

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

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

**May 27, 2017**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE:** **SB2118** by Seliger (Relating to authorization by the Texas Higher Education Coordinating Board for certain public junior colleges to offer baccalaureate degree programs.), **Conference Committee Report**

The fiscal implications of the bill cannot be determined at this time. The bill could result in a net decrease in General Revenue due to decreased formula funding at general academic institutions and health related institutions, which could be partially offset by increased formula funding at public junior colleges in fiscal years 2020-2021. The bill could result in a net decrease in tuition and fee revenue at general academic institutions and health related institutions due to estimated declines in enrollment in certain programs. The net change in General Revenue and institutional funds for institutions of higher education would depend on the number of baccalaureate degree programs offered by public junior colleges and the number of students who choose to enroll in those programs instead of programs at general academic and health related institutions.

The bill would allow THECB to authorize baccalaureate degree programs in applied science, applied technology, and applied nursing at a public junior college that previously participated in a pilot project. The bill would also allow THECB to authorize baccalaureate degree programs at a public junior college that already offers a degree program in applied science, including a degree in applied science with an emphasis in early childhood education, applied technology, or nursing. Under the provisions of the bill, a public junior college that offers a baccalaureate degree in applied science, applied technology, or applied nursing and previously participated in pilot project may not offer more than five baccalaureate degree programs at a time, otherwise it may not offer more than three of these programs at a time.

The bill would allow THECB to authorize a baccalaureate degree in dental hygiene at a junior college without the provision that the junior college participate in a pilot project.

Under the provisions of the bill, a public junior college must submit a report to THECB that includes a long-term plan for accreditation, faculty recruitment, program and course delivery, and information regarding existing articulation agreements and dual enrollment agreements. The bill would limit the ability of junior colleges to offer baccalaureate degree programs to districts that received a positive assessment of overall financial health made from THECB and have a taxable property valuation of not less than \$6 billion, or to those that have a service area adjoining the Trinity River and that has boundaries contiguous with two counties that each have a population greater than one million.

The bill would not require the Legislature to appropriate state funds to support a degree program,

however THECB can recommend that a public junior college authorized to offer baccalaureate degree programs receive the same funding support that is provided to general academic institutions for a similar course. The bill would require that a public junior college not charge a student enrolled in a baccalaureate degree program tuition and fees in an amount that is greater than the amount of tuition and fees charged to a student enrolled in an associate degree program in a corresponding field, with the exception of those junior colleges that previously participated in a baccalaureate degree pilot project.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated. This analysis assumes any costs associated with this bill would be paid for out of institutional funds, partially offset by any state appropriations from formula funding.

### **Source Agencies:**

**LBB Staff:** UP, THo, DEH, ESC