

# LEGISLATIVE APPROPRIATIONS REQUEST - FISCAL YEARS 2024-25



*The Texas Higher Education Coordinating Board’s Legislative Appropriations Request (LAR) provides the Governor and Legislature with key information regarding the agency’s budget and operations to make decisions regarding state appropriations for the 2024-25 biennium.*

Over the past 10 years, Texas has created nearly 25% of all new jobs in the United States and continues to attract major employers. However, there is a disconnect between new jobs being created and the credentials and skills held by Texans, creating gaps in our talent pipelines. As the pace of innovation accelerates, employers are increasingly hiring people with education beyond high school.

*Building a Talent Strong Texas*, the state’s new higher education strategic plan, expands the lens for who higher education must serve to include more adults of all ages through traditional academic programs and new and expanded short-term credential programs that align with growing workforce needs. For generations, the state has empowered Texans to succeed by fostering individual opportunities for both education and employment. The updated plan incorporates new goals that prominently positions Texas higher education as the foundation for long-term economic security, competitiveness, and prosperity. In particular, the disproportionate impact of COVID-19 on Black, Hispanic, rural, and low-income Texans has magnified the importance of removing barriers to high-quality postsecondary education and training so all Texans can participate in, contribute to, and benefit from the Texas economy.

**As our economy endures rapid transformation, Texas higher education will lead the way in expanding opportunities for individual Texans and their communities. The next legislative session represents a unique opportunity for Texas to make strategic investments to support student pathways that propel the completion of credentials of value, foster innovation and collaboration, and modernize data and advising tools to increase students’ opportunities to succeed.**

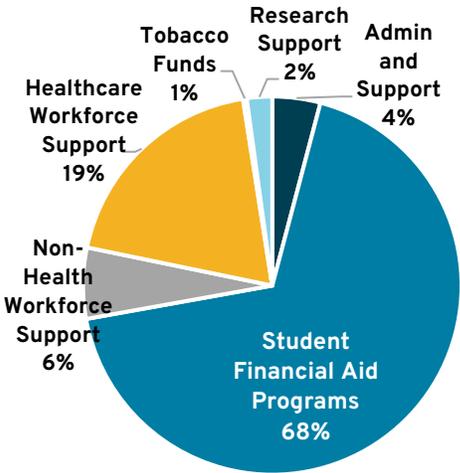
## BUDGET OVERVIEW

The Texas Higher Education Coordinating Board was directed to prepare a “base budget” that reflects the same amount of funding the agency received in the current (FY 2022-23) biennium, with some caveats:

- One-time funding to support the Capitol Complex relocation was removed.
- Formula funding for the Baylor College of Medicine (which flows through the Coordinating Board) was removed from the base budget and will be included later in the process.
- The base budget does not include any federal COVID-relief funding the agency received during the current biennium from the Governor’s Emergency Educational Relief (GEER) fund or the American Rescue Plan Act (ARPA).

For the FY24-25 biennium, the Coordinating Board’s All Funds base is \$1.762 billion. The overwhelming majority of this funding is trusteed funds that will be passed through to institutions, students, borrowers, and other stakeholders.

THECB Budget by Goal



## EXCEPTIONAL ITEM REQUESTS

To request funding over the amounts authorized for the “base budget,” the Coordinating Board must include an Exceptional Item Request (EIR) in its LAR. It has identified four areas in which a targeted investment of additional state funds is particularly critical to supporting higher education and advancing the goals of *Building a Talent Strong Texas*.

### STUDENT FINANCIAL AID-STATE GRANT FUNDING

*Expanding student opportunity and success through strategic investments*

The LAR proposes additional funding for need-based student financial aid programs that provide crucial support to students across public and private institutions of higher education. Texas is one of the youngest and most diverse states. Continued investment will ensure the state is advancing access to higher education equitably for the benefit of all Texans. Funding is requested to flexibly serve students across the Coordinating Board’s financial aid programs based on evolving student needs.

### DATA SECURITY AND MODERNIZATION

*Modernizing state educational and workforce data and enhancing security*

The Governor and Legislature have made significant investments in upgrading the state’s education and workforce data infrastructure to provide actionable information and analysis for students, employers, institutions, policymakers, and other key stakeholders. The LAR proposes to sustain the momentum across these efforts and continue to invest in applications that enable new security software to enhance the protection of confidential data, and support innovative platforms that engage students and key stakeholders. This funding would also allow the Coordinating Board to rewrite, consolidate, or retire legacy applications to make the agency’s application portfolio more sustainable, cost effective, and secure.

### CAREER AND COLLEGE ADVISING

*Transforming student advising and streamlining pathways to completion*

The Coordinating Board is implementing and expanding several initiatives to make advising more relevant, accessible, and effective for today’s students. The LAR proposes funding to expand these initiatives and requests flexibility to direct funds toward advising strategies that demonstrate impactful results in assisting students to enroll and attain a credential of value.

### INNOVATION AND COLLABORATION

*Centralizing college support, encouraging inter-institutional partnerships, and supporting innovative approaches to workforce education*

The COVID-19 pandemic brought many challenges for institutions of higher education, particularly small, rural, and mid-sized institutions. This request supports the Coordinating Board’s efforts to launch centralized technical and administrative support to public community and technical colleges, as well as support inter-institutional partnerships that collaboratively and efficiently advance state goals. This item also supports continued investments in innovative grant programs aimed at providing Texans the opportunity to complete credentials of value, reskill and upskill, and participate in paid work-based learning experiences.