

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 7, 2019**

**TO:** Honorable Larry Taylor, Chair, Senate Committee on Education

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

**IN RE:** **SB863** by Watson (relating to a study of costs associated with dual credit courses offered at public high schools.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB863, Committee Report 1st House, Substituted: a negative impact of (\$301,140) through the biennium ending August 31, 2021.

**General Revenue-Related Funds, Five-Year Impact:**

| Fiscal Year | Probable Net Positive/(Negative) Impact<br>to General Revenue Related Funds |
|-------------|-----------------------------------------------------------------------------|
| 2020        | (\$125,285)                                                                 |
| 2021        | (\$175,855)                                                                 |
| 2022        | \$0                                                                         |
| 2023        | (\$200,000)                                                                 |
| 2024        | \$0                                                                         |

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

| Fiscal Year | Probable Savings/(Cost) from<br><i>General Revenue Fund</i><br><b>1</b> |
|-------------|-------------------------------------------------------------------------|
| 2020        | (\$125,285)                                                             |
| 2021        | (\$175,855)                                                             |
| 2022        | \$0                                                                     |
| 2023        | (\$200,000)                                                             |
| 2024        | \$0                                                                     |

**Fiscal Analysis**

The bill would require TEA to conduct an ongoing study of the costs associated with dual credit courses. The study would have to include a comparison of costs associated with dual credit courses offered at high schools generally and those offered through early college high school, P-TECH, ICIA, and T-STEM. The study would also have to include a comparison of costs associated with dual credit courses per semester credit hour or the equivalent and the total cost associated

with those courses. TEA would be required to collect data from school districts, institutions of higher education, and the Texas Higher Education Coordinating Board to facilitate the study. TEA would be authorized to contract with a public or private entity to conduct the study. The agency would be required to submit its initial report to the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives by December 1, 2020.

The bill would take immediate effect if it receives a two-thirds vote in each house of the Legislature. Otherwise the bill would take effect September 1, 2019.

### **Methodology**

According to the agency, costs associated with conducting the analysis and writing the report would total \$100,000 in fiscal years 2020 and 2021 and \$200,000 in 2023 and every other subsequent fiscal year.

### **Technology**

The agency would use a hybrid methodology to meet the data collection requirements through a combination of an IT solution and program staff who would collect data. The IT solution would collect tuition for dual credit courses, industry cluster innovative academy program indicator, and fees for dual credit courses through TSDS PEIMS, which would have a total cost of \$101,140. Program staff would collect the rest of the data via a survey. Costs related to this portion of the data collection are included in the methodology section above.

### **Local Government Impact**

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

**Source Agencies:** 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, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 980 Southwest Texas Junior College, 985 Tyler Junior College

**LBB Staff:** WP, HL, AM, THo, SL, RC