

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 18, 2005

TO: Honorable Royce West, Chair, Senate Committee on S/C on Higher Education

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

IN RE: HB1172 by Brown, Fred (Relating to the tuition charged to resident undergraduate students of institutions of higher education for excess credit hours and to related formula funding.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would reduce the undergraduate funding cap and allow universities to charge non-resident tuition to students who exceed the funding cap. The current funding cap is 45 semester credit hours (SCH) above the degree requirement. The bill would reduce the funding cap to 20 percent of the minimum number of SCH required to complete the degree program. The bill also directs the degree length to include minors, double majors, certificates, special programs, and study-abroad programs. The bill would only apply to those students who initially enroll as an undergraduate student in the Fall 2006.

It is assumed that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect September 1, 2005.

Local Government Impact

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

Source Agencies: 720 The University of Texas System Administration, 758 Board of Regents, Texas State University System Central Office, 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: JOB, JI, JJO, CT, KK