

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 4, 2013

TO: Honorable Kel Seliger, Chair, Senate Committee on Higher Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB414 by Ellis (relating to a study and report regarding authorizing certain public junior colleges to offer baccalaureate degree programs to address regional workforce needs.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB414, Committee Report 1st House, Substituted: a negative impact of (\$150,000) through the biennium ending August 31, 2015.

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
2014	(\$150,000)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2013
2014	(\$150,000)	2.0
2015	\$0	0.0
2016	\$0	0.0
2017	\$0	0.0
2018	\$0	0.0

Fiscal Analysis

The provisions of the bill require the Higher Education Coordinating Board (Board) to conduct a

study of regional workforce needs in Texas to determine the regions of the state that would benefit from authorization of baccalaureate degree programs at public community colleges. It would also require the Board to establish appropriate metrics for determining whether a public community college should offer those degree programs. The bill includes specific factors the Board would be required to study in determining if a baccalaureate degree program at any public community college.

The Board shall submit by June 1, 2014, to each legislative standing committee with primary jurisdiction over higher education the results of its study and recommendation for legislative or other action.

The bill takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Methodology

Based on information provided by the Higher Education Coordinating Board (Board) to implement the provisions of the bill, two Full-time Equivalent (FTEs) would be needed to implement provisions of the bill. One FTE would directly work under the Workforce, Academic Affairs and Research Division and one FTE would be under the Planning and Accountability Division. The staff members would complete the 26 regional workforce analyses and simultaneously work with stakeholder committee to develop and test metrics. In addition, the staff would complete the institution and program specific analyses which could be anywhere between 30-80 analyses.

It is estimated that the costs would total \$150,000 if conducted by the Board internally or estimated to be an equal amount if the Board enters into a contract externally to conduct the study.

The Board anticipates the draft of the report would have to be complete by February 1, 2014 in order to allow for internal and external review before Board adoption in April 2014.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: UP, KK, SK, DE