

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 9, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB832** by Clardy (Relating to state funding for baccalaureate degree programs offered at certain public junior colleges.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would allow the Higher Education Coordinating Board to authorize certain public junior colleges to offer baccalaureate degree programs in dental hygiene.

It is assumed that there would be a cost to General Revenue from increased formula funding to any public junior college that offered a baccalaureate degree program 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 2020, as formula funding is provided to institutions based on student data prior to the biennium to be funded. The amount of additional formula funding would depend on the number of programs offered and the level of enrollment in those programs. This analysis assumes the increase in formula funding would not be significant.

It is also assumed that there could be a decrease in formula funding and tuition and fee revenue at certain institutions resulting from students who choose to enroll in dental hygiene programs at public community and junior colleges instead of at general academic or health related institutions. However, this decrease is not assumed to be significant.

Local Government Impact

Based on information provided by a sample of community colleges, the establishment of additional baccalaureate degree programs for eligible community colleges 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, securing proper regional accreditation, upgrading facilities, laboratories, 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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