Section 173.1006)

The bill replaces provisions regarding performance measures with the performance measures that have been developed subsequently. The Coordinating Board for Higher Education has adopted five institutional performance measures for each institution. A performance measure concerning job placement is also required. The board must evaluate and revise, if necessary, the measures every three years beginning in 2019 or more frequently at the board's discretion and the Department of Higher Education must evaluate the measures' effect on postsecondary, higher education goals, and workforce goals and submit a report to the Governor, Joint Committee on Education, Speaker of the House of Representatives, and President Pro Tem of the Senate by October 31, 2019, and every four years thereafter.

#### FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION (Section 173.1540)

Each year, a public four-year higher education institution must prepare a budget request that is submitted to the Department of Higher Education for review and recommendations for appropriations. Each four-year institution must cooperatively develop and revise an increase allocation model which the department must recommend to the Coordinating Board for Higher Education for approval by October 31, 2014. The core funding base level will be Fiscal Year 2015, and increases must be incorporated into the base starting with Fiscal Year 2016. At least 90% of any increase over the base year

will be distributed on the basis of performance measures. No more than 10% of any increase over the base can be distributed through any combination of full-time equivalency or other agreed-upon basis to address inequity and weighted full-time equivalent credit hours to provide enrollment, program offerings, and mission sensitivity on an on-going basis. The department must submit, by October 31, 2019, and every four years thereafter, a report to the Governor, Joint Committee on Education, Speaker of the House of Representatives, and President Pro Tem of the Senate evaluating the effectiveness of the increase allocation model.

STATE TECHNICAL COLLEGE OF MISSOURI (Section 178.638)

The bill specifies that at least 90% of any annual increase in core funding over the previous year must also be distributed to the State Technical College of Missouri in accordance with the performance-funding measures starting in Fiscal Year 2016.

PROPOSERS: Supporters say that the bill involves only new money based on performance standards already in place and covering all educational sectors. It does not calculate how much to appropriate; it guides the allocation of the money.

Testifying for the bill were Senator Pearce; Paul Wagner, Council on Public Higher Education; and Don Claycomb, Linn State Technical College.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say community colleges support the concept of performance funding and were actually early adopters of the practice. The framework of performance funding that is already in place gives a running start on the process.

Testifying on the bill were Missouri Community College Association; and Leroy Wade, Department of Higher Education.