

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 25, 2005

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB30 by Zaffirini (Relating to a pilot project to award incentives to students contracting to graduate in a timely manner from public institutions of higher education.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The administration of the pilot program will require man hours of Texas Higher Education Coordinating Board (THECB) staff; however THECB estimates that the program can be handled with existing staff.

Because the institutions can apply to participate on behalf of a specific degree program, department, college or school, THECB assumes participating institutions will absorb the costs of the pilot project.

There is no fiscal impact on the state as a whole.

Local Government Impact

Local higher educational institutions and junior colleges would lose tuition revenue amounting to 15 hours of college credit in the case of the institutions and 9 hours in the case of junior colleges. The estimated loss of these local funds would depend upon the number of students that entered into and completed the contractual requirements that would be implemented by this legislation.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: JOB, CT, RT