

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 19, 2005

TO: Honorable Geanie Morrison, Chair, House Committee on Higher Education

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1039 by Keel (Relating to an exemption from tuition and fees at institutions of higher education for peace officers and police cadets enrolled in certain law enforcement programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1039, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.
--

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	\$0
2007	\$0
2008	(\$7,818,780)
2009	(\$7,818,780)
2010	(\$7,818,780)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2006	\$0
2007	\$0
2008	(\$7,818,780)
2009	(\$7,818,780)
2010	(\$7,818,780)

Fiscal Analysis

Under the bill, peace offices and police cadets enrolled in certain law enforcement programs, would be exempt from tuition and fees at higher education institutions. The student could receive an exemption only for courses that are required to complete the law enforcement degree of certificate program in which the student is enrolled.

Methodology

According to the Law Enforcement Officer Standards and Education Commission staff, there are approximately 60,395 peace officers and cadets as defined in the bill. The Higher Education Coordinating Board (THECB) assumed that 10 percent of the 60,395 peace officers would take advantage of the program. Because these officers are employed full-time THECB assumes that they will enroll an average of six semester credit hours and 75 percent or 4,530 will enroll in community colleges and 25 percent or 1,510 will enroll in universities. The standard General Revenue cost for funding at community colleges is \$3,368 for 30 hours or

\$112.27 for each hour. The standard General Revenue cost for funding at universities is \$2,837 for 30 hours or \$94.57 for one semester credit hour. The cost for six hours at a community college would be \$674 (\$112.27 multiplied by 6 hours) and \$567 (\$94.57 multiplied by 6 hours) at a university. The total cost would be \$3,053,220 for the community colleges and \$856,170 for universities for one semester when the cost for six hours is multiplied by the amount of students. Each academic year is therefore estimated to cost \$7,818,780.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 720 The University of Texas System Administration, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

LBB Staff: JOB, CT, RT, GO