

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 22, 2019

TO: Honorable Chris Turner, Chair, House Committee on Higher Education

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB2980** by Howard (relating to the award of grants by the Texas Higher Education Coordinating Board to increase the availability of clinical education practice sites for certain nursing students.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2980, Committee Report 1st House, Substituted: a negative impact of (\$5,099,643) through the biennium ending August 31, 2021.

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
2020	(\$2,565,040)
2021	(\$2,534,603)
2022	(\$2,534,603)
2023	(\$2,534,603)
2024	(\$2,534,603)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
2020	(\$2,565,040)
2021	(\$2,534,603)
2022	(\$2,534,603)
2023	(\$2,534,603)
2024	(\$2,534,603)

Fiscal Year	Change in Number of State
--------------------	----------------------------------

Fiscal Year	Employees from FY 2019
2020	0.8
2021	0.5
2022	0.5
2023	0.5
2024	0.5

Fiscal Analysis

The bill would create an incentive program to fund innovative solutions for clinical education of graduate nurses. The program would be administered by the Higher Education Coordinating Board (Board). Under provisions of the bill, the program would be supported by funds from the Professional Nursing Shortage Reduction Program, including funds returned to the program, as well as any funds appropriated by the Legislature for the purpose of the program.

Methodology

For purposes of this fiscal note, it is assumed that the Legislature would appropriate funding for the program. The Higher Education Coordinating Board (Board) estimates that ten grants would be awarded each biennium with an award amount of \$500,000. The Board based this estimate on the funding cycle for a similar program, the Minority Health Research and Education Grant Program, which supports allied health discipline's efforts to expand clinical sites into communities with health disparities. This analysis assumes that five grants would be awarded in each year of the biennium.

The Higher Education Coordinating Board indicates that 0.5 FTE program director and 0.25 FTE administrative assistant would be needed to administer the program at an additional cost for salaries and benefits of \$48,498 in fiscal year 2020. Technology and other costs associated with the program are estimated at \$16,542 in fiscal year 2020. Administrative and other costs would decrease in subsequent years once the program is established.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: WP, GO, JGAn, DEH