

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 1, 2005

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB303 by McClendon (Relating to efficiently administering and electronically monitoring certain veterans' and dependents' tuition exemptions at institutions of higher education.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB303, Committee Report 1st House, Substituted: a negative impact of (\$104,850) through the biennium ending August 31, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$52,425)
2007	(\$52,425)
2008	(\$52,425)
2009	(\$52,425)
2010	(\$52,425)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2005
2006	(\$52,425)	1.0
2007	(\$52,425)	1.0
2008	(\$52,425)	1.0
2009	(\$52,425)	1.0
2010	(\$52,425)	1.0

Fiscal Analysis

The bill would amend Section 54.203 of the Education Code to require all institutions of higher education to report electronically to the Higher Education Coordinating Board certain information for persons receiving veterans' tuition exemptions. The bill would require the Higher Education Coordinating Board to develop the system for electronic reporting.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house; otherwise, the bill would take effect September 1, 2005.

Methodology

The Coordinating Board estimates that to implement the provisions of the bill a Program Tech level VI would need to be hired. Salary and benefits for the additional FTE would be \$40,925 per year. Additional costs for programming, another personal computer and office supplies would be \$11,500 per year.

Technology

All estimated costs are associated with the implementation and ongoing operations of the electronic system.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 403 Veterans Commission, 720 The University of Texas System Administration, 781 Higher Education Coordinating Board

LBB Staff: JOB, KJG, RT, GO, NR