

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 8, 2009

TO: Honorable Dan Branch, Chair, House Committee on Higher Education

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

IN RE: HB3885 by Alonzo (Relating to a study of the effectiveness of the success initiative assessment and developmental coursework requirements and the implementation of a pilot program regarding student readiness for college-level work.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3885, As Introduced: a negative impact of (\$1,453,000) through the biennium ending August 31, 2011.
--

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$730,250)
2011	(\$722,750)
2012	(\$722,750)
2013	(\$722,750)
2014	(\$722,750)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2010	(\$730,250)
2011	(\$722,750)
2012	(\$722,750)
2013	(\$722,750)
2014	(\$722,750)

Fiscal Analysis

Under provisions of the bill, the Higher Education Coordinating Board would establish pilot programs at institutions of higher education to develop innovative strategies for addressing a student's deficiencies in the student's readiness to perform freshman-level academic coursework.

Methodology

For purposes of this fiscal note it is assumed that three pilot programs would be established. The Higher Education Coordinating Board has estimated that to fund one pilot program at an institution of higher education would cost approximately \$236,750 per year based upon estimated expenses in the following categories: salaries (\$30,000), instructional staff salaries (\$75,000), benefits (\$26,250), professional fees (\$20,000), interns (\$12,000), travel (\$20,000), office supplies and materials (\$5,000), equipment and repair (\$5,000), instructional supplies (\$5,000), postage/shipping (\$1,000), printing

(\$2,500), professional development fees and materials (\$5,000), student incentives (\$25,000) and faculty release time (\$5,000). The instructional salaries will cover the cost for the grantees to employ faculty, instructional aides, and tutors working in the center. The centers will target those students needing only one or two developmental education courses to meet standards for college readiness.

The Higher Education Coordinating Board also indicated that approximately \$20,000 per year would be spent on travel for monitoring and compliance visits. The variation in annual cost for fiscal year 2010 and fiscal year 2011-2014 is based upon adjustments for equipment and repair over the five year funding period.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: JOB, KK, RT, GO