

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 4, 2017**

**TO:** Honorable J. M. Lozano, Chair, House Committee on Higher Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2223** by Giddings (Relating to developmental coursework offered by public institutions of higher education under the Texas Success Initiative.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would require developmental education offered by institutions of higher education to use a corequisite model under which a student concurrently enrolls in a developmental education course and a freshman-level course within the same subject area for each subject area for which the student is referred to developmental coursework. Under provisions of the bill, the number of developmental course hours for which the Legislature may appropriate funds for a general academic institution would be reduced from 18 to 9 unless the course is English for speakers of other languages. For public junior colleges, public technical institutes or public state colleges, the number of developmental course hours for which the legislature may appropriate funds would be reduced from 27 to 18.

Based on the analysis provided by institutions of higher education, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. Based on information provided by the Higher Education Coordinating Board, it is assumed that any General Revenue savings from a decrease in formula funding for general academic institutions and public two year institutions due to the reduction in developmental education course hours would not be significant. Any savings would not be seen until at least fiscal year 2020, as formula funding is provided to institutions based on student data prior to the biennium to be funded.

**Local Government Impact**

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

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 719 Texas State Technical College System Administration, 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

**LBB Staff:** UP, THo, DEH, GO, ESC