

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 24, 2009

TO: Honorable Leticia Van de Putte, Chair, Senate Committee on Veteran Affairs & Military Installations

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

IN RE: SB1538 by Van de Putte (relating to establishing veterans resource centers at certain institutions of higher education.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1538, Committee Report 1st House, Substituted: a negative impact of (\$2,083,068) through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$1,050,934)
2011	(\$1,032,134)
2012	(\$1,032,134)
2013	(\$1,032,134)
2014	(\$1,032,134)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$1,050,934)	18.0
2011	(\$1,032,134)	18.0
2012	(\$1,032,134)	18.0
2013	(\$1,032,134)	18.0
2014	(\$1,032,134)	18.0

Fiscal Analysis

The bill would amend the Government Code and establish 15 veterans' resource centers at various institutions of higher education to provide a centralized place for veterans to find assistance and information. Institutions of higher education would bear the cost of office space, office equipment, computers, and internet access for Veterans Commission staff located at the various institutions of higher education.

Methodology

The Veterans Commission indicates that it will need 18 new FTEs to operate the veteran's resource center program at a cost of \$873,784 in salaries and wages in fiscal year 2010 and the remaining fiscal

years out of the General Revenue Fund. In addition, \$89,150 out of the General Revenue fund will be needed each fiscal year for other operating expenses for items such as publications, posters, and pamphlets to advertise the program to the veteran community. Furthermore, travel expenses of \$69,200 out of the General Revenue Fund will be needed each fiscal year for travel related expenses. A one-time cost of \$18,800 in fiscal year 2010 out of the General Revenue Fund will be needed for cell phones, desks, and other office equipment for three of the new FTEs mentioned above that will be located at the Veterans Commission headquarters to oversee the program.

The Higher Education Coordinating Board has indicated that the establishment of the new veterans' resource centers will increase enrollment at higher education institutions resulting in increased tuition and fee revenue for the institutions. They assumed that the centers would be fully operational beginning in fiscal year 2011 and estimated an additional 3,188 veterans and their family members will enroll in a public institution of higher education resulting in additional tuition and fee revenue of approximately \$9.6 million per year beginning in fiscal year 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 403 Veterans Commission, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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