

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**March 27, 2023**

**TO:** Honorable Angie Chen Button, Chair, House Committee on International Relations & Economic Development

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1703** by Ordaz (Relating to the workforce development evaluation system administered by the Texas Workforce Commission.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1703, As Introduced : a negative impact of (\$2,630,840) through the biennium ending August 31, 2025.

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:**

<i>Fiscal Year</i>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2024	(\$2,630,840)
2025	\$0
2026	\$0
2027	\$0
2028	\$0

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

<i>Fiscal Year</i>	<b>Probable (Cost) from General Revenue Fund 1</b>
2024	(\$2,630,840)
2025	\$0
2026	\$0
2027	\$0
2028	\$0

**Fiscal Analysis**

This bill would amend the Labor Code to expand the follow-up reporting and analysis requirements of the Texas Workforce Commission (TWC) relating to career education and training programs offered by TWC, the Texas Education Agency, and the Texas Higher Education Coordinating Board.

## **Methodology**

The Texas Workforce Commission (TWC) assumes four elements of implementation for this bill: The Career Schools and Colleges Follow-up System enhancements, Kindergarten – 12 Interfaces and Secure Interagency Portal creation, and the Automated Follow-up System modernization.

This analysis assumes a total one-time technology cost of \$2,630,840 in General Revenue in fiscal year 2024 for the build-out, creation, and modernization of information technology systems required to implement the provisions of the bill. The one-time technology cost includes the build-out of the Career Schools and Colleges Follow-up System (\$351,384), creation of the Kindergarten – 12 Interfaces (\$629,576) and Secure Interagency Portal (\$695,192), and the modernization of the Automated Follow-up System (\$954,688) as required to implement the provisions of the bill.

Any other duties and responsibilities associated with the implementation of the provisions of this bill could be accomplished by utilizing existing resources within the agency.

## **Technology**

As mentioned above, this analysis estimates a total one-time technology cost of \$2,630,840 in General Revenue in fiscal year 2024.

## **Local Government Impact**

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

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

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