

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 10, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5264 by Bowers (Relating to the adoption and use of certain performance indicators to measure and evaluate career school or college programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB5264, As Introduced : a negative impact of (\$340,108) 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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$170,054)
2025	(\$170,054)
2026	(\$85,819)
2027	(\$85,819)
2028	(\$85,819)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$170,054)	2.0
2025	(\$170,054)	2.0
2026	(\$85,819)	1.0
2027	(\$85,819)	1.0
2028	(\$85,819)	1.0

Fiscal Analysis

This bill would amend the Education Code to require the Texas Workforce Commission to establish performance standards and indicators for licensed career schools that assess completion rates and the overall value of approved programs.

This bill requires an initial list of programs that meet performance standards no later than September 1, 2024.

This bill is effective September 1, 2023.

Methodology

This analysis assumes the Texas Workforce Commission (TWC) would assess programs within the Career Schools and Colleges Program through industry credential recognition, completion rates, program-related certifications available by regions within this state, and employment opportunities. TWC would be required to develop performance standards and best practices for programs, and a methodology to evaluate each program. TWC would be required to publish an annual list of programs meeting the set performance standards.

Based on this assumption and the analysis of TWC, the total costs and the full-time equivalent (FTE) requirements for the agency to implement the provisions of this bill would be \$340,108 in General Revenue and 2.0 FTEs in the 2024-25 biennium. FTEs would include 2.0 Program Specialist III (\$55,602 plus \$17,698 in benefits per FTE per fiscal year). The FTE estimate is based on similar programs' administration and workload at the agency. In fiscal years 2024 and 2025, the Program Specialist III would perform daily tasks including, but not limited to, performance standards, best practices development, program evaluation, and rule promulgation. However, starting in fiscal year 2026, the Program Specialist III FTE would focus primarily on program evaluation and maintenance.

Local Government Impact

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

Source Agencies: 320 Texas Workforce Commission

LBB Staff: JMc, SZ, GDZ, LBI