

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 29, 2013**

**TO:** Honorable Bob Deuell, Chair, Senate Committee on Economic Development

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1297** by Alvarado (Relating to the review of certain skills development fund workforce training programs.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The provisions of the bill would require the Texas A&M Engineering Extension Service (TEEX) and each public community or technical college to conduct a review by June 1 each year to determine the effectiveness of its workforce training programs in improving the socioeconomic circumstances of participants who complete the program, and to identify strategies for improving the delivery of workforce training to more effectively impact economic development. The report would only be required for programs for which skills development funds were used. The detailed report must be submitted to the Texas Workforce Commission for inclusion in the report to the governor and legislature.

It is assumed that TEEX could implement the provisions of the bill by utilizing current resources. The Texas Workforce Commission would need to amend its rules and policies regarding how the results are reported and has indicated the agency could perform the duties with current resources. According to the Higher Education Coordinating Board (Board), community colleges currently report salary data to the Board to review the customized training programs. The Board would not need additional resources to review the new reports.

The bill would take effect immediately if it receives a vote of two-thirds of each house; otherwise, it would take effect on September 1, 2013.

**Local Government Impact**

Based on a survey of several community colleges, it is anticipated that there could be additional duties in determining the effectiveness of the programs in improving the socioeconomic circumstances of participants who complete the program. Some community colleges anticipate the need for additional staff or the need to contract with outside personnel for the data collection and analysis. A few community colleges may consider not participating in the grant program if the additional reporting requirements exceeded the benefits of participating in the program.

**Source Agencies:** 320 Texas Workforce Commission, 716 Texas A&M Engineering Extension Service, 781 Higher Education Coordinating Board

**LBB Staff:** UP, RB, SK, DE