

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 4, 2007

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

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

IN RE: HB381 by Allen, Alma (Relating to the use of state institutions of higher education to provide training to state agency employees.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would require state agencies to use institutions of higher education for training under certain circumstances.

Although it is possible higher education institutions could provide training at lower costs than private vendors (resulting in lower training costs at state agencies), the magnitude of shifting state agency training from private training vendors to higher education institutions cannot be estimated.

Any savings at state agencies could also be offset by increased state costs due to growth in contact hours at community colleges and semester credit hours at four-year institutions.

Local Government Impact

To the degree state agencies shift from private training vendors to public institutions of higher education as a result of this bill, institutions would gain an undetermined increase in training contract income as well as an increase in earned contact hours (community colleges) or credit hours (4-year institutions).

Source Agencies: 320 Texas Workforce Commission, 781 Higher Education Coordinating Board

LBB Staff: JOB, MN, RT, JAW