

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 327

51st Legislature, 1st Session, 2013

Tracking Number: .191379.1

Short Title: Physical Education Credit Hours for Funding

Sponsor(s): Representative Brian F. Egolf, Jr. and Senator Phil A. Griego

Analyst: Travis Dulany

Date: February 21, 2013

Bill Summary:

HB 327 amends the *Community College Act* to require the Higher Education Department (HED) to include all physical education student credit hours for purposes of determining funding for community colleges and branch community colleges that provide physical education courses.

Fiscal Impact:

HB 327 does not contain an appropriation.

Fiscal Issues:

According to the Legislative Finance Committee Fiscal Impact Report (FIR):

- HED uses an instruction and general (commonly referred to as I&G) funding formula to determine General Fund appropriations for the state's postsecondary institutions;
- the formula contains a component based on completed student credit hours, including audited student credit hours that are not taken for a grade;
- there will be an increase in credits if audited student credit hours are included in the formula;
- additional credits may increase the I&G formula funding for the student credit hour component;
- HB 327 would impact the I&G funding formula calculations for FY 15; and
- HED notes that while community colleges do not receive state funding for offering audited physical education courses, these institutions receive local mill levy support, tuition, and fees for these courses.

According to HED's bill analysis:

- In school year 2011-2012, 17,946 physical education credit hours were completed at the community and branch colleges;
- these credit hours generated \$2,757,762 based on \$153.67 per credit hour;
- increases or decreases in funding would occur based on increase or decreases in audited physical education courses;
- funding would not be impacted only if enrollment remains constant.

Substantive Issues:

According to the FIR:

- working with the Higher Education Funding Formula Task Force in 2011, HED proposed changes to the I&G funding formula;
- in determining priorities for state funding, the task force and HED proposed excluding audited, physical education courses; and
- an informal review indicted that individuals enrolled in these courses in order to gain full access to an institution's athletic facilities.

Committee Referrals:

HEC/HAFC

Related Bills:

None as of February 21, 2013.