

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 21, 2015**

**TO:** Honorable John Zerwas, Chair, House Committee on Higher Education

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

**IN RE:** **HB1574** by Muñoz, Jr. (Relating to limitations imposed on baccalaureate degree programs offered by public junior colleges.), **As Introduced**

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

The bill would amend the Education Code to allow the Texas Higher Education Coordinating Board (THECB) to approve additional baccalaureate degree programs at community colleges currently authorized to offer certain baccalaureate degree programs.

It is assumed that there would be a cost to General Revenue from an estimated increase in formula funding for any additional baccalaureate program offered by a public junior college under the provisions of the bill due to additional students enrolling in the program generating additional contact hours. This cost would not be seen until at least fiscal year 2018, as formula funding is provided to institutions based on student data prior to the biennium to be funded. Based on information provided by THECB, the estimated number of additional contact hours generated under the provisions of the bill would not be significant. Therefore, this analysis assumes the estimated increase in formula funding would not be significant.

**Local Government Impact**

Based on information provided by Brazosport College, Midland College, and South Texas College, the establishment of additional baccalaureate degree programs at these institutions under the provisions of the bill could result in a significant fiscal impact for those community colleges to cover start-up and operating costs. Such costs include, but are not limited to, upgrading facilities and libraries to accommodate upper division coursework and costs associated with faculty salary and workload. This analysis assumes these costs would be paid for out of institutional funds, partially offset by any state appropriations from formula funding.

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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