

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 1, 2017**

**TO:** Honorable Dan Huberty, Chair, House Committee on Public Education

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

**IN RE: HB3730** by Johnson, Jarvis (Relating to the development of a statewide online education and career advising tool and to a study and report on certain courses offered for college credit to public school students.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3730, As Introduced: a negative impact of (\$2,680,000) through the biennium ending August 31, 2019.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$1,340,000)
2019	(\$1,340,000)
2020	(\$1,005,000)
2021	\$0
2022	\$0

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2018	(\$1,340,000)
2019	(\$1,340,000)
2020	(\$1,005,000)
2021	\$0
2022	\$0

**Fiscal Analysis**

The bill would amend the Education Code to require the Texas Education Agency (TEA) to develop and implement a statewide online education and career advising tool to assist students in making informed, meaningful, and attainable postsecondary and career plans. Under the

provisions of the bill, the online tool would be required to provide students with information on several matters, including individualized career pathways and relevant necessary courses, articulation agreements throughout the state for dual credit programs and credit transfer, postsecondary and career options associated with certain diploma endorsements, stackable degree programs, and existing and anticipated state and local employment opportunities aligned to state and regional workforce needs. The bill would require the Texas Higher Education Coordinating Board (THECB) and Texas Workforce Commission (TWC) to provide agency data as necessary to develop this tool. The bill would require an initial version of the tool incorporating as many required elements as possible to be developed and implemented by September 1, 2018, with the final tool completed by September 1, 2019.

The bill would also require TEA and THECB to jointly study college credit courses offered to high school students to evaluate both the rigor of courses most commonly offered and potential incentives that could be developed to ensure the courses offered are of high quality. TEA and THECB would be required to submit a report of their findings and recommendations to the governor, lieutenant governor, speaker of the house of representatives, and standing legislative committees with primary jurisdiction over education by September 1, 2021.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

### **Methodology**

Under the provisions of the bill, TEA would be required to develop and implement a statewide online advising tool that would provide students with information on local, regional, and statewide higher education and workforce opportunities, including agency data maintained by THECB and TWC as necessary. Based on analysis of the development of similar online tools, this analysis assumes that TEA could develop and launch the required online advising tool at a cost of \$2,680,000 for the 2018-19 biennium. According to TEA, costs for initial development and launch would continue at a lower cost into fiscal year 2020. This analysis assumes that costs for the third year of development and launch in fiscal year 2020 would be \$1,005,000.

This analysis assumes that TEA and THECB working jointly could conduct the required study and report within existing resources and that TEA could manage and maintain the online tool within existing resources after initial development and launch.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency, 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, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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