

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 21, 2009

TO: Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education

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

IN RE: SB1312 by Shapiro (Relating to programs and funding to support adult and postsecondary education and workforce development at public junior colleges and public technical institutes.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1312, As Introduced: a negative impact of (\$27,544,228) 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	(\$13,794,778)
2011	(\$13,749,450)
2012	(\$13,749,950)
2013	(\$13,749,950)
2014	(\$13,749,950)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2010	(\$13,794,778)
2011	(\$13,749,450)
2012	(\$13,749,950)
2013	(\$13,749,950)
2014	(\$13,749,950)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	2.3
2011	2.3
2012	2.3
2013	2.3
2014	2.3

Fiscal Analysis

The bill would create an adult basic education pilot program administered by the Higher Education Coordinating Board.

Under provisions of the bill, the Comptroller of Public Accounts (CPA) would establish and administer the Jobs and Education for Texans (JET) Grant program to provide grants to public junior colleges and public technical institutes, and would establish and administer the GR Account—Jobs and Education for Texans (JET) Grant, which could receive legislative appropriations, interest earnings, gifts, grants, and donations from public and private sources for facilitating this program. The bill would authorize the Comptroller to award grants for innovative and successful programs, grants for career and technical education programs, and scholarships for public junior college or public technical institute students.

Methodology

The Higher Education Coordinating Board has indicated that to establish an adult basic education pilot program for public junior college districts they would need to add 2.25 FTE's (1-program director and 1-program specialist III) to award and monitor and (.25 program director) to collect, analyze and evaluate this pilot program. The estimated cost for personnel for fiscal year 2010 will be \$194,778 and \$161,450 for fiscal year 2011 and subsequent years. The would also require \$20,000 annually for travel expenses related to grant monitoring and compliance visits.

The Higher Education Coordinating Board has estimated the total fiscal impact to fund one ABE pilot project is \$1,080,000 for fiscal year 2010 and \$1,068,000 for fiscal year 2011 and subsequent years based on a per student cost of \$900 per student for fiscal year 2010 and \$890 per student for fiscal year 2011 and subsequent years. The program would serve an estimated 1200 students each fiscal year.

For purposes of this fiscal note it is assumed that the legislature would appropriate \$12,500,000 per year for the Jobs and Education for Texans Grant program. Any costs associated with administration of the program would be absorbed within existing resources

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: JOB, KK, GO