

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 247** SLS 12RS 452

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 11, 2012 3:04 PM	Author: LONG
Dept./Agy.: Higher Education	Analyst: Charley Rome
Subject: Creates the Central Louisiana Community College	

POSTSECONDARY ED OR +\$2,020,750 SG RV See Note
Creates the Central La. Technical Community College. (gov sig)

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Proposed law creates the Central La. Technical Community College as a multi-campus, public institution of postsecondary education under the supervision and management of the Board of Supervisors of Community and Technical Colleges, subject to the appropriate approval of and oversight by the Board of Regents. The bill provides that the Central La. Technical Community College: 1. Shall provide a comprehensive educational program which may include career and technical education and training, workforce development training, adult basic education, continuing education, general education, associate degree programs, college transfer degree programs, and other educational programs and opportunities. 2. May grant certificates, diplomas, associate degrees, and associate transfer degrees as authorized by the LCTCS Board of Supervisors and the appropriate regional accrediting body as recognized by the U.S. Dept. of Education. **(Summary continued on page two)**

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$10,103,750
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$10,103,750

REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$10,103,750
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$2,020,750	\$10,103,750

EXPENDITURE EXPLANATION

Expenditures from tuition and fees will increase by an estimated \$2,020,750 in FY13 and thereafter. Implementation costs for creation of Central Louisiana Technical Community College in FY13 include one-time start-up costs of \$500,000 and recurring costs of \$1,520,750, annualized to \$2,020,750 in recurring costs in FY14 and thereafter. Specific first year FY13 expenditures include the following: 1) \$670,750 and seven positions related to the establishment of student, library and academic functions; 2) \$600,000 for 12 career and technical education instructors; 3) \$250,000 for library subscriptions; 4) \$400,000 in one-time costs for library retrofitting and furniture; 5) \$50,000 in one-time costs for signage, printed materials, web design, and advertising costs; and 6) \$50,000 in one-time costs for costs related to Southern Association of Colleges (SACS) accreditation requirements. Costs in FY14 and thereafter are approximately \$2 million per year for annualized salaries/benefits for positions filled in FY13 and \$104,750 to hire two additional full-time career and technical education instructors in FY14 for additional course offerings.

REVENUE EXPLANATION

Self-generated revenues from tuition and fees will increase by an estimated \$2,020,750 in FY13 and thereafter due to the proposed legislation. Tuition charged on a per credit hour basis is greater for technical community colleges than for technical colleges. In FY13 and thereafter, Central La. Technical Community College will increase tuition per credit hour by \$36, beginning with one hour, up to a maximum increase of \$432 for 12 hours per semester (full-time enrollment, 12 hours X \$36 per hour = \$432). As such, tuition revenues will increase by \$2,020,750 in FY13 and thereafter based on 56,132 credit hours and an increase of \$36 per credit hour (56,132 credit hours per year X \$36 increase per credit hour = \$2,020,750 annual increase in tuition).

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}

Evan Brasseaux

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
Staff Director

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CONTINUED EXPLANATION from page one:

(Summary continued from page one)

3. Shall provide educational programs and services through the Alexandria, Avoyelles, Huey P. Long, Lamar Salter, Oakdale, and Shelby M. Jackson campuses of the La. Technical College, and any other postsecondary campus or institution which may become a part of the Central La. Technical Community College or its primary service delivery area. The proposed legislation requires the LCTCS Board of Supervisors and the Board of Regents to work closely with the Central La. Technical Community College and the appropriate accrediting body to ensure that the institution and all program offerings are fully accredited. Proposed law provides that all GRAD Act performance agreements currently in effect between the Alexandria, Avoyelles, Huey P. Long, Lamar Salter, Oakdale, and Shelby M. Jackson campuses of the La. Technical College and the Bd. of Regents shall remain in effect until such time as the Central La. Technical Community College and the Bd. of Regents enter into a performance agreement and such is certified by the LCTCS Bd. of Supervisors. Requires the LCTCS Bd. of Supervisors to submit a written report to the Senate and House education committees relative to the status of the Central La. Technical Community College, not later than January 1, 2013. Effective upon signature of the governor or lapse of time for gubernatorial action.

Senate

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