

Appropriations Committee
March 12, 2007

Agenda/Discussion

On Friday, March 9, Chairman Chisum requested riders for Article II and III be held until Monday's meeting.

Monday Morning

(Coordinating Board discussion 2 hours 24 minutes into the meeting on RealPlayer)

Rep. Kolkhorst said very little has changed regarding the Coordinating Board since originally presented ten days ago. An additional \$9 million for the biennium was requested for the Professional Nursing Shortage Reduction Program. Several items are recommended for future consideration/Article XI. She reported the subcommittee's time and effort was focused on increasing student scholarships/aid and the nursing shortage. Rep. Betty Brown asked which institutions were involved in the nursing effort and Rep. Kolkhorst provided it was essentially a consortium of health-related, university and community college interests. Rep. Lucio also requested a list of institutions and the LBB clarified a list of institutions is included in a Professional Nursing Shortage report.

The committee will be increasing student financial aid by \$150 million. Riders were reviewed (2:33 on RealPlayer).

Rep. Chavez asked about whether or not she needs a contingency rider for her bill, HB 10, which puts 5% of the proposed gaming proceeds into the TEXAS Grant Program. She will work with the LBB to develop this and place this into Article XI.

(General Academics: 2:39 on RealPlayer)

Rep. Kolkhorst stated the subcommittee tried to include the top three funding priorities of each institution on their LAR's for future consideration.

A new formula run is the **Texas Competitive Knowledge Fund**, with the recommendation that \$49 million be added to the bill through this new formula. The formula is based on the amount of research dollars an institution receives (for every \$10 million dollars that an institution receives, the state awards an additional \$1 million). This addresses faculty excellence and faculty reinvestment with a consistent funding method. It does not "wipe-out" institutional enhancements.

The process swept \$15.2 million from UT-Austin; \$40 million from A&M; \$5 million from U of H and \$5 million from Texas Tech. The amount swept is \$65 million. This adds new GR. Now all 35 general academics are receiving these funds. A total of \$49.5 million of new GR is provided in new money on top of the \$65 million that was swept. This provides a methodology to earn these research funds. Additional examples: UT Arlington \$2.6 million; UT Dallas \$3.4 million; University of Houston ends up with \$8 million. This is new money based upon research dollars with all institutions eligible instead of four universities.

Rep. Turner expressed concern for universities that are trying to advance vs. those that already have funds. Rep. Kolkhorst stated she

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believes this provides opportunities for all universities to receive new dollars. Rep. Turner offered that even with this formula there is a widening of the gap of those institutions that are historically underfunded or do not receive large amounts of funding compared to others. Rep. Kolkhorst supports the distribution according to a formula (a methodology), expressed concern for the flagships as they level-out in funding, and provides new funding to institutions that otherwise would not receive this funding.

Reps. Turner and Kolkhorst entered a lively discussion about the support for Texas Southern University and Prairie View A&M University. Rep. Turner expressed concern that the institutions were not receiving their fair share of the funds. He mentioned Prairie View was the only institution in the Texas A&M System that didn't get a TRB in the Third Special Session from the 79th Legislature. Rep. Turner is pleased the universities are being assisted, but disagrees that the distribution is equitable. Rep. Kolkhorst reviewed her efforts in continuing funding for programs started under OCR.

Rep. Kolkhorst said the House has made a huge commitment to Article III and stated she would like to see more money added to the formulas. She said something must be going right because "I just don't see that many presidents in my office anymore."

She mentioned the subcommittee had over 300 pages of riders and asked Rep. McClendon if they had a placeholder rider for TSU. Rep. McClendon said they did not have such a rider, and Rep. Kolkhorst stated that they should develop one for presentation later in the day for reference to Article XI. Chairman Chisum stated he is not aware of the details of an emergency appropriation for TSU and agreed to a placeholder.

Lamar State College recommendations include a corrected increase of \$2.926 million. (*RealPlayer 3:07*)

Rep. Turner requested clarification that the University of Houston is reimbursed for Katrina student expenses. These are in Article XI. Rep. Kolkhorst reviewed several line items and increases including Garner Museum, McDonald Observatory, UT Brownsville, Texas A&M University transfer into Knowledge Fund, Prairie View \$15 million for program enhancement, UofH system aerospace outreach program, UofH transfer into Knowledge Grant program, UH Downtown community development project, Texas Tech for Knowledge fund and Vietnam Center/Archives, Texas State University – San Marcos \$2 million increase for the institution's nursing program start-up. Technical adjustments were reviewed for several campuses.

Items for future consideration begin on page 1 in the second book (2 of 3) using the top three items for special items and moving them forward in Article XI. Rep. Crownover added a rider for Texas Woman's University; Rep. England added a rider for UT Arlington. Rep. Kolkhorst stated that there are more riders likely. The question was asked if TAMIU had a rider, and there was not one listed. Rep. Kolkhorst said she asked each system to present riders for the institution requests instead of transferring LAR's directly and encouraged the members to review the list for items/requests that may have been overlooked.

The committee approved the recommendations.

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Health-Related Institutions

A large increase for GME was presented. Riders were presented.

Monday Afternoon

Rep. Menendez asked if it would be possible to present the riders and revisions electronically instead of the expense and confusion of hard-copy handouts.

--The committee moved the funding for the San Antonio Regional Health Academic Center (RAHC) into Article XI.

--Rep. Guillen presented three TAMIU requested items, not presented in the morning. Moved each to Article XI.

--Center for Bioterrorism/Bio Preparedness Center (El Paso)—referred to Article XI.

Rep. Kolkhorst asked Chair Chisum his thoughts for the presentation of the appropriations bill to the floor (last week of March).

Rep. Kolkhorst reviewed a rider, as a placeholder, for Texas Southern University which was placed in Article XI.

Two additional riders were presented by Rep. Kolkhorst on behalf of the governor's office (1) to expand the work day by one hour instead of hiring additional employees (a savings of 497 positions) among DPS troopers, and (2) emergency management processes such as those used in response to Hurricanes Rita and Katrina. Members spoke against the contents (Troopers probably don't support the request), the amounts requested, and the process (nothing in writing, no advance review) with Rep. Kolkhorst offering to pull the request. Rep. Turner, speaking in respect of the governor's request, suggested moving the two requests to Article XI (approved).

With instructions to the LBB, the bill was scheduled to be printed.