

# Legislative Update

May 27, 2025





# 89<sup>th</sup> TEXAS LEGISLATURE

*Update*

# Potential State Legislative Changes

- ***SB 1 – General Appropriations***
  - State budget bill currently includes the full amount requested by THECB for funding community colleges.
- ***HB 500 – Supplemental Appropriations (Senate substitute supports)***
  - Appropriates the full \$89.5M requested by THECB for funding community colleges for the previous biennium.
- ***SB 1786 – Public Higher Education***
  - Allows transfers to private and independent colleges/universities to count toward community college finance outcomes (HB8 follow-up bill).



# Potential State Legislative Changes

- ***SB 2615 – Remote Work***

- There would be restrictions on remote work by employees of Texas public institutions of higher education.



- ***SB 1798 – Undocumented Students***

- An institution of higher education would not be able to award any financial support using state dollars. Undocumented students would be charged nonresident tuition.



# Potential State Legislative Changes

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- ***SB 37 – Public Institution Governance***
  - Local boards having more involvement in operational issues.
- ***HB 19 – Property Taxes and Bond Issuances***
  - Caps debt payable from property taxes and 5-year freeze on tax notes after failed election.





119 UNITED STATES  
CONGRESS  
and  
EXECUTIVE BRANCH

*Update*

# Budget Reconciliation Bill

*Formerly One Big Beautiful Bill Act*

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1. On May 22, 2025, the U. S. House of Representatives passed the federal budget reconciliation bill.
2. What's next: For President Trump to sign, the Senate must act, and the two chambers must agree on a compromise product.

# 4 Things to Know About the One Big Beautiful Bill--*Inside Higher Ed 5/23/2025*

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1. Students Set to Lose Pell Money
2. Colleges on the Hook for Unpaid Student Loans
3. More Taxes and Medicaid Cuts Threaten Colleges' Bottom Lines
4. Warnings from Higher Ed Pile Up

# Budget Reconciliation Bill

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- **Pell Grant Eligibility and Risk Sharing**
  - **Pell Grant** definition change of **full time student** from 12 to 15 SCH's. Maximum Pell amount would be reduced if taking less than 15 SCH's. Possible eligibility change for “**less than half-time students**” from 6 to 7.5 SCH's. Only students enrolled in 7.5 SCH's or more would be eligible for Pell.
  - **Risk Sharing** would require institutions to pay back unpaid federal student loans.



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- ***Pell Grants for Short-Term Workforce Programs***
  - Would allow Pell Grants for Certified Nurse Aide, Patient Care Tech, Pharmacy Tech, Truck Driving, etc.; funding comes from existing Pell funds
- **Medicaid and SNAP**
  - Would dramatically shift SNAP and Medicaid costs to the states; new work requirements
- **Tax Policy**
  - H.R. 2543, the bipartisan “Tax-Free Pell Grant Act” not included



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- **High Impact Grants Continuation**
  - Status of high impact grants that improve affordability and student success including RSVP, AEL, TRIO (Upward Bound, Student Support Services, Educational Opportunity Center), etc. uncertain (*NOTE: Information heard Tuesday afternoon from AACC Governmental Relations is encouraging for TRIO with no further input about the other high impact grants.*)

