

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 5, 2009

TO: Honorable Craig Estes, Chair, Senate Committee on Agriculture & Rural Affairs

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

IN RE: SB2405 by Zaffirini (Relating to a pilot program to expand access to career and technical education partnerships in rural areas.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2405, Committee Report 1st House, Substituted: a negative impact of (\$800,000) 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	(\$800,000)
2011	\$0
2012	(\$800,000)
2013	\$0
2014	(\$800,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2010	(\$800,000)
2011	\$0
2012	(\$800,000)
2013	\$0
2014	(\$800,000)

Fiscal Analysis

The bill would amend the Agriculture Code to create the Rural Workforce Investment Pilot Program. This pilot program would develop partnerships in rural areas among school districts, public junior colleges, public technical institutes, general academic teaching institutions, and business and industry to provide greater access to career and technical education and industry certification to high school students in rural areas.

The bill would limit the Department of Agriculture (TDA) to issue no more than four grants for this program in a state fiscal biennium.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house; otherwise it would take effect September 1, 2009.

Methodology

The bill states that the program is subject to available funding, and limits TDA to issue no more than four grants for this program each biennium. TDA indicates that each grant awarded would be an average of \$200,000. Therefore it is anticipated that \$800,000 would be provided in grant funding in each fiscal biennium under the Rural Workforce Investment Pilot Program.

TDA indicates that any administration costs associated with administering the grant program could be absorbed within the agency's existing resources.

Local Government Impact

The bill would allow a "rural area" as defined by the provisions of the bill to submit an application for a grant to participate in the Rural Workforce Investment Pilot Program. A local governmental entity that chose to participate in the program would be required to commit public or private funds to match the grant to be eligible to apply for a grant. The fiscal impact to local governmental entities would vary depending on an entity's decision to participate, and the ability to match the funds of the grant.

Source Agencies: 320 Texas Workforce Commission, 551 Department of Agriculture, 701 Central Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JOB, SZ, ZS, AH, SD, TP