

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 20, 2005

TO: Honorable Craig Eiland, Chair, House Committee on Pensions & Investments

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

IN RE: HB3031 by Strama (Relating to the eligibility of certain institutions of higher education faculty members to participate in a group benefits program.), **As Introduced**

No significant fiscal implication to the State is anticipated. However, there may be a cost to the state after fiscal year 2008 due to the inclusion of adjunct faculty staff in the next group health insurance enrollment census.

Local Government Impact

This bill would make community college adjunct faculty staff eligible to participate in the ERS Group Benefits Plan. It does not explicitly provide for the appropriation of additional general revenue funds to pay the costs of these employees. Any such costs would have to be paid by the community college district.

The cost to individual community college districts depends on whether and to what degree a public community college district offers health benefits to adjunct faculty staff.

Since the current group health insurance enrollment census does not include adjunct faculty staff, the general revenue dollars based on this census also do not include funds for adjunct faculty staff. As such, local community college districts will have to assume the costs of providing health coverage for their newly-eligible adjunct faculty staff.

However, there is a possible cost to the state in fiscal years 2008 onward due to the inclusion of adjunct faculty in the next group health insurance enrollment census.

Source Agencies: 327 Employees Retirement System

LBB Staff: JOB, SR, MS, JW, JAW