

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

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

**May 3, 2023**

**TO:** Honorable John Kuempel, Chair, House Committee on Higher Education

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

**IN RE: SB646** by Nichols (Relating to formula funding for certain nonresident students enrolled at Lamar State College--Orange.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill amends the Education Code to allow contact hours taught through distance education to students enrolled at Lamar State College - Orange who reside in an out-of-state county or parish contiguous to the county in which the college is located to be eligible for formula funding.

In the current biennium, 53 students fit the parameters as described by the bill. Estimates provided by the institution suggest that this would result in approximately \$100,000 in additional General Revenue each fiscal year for the college. However, the exact cost to the state is unknown at this time as non-fundable student data is not currently collected for formula calculations, and the state may fund contact hours based on available General Revenue.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JMc, MOc, JSM, LLO