

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

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

**April 28, 2015**

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

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

**IN RE: HB3733** by Burkett (Relating to the establishment of a tuition and fee reimbursement program for certain adopted children enrolled in career schools or colleges.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3733, As Introduced: a negative impact of (\$3,865,871) through the biennium ending August 31, 2017.

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
2016	(\$1,990,549)
2017	(\$1,875,322)
2018	(\$1,875,322)
2019	(\$1,875,322)
2020	(\$1,875,322)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2015
2016	(\$1,990,549)	1.5
2017	(\$1,875,322)	0.5
2018	(\$1,875,322)	0.5
2019	(\$1,875,322)	0.5
2020	(\$1,875,322)	0.5

**Fiscal Analysis**

This bill would amend the Education Code relating to the establishment of a tuition and fee reimbursement program for certain adopted children enrolled in career schools or colleges.

The bill would establish a program in which the Texas Workforce Commission (TWC) would reimburse a student for tuition and fees paid to attend a career school or college if the student is an adopted child formerly in foster or other residential care, and who is eligible for exemption from tuition and fees at an institution of higher education under Texas Education Code, Section 54.367.

This bill would take effect immediately upon receiving a vote of two-thirds of all members elected to the House and Senate or otherwise on September 1, 2015.

**Methodology**

Based on information provided by TWC, it is estimated that implementing the provisions of the bill would result in total reimbursements of \$1.83 million annually. The agency's estimate is based on the percentage of students attending institutions of higher education that are exempt from the payment of tuition and fees under current statute. Assuming the same percentage of eligibility for enrollees at career schools and colleges, the agency estimates that one percent of the total 121,565 enrollees would receive an average reimbursement of \$15,000 annually.

The agency estimates that in addition to the reimbursements, they would require recurring costs of \$27,381 in salaries and \$14,740 in related support and benefit costs each fiscal year for 0.5 full-time equivalent positions (FTEs). TWC also estimates \$3,201 for rent and other related expenses to administer the reimbursement program. Additional program expenses include one-time costs of \$71,596 in salaries and \$38,541 in related support and benefit costs for 1.0 FTE in fiscal year 2016 necessary to make changes to the agency's current database, along with \$5,090 for one-time staff start-up costs.

**Technology**

TWC estimates a one-time expense of \$110,137 in salaries for the 1.0 additional FTE necessary to update the agency's participant tracking and eligibility determination system, The Workforce Information System of Texas (TWIST). The agency also anticipates recurring technology costs of \$1,795 each fiscal year related to computer leases for the new FTEs required to implement the provisions of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 530 Family and Protective Services, Department of, 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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