

# TICUA Policy Update

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February 6, 2009

## Higher Education Stimulus Provisions

Today the US Senate has reconvened to debate the Administration's stimulus package. TICUA member Presidents were on Capitol Hill this week to tout the merits of three primary higher education components. The first provision provides for a \$500 increase in the Pell Grant program. This would move the maximum Pell Grant to \$5,350 thus helping low income students and their families during these distressing economic times.

The second provision relates to tax credits. The stimulus package expands the \$2,500 College Opportunity Tax Credit by increasing the refundability to a 30% - 40% range. As well, the income caps are increased to \$80,000 for single filers and \$160,000 for joint filers.

The third provision deals with capital improvements. The House bill provides for \$6 billion for Education Modernization and the Senate's version is \$3.5 billion. The independent higher education community is urging Congress to provide instructive language to the State's on how to distribute the funds. Historically Congress has not discriminated between public and private non-profit higher education. Consequently, we are asking that the funds be distributed based on enrollment FTE in order to ensure a fair and equitable distribution. If the House number of \$6 billion is maintained, it could result in about \$25 - \$27 million for TICUA member campuses.

It is expected that the Senate will pass their version of the stimulus later today and then it will go to a conference committee to iron out the differences. TICUA remains engaged in this process at both the Federal and State levels.

## Bill Sponsors Identified for Math Scholarship

Senate Speaker Pro Tem Jamie Woodson and House Education Chair Harry Brooks have both agreed to sponsor TICUA's scholarship proposal for Math and Science Teachers. Under this new program students who score a 27 composite on the ACT and a 25 in either of the science or math sub scores will be eligible for a \$5,000 service scholarship. The students will have to commit to teaching in a Tennessee public high school for each year the scholarship is received or it will need to be paid back as a loan. The program has a five year limit and two year retroactive provision for those who decide to pursue education later in their academic career. The program will first be funded through private funds and then maintained through State appropriations.

## Governor's Budget Delayed to March

Governor Phil Bredesen has decided to delay the release of his 2009/2010 budget until March. This will allow for more information on how the federal stimulus might impact the budget as well as a more up-to-date forecast on the State's economy. The Governor still will provide his State of the State address this next week prior to the Legislature beginning it work.