

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

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

**May 23, 2017**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

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

**IN RE: SB634** by Estes (Relating to reporting requirements for certain skills development fund workforce training program providers.), **As Passed 2nd House**

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

The bill would amend the Labor Code relating to reporting requirements for certain skills development fund workforce training program providers. Section 303.004(c) of the bill requires the Texas A&M Engineering Extension Service or a public community or technical college to refund skills development grants to the Comptroller of Public Accounts (CPA) if the institution fails to submit a report on program effectiveness and improvement.

This analysis assumes that the reports would be submitted in a timely manner; thus, the provisions of the bill would not have a significant fiscal impact unless an institution fails to submit a report. Based on information provided by the CPA, the amount and timing of the refund transfers to the General Revenue Fund is unknown; therefore, the fiscal impact cannot be estimated.

Section 303.007(a) requires the Texas Workforce Commission (TWC), in consultation with public junior colleges and the Legislative Budget Board (LBB), to study best practices for the reporting of revenue and costs allocated across districts. Section 303.007(c) requires TWC to identify five junior college districts to report financial and instructional costs based on the best practices in fiscal years 2019 and 2020. The bill states Section 303.007 prevails over any rider regarding a reporting requirement following the appropriations to Public Community/Junior Colleges in Senate Bill No. 1, Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act).

Based on the LBB's analysis of TWC and the public junior colleges, this analysis assumes the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Based on information provided by the Legislative Budget Board, Texas A&M Engineering Extension Service, and Texas State Technical College System, this analysis assumes the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect on September 1, 2017. Section 303.004(c) applies to reports due no later than October 1, 2018. Section 303.007(a) requires submission of the public junior college report no later than June 1, 2018. Section 303.007 expires December 31, 2020.

## **Local Government Impact**

This analysis assumes that the institutions would already be compliant with the reporting requirements; thus, the provisions of the bill would not have a significant fiscal impact to a public community or technical college, unless the institution fails to remain in compliance. This analysis assumes the provisions of the bill would not have a significant fiscal impact to public junior colleges.

**Source Agencies:** 320 Texas Workforce Commission, 304 Comptroller of Public Accounts, 716 Texas A&M Engineering Extension Service, 719 Texas State Technical College System Administration

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