

**States' Survey Responses
to the Texas Higher Education Coordinating
Board
March 2005**

	Responded to survey	1.Does your state have a local tax to support community colleges?	2.If yes, what percent of overall funding does the local tax provide?	3.Does your state have assigned service areas?	4.If yes, what entity assigns the service areas?	5.If you have a local tax, do you have service areas that have territory that is not taxed?
AK	no					
AL	yes	No	N/A	Yes	State Board of Trustees	N/A
AR	yes	Yes* (see footnote)	not answered	Yes	Arkansas Higher Education Coordinating Board	Yes*(see footnote)
AZ	no					
CA	yes	Yes*(see footnote)	not answered	Yes	not answered	not answered
CO	no					
CT	yes	No*(see footnote)	N/A	Yes*(see footnote)	State Board of Trustees	N/A
DE	yes	No*(see footnote)	N/A	No	N/A	N/A
FL	yes	No*(see footnote)	N/A	Yes	state statute	N/A
GA	yes	No	N/A	Yes*(see footnote)	not answered	N/A
HI	yes	No	N/A	No	N/A	N/A
IA	yes	Yes*(see footnote)	5.50%	Yes*(see footnote)	Director of the Department of Education*(see footnote)	No
ID	yes	Yes	35%	No	N/A	Yes
IL	yes	Yes*(see footnote)	40%	Yes*(see footnote)	local voter approval*(see footnote)	Yes*(see footnote)
IN	yes	No	N/A	Yes*(see footnote)	Commission for Higher Education	N/A
KS	no					
KY	yes	No	N/A	No*(see footnote)	N/A	N/A
LA	yes	No	N/A	Yes	Board of Regents and the Legislature	N/A
MA	yes	No*(see footnote)	N/A	Yes*(see footnote)	not answered	N/A
MD	yes	Yes	34%	Yes*(see footnote)	state statute	not answered
ME	yes	No	N/A	No	N/A	N/A
MI	yes	Yes	40.5%*(see footnote)	No*(see footnote)	N/A	Yes*(see footnote)
MN	yes	No*(see footnote)	N/A	No*(see footnote)	N/A	N/A
MO	yes	Yes	27%	Yes	The Missouri Coordinating Board for Higher Education	Yes
MS	yes	Yes*(see footnote)	10.33%	Yes*(see footnote)	State Legislature	No
MT	yes	No*(see footnote)	N/A	No	N/A	N/A
NC	yes	No*(see footnote)	N/A	Yes	State Board of Community Colleges	N/A
ND	no					
NE	yes	Yes*(see footnote)	37%	Yes*(see footnote)	State Legislature	No
NH	no					
NJ	yes	Yes*(see footnote)	27%	Yes*(see footnote)	state statute*(see footnote)	No*(see footnote)
NM	yes	Yes	24%	Yes*(see footnote)	Community College statutes	Yes*(see footnote)
NV	yes	No*(see footnote)	N/A	Yes	state statute	N/A
NY	yes	Yes*(see footnote)	34%	Yes*(see footnote)	Community College statutes*(see footnote)	not answered
OH	yes	Yes*(see footnote)	22.20%	Yes*(see footnote)	Ohio Board of Regents	Yes
OK	no					

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OR	yes	Yes	25%*(see footnote)	Yes	State Board of Education	Yes*(see footnote)
PA	yes	Yes*(see footnote)	not answered	Yes*(see footnote)	Local sponsor	No*(see footnote)
RI	yes	No*(see footnote)	N/A	not answered	not answered	N/A
SC	yes	Yes*(see footnote)	11%	Yes	State Board for Technical and Community Colleges	No*(see footnote)
SD	yes	N/A*(see footnote)	N/A	N/A	N/A	N/A
TN	no					
TX	yes	Yes	25%	Yes	State Legislature	Yes
UT	yes	No	N/A	No	N/A	N/A
VA	yes	No	N/A	not answered	not answered	N/A
VT	yes	No	N/A	not answered	not answered	N/A
WA	no					
WI	no					
WV	yes	No	N/A	Yes	state statute	N/A
WY	yes	Yes*(see footnote)	16%	Yes	state statute*(see footnote)	Yes

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Footnotes: Information Provided by the States			
Arkansas	Question 1	Some colleges have local taxes, either sales or property. Of the 22 colleges there are 6 that do not have a local tax of any kind.	
	Question 5	There are some of our colleges who have a service area that extends beyond their taxing authority. In those cases, students pay out-of-district tuition that is higher than the tuition that is paid by students in the counties that pay taxes.	
California	Question 1	For facilities only.	
Connecticut	Question 1	The Connecticut Community College System does not receive any local tax support. We receive a General Fund Appropriation from the State Budget, and Capital projects are funded with State General Obligation Bonds.	
	Question 3	The State Board of Trustees assigns service regions to the colleges for the main purpose of programmatic responsiveness to local communities. Not surprising, even without local taxing authority we do observe an occasional boarder skirmish.	
Delaware	Question 1	Delaware does not have a local tax to support community colleges. The majority of Delaware Technical & Community College's (Delaware's only community college with 4 campus locations throughout the state) funding source comes from the General Fund with the balance from tuition/fees, federal support, other state and private sector grants and contracts.	
Florida	Question 1	No local tax generally, although a few specific local taxes have been authorized by local government, not the college (Miami Dade in particular had one). But they are extremely rare. General operating dollars are supported through state taxes and tuition/fees.	
Georgia	Question 3	The technical colleges have defined service areas. The two-year liberal arts colleges do not.	
Iowa	Question 1	There is only one levy for property taxes collected by the community colleges in the State of Iowa that is accounted for in the General Unrestricted Fund. The General Operations Levy is a \$0.2025 per \$1,000 of assessed valuation levy. For fiscal year 2004, this levy accounted for 5.50% (\$20,572,952) of the Total Unrestricted General Fund Revenues. For fiscal year 2005, the amount to be collected through this levy as estimated by the Iowa Department of Management is \$19,980,602. The community college's local board approves this levy, and all fifteen community colleges in the state are currently collecting this property tax.	
		There are various levies that the local community college board can approve. These levies are accounted for in the General Restricted Fund and are to be used for the purpose of the levy. They include the Unemployment Levy, Tort Levy, Insurance Levy, Early Retirement Levy, and the Standby Levy. Not all community colleges levy for these property taxes. There is also a Debt Service Levy that the community colleges may levy for, but a 60% majority approval is required for this levy. Another levy available for the community colleges is the Equipment Replacement Levy. The Equipment Replacement Levy is a \$0.03 per \$1,000 of assessed valuation that is approved by the local community college board. There is an additional \$0.06 per \$1,000 in assessed valuation that is available to the community colleges by a simple majority vote. In fiscal year 2004, these levies accounted for 17.45% of the Total Restricted General Fund Revenues.	

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		The Facilities Levy (Plant Fund) is another levy that is available to the community colleges. This is also a \$0.2025 per\$1,000 of assessed valuation levy. This levy is accounted for in the Plant Fund of the community college. This is also a levy that requires a 60% majority vote, and has a 10-year maximum per vote. This levy can be renewed at the end of the 10-year period.			
	Question 3	There are 15 community colleges in the state. Each college serves a multi-county merged area, which may vary in size from four to twelve counties; all of Iowa's 99 counties are included in one of these merged areas.			
	Question 4	With the approval of the board of directors of each merged area affected by the change.			
Illinois	Question 1	Illinois Community Colleges collect local property taxes to support operations. Available local property taxes are affected by the equalized assessed value of property and actual tax rates.			
	Question 3	Illinois has 39 community college districts plus one multi-college community college center in East St. Louis.			
	Question 4	Community college districts were formed with local voter approval and were originally created around K-12 school district boundaries. All areas of the state included in a community college district except for the area of East St. Louis.			
	Question 5	A multi-college community college center serves the area in East St. Louis. No local property taxes are paid and the State of Illinois subsidizes its operations.			
Indiana	Question 3	Yes, for the 4-year regional campuses and the two-year campuses. The larger doctoral institutions are regarded as having a statewide service area.			
Kentucky	Question 3	There are no assigned service areas. We serve the entire state. There are areas each college works in and there are overlapping areas. The goal is to have the student enroll and not worry about where.			
Massachusetts	Question 1	Massachusetts has no local funding base. State appropriations and student fees form the funding base for our campuses.			
	Question 3	We have had designated service areas for a very long time. With technology and business and industry training requests these areas often become "fuzzy." For the most part, however, institutions do collaborate around those "fuzzy border" issues.			
Maryland	Question 3	In most places, the community college service area is the same as the county in which it is located. There is never more than one college in a county. In some rural areas there may be one college for two or more counties. The only exception to the above is the city of Baltimore which has its own college within Baltimore County.			
Michigan	Question 2	28 colleges range from 15% to 64%. Local district voters approve millage rates up to 5 mills maximum per district. The other two major revenue supports include: State General funds; 27% statewide average with the range from 16% to 59%. Student tuition and fees; 28.8% statewide average with the range from 16% to 46%.			

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	Question 3	Citizens vote to become a part of a district. Currently, 70% of the land mass and 80% of residents reside in a college district that elects the local board of trustees and approves local tax operations.	
	Question 5	The 30% of the state territory that does not reside in a district is not taxed to support community college operations.	
Minnesota	Question 1	Minnesota's community and technical colleges are funded with tuition and state legislative funds.	
	Question 3	Minnesota State Colleges and Universities do not have assigned service areas. Institutional administrators who are concerned about potential program duplication or geographical location of a proposed program are informed of program proposals through a state wide list serv which includes all colleges and universities, and significant issues that surface are considered in the final program approval decision made by the office of the Chancellor.	
Mississippi	Question 1	Our colleges did receive 10.33% of their operating funding from local support in FY 2004. Community colleges also receive local tax support for capital improvement. The maximum level of support is three mills for support and three mills for capital improvement; the minimum is one mill in each of these categories. There is one exception where Mississippi Gulf Coast Community Colleges has a maximum of four mills for capital improvement.	
	Question 3	Each college has a district that is comprised of certain counties. Some districts share counties.	
Montana	Question 1	Montana does not have a local tax to support community colleges. Each of the three public community college districts have voted to impose a local levy to support the community colleges. The percent of overall funding provided by the local levy varies for each of the three districts.	
North Carolina	Question 1	While we do not have dedicated local taxes nor the authority in our local Boards of Trustees to levy a tax, the responsibility for operating and maintaining the local campuses resides with the local County Commissioners. However, this is just a part of their budget and comes out of general county revenues.	
Nebraska	Question 1	Nebraska has a local property tax levy used to support the community colleges.	
	Question 3	They are actually taxing areas that also equate to service areas.	
New Jersey	Question 1	NJ's community colleges are partially funded by their sponsoring county governments. Overall, county funding to our colleges provides about 27% of our total operating aid. On capital funding, the counties issue bonds, and the state's then reimburse the counties for half of the debt service.	
	Question 3	NJ's community colleges are county-based institutions, and thus their "service areas" are their sponsoring county or counties.	
	Question 4	No one really "assigns" the service area. It's just the way our system was created in statute from the beginning. Counties provide local funding (see #1 above); the colleges serve those counties. This is not to say that students living in one county cannot attend a college in another county. They can. But there is typically an out-of-county tuition differential for	

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		those students.			
	Question 5	The tax revenue for our colleges comes from the local property tax. It is paid by all homeowners in all counties (service areas).			
New Mexico	Question 3	Based on taxing district.			
	Question 5	New Mexico has about half its territory untaxed for community college support. Other than on constitutionally established community college that has no taxing authority but has an assumed service area, territory outside a taxing district is not considered part of any service area but considered "open-market" for postsecondary educational services.			
New York	Question 1	There are 30 community colleges with the State University of New York (SUNY). Each college has a revenue stream, as specified by Education Law, made up of three sources: one-third from the local county sponsor; one-third from the state of NY; and one-third from student tuition. As state funds have become more scarce, the simple formula of one-third, one-third, one-third has shifted to about 38% from tuition; 28% from the state; and 34% from the local sponsor. So it is not a state-wide local tax, rather a locally defined and funded dollar amount.			
	Question 3	Each of the 30 community colleges was originally sponsored by their local county. Each college does have a service area, and for recruiting and marketing purposes, they are supposed to stay within their service area.			
	Question 4	Part of the original design of the college.			
Ohio	Question 1	Only 6 of Ohio's 23 community colleges receive local tax support.			
	Question 3	Service Districts in Ohio are designated geographical areas for the delivery of comprehensive services by Ohio's 2-year campuses.			
Oregon	Question 2	Dropped from 48% in 1990 because of citizen-led local property tax limitations.			
	Question 5	The State Board of Education authorizes a "contract out of district" for those areas that have not passed a local property tax.			
Pennsylvania	Question 1	Local sponsors (school districts or counties or municipalities) can tax citizens in their jurisdiction to provide funds, but it is part of a larger taxing authority, not specific to community college operation.			
	Question 3	Yes, within local sponsor area.			
	Question 5	Not explicitly. Students from outside a specific service area (local sponsor area) pay either two times (2X) the local sponsor tuition charge for in-state students or three times (3X) the local sponsor tuition charge for out-of-state and international students.			
Rhode Island	Question 1	We are a single, multi-campus, state-wide institution, supported with state and no local funds.			

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South Carolina	Question 1	Colleges must secure from counties the cost of operating the local facilities. This averages 11% of the total operating budget.			
	Question 5	No local tax, only a local obligation that is normally provided by a millage commitment.			
South Dakota	All Questions	South Dakota has no community colleges.			
Wyoming	Question 1	Approximately 16% of the funding for Wyoming's community colleges comes from local taxes (ad valorem/mill levy through local voter approval).			
	Question 4	The districts (service areas) were determined initially by statute at various times and can only be changed by formal annexation or redistricting.			
	Question 5	The current districts are geographically identical to county boundaries, and consequently there are service areas that are not taxed locally.			