

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 13, 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: 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. ), **Committee Report 1st House, Substituted**

**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