

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 20, 2007**

**TO:** Honorable Judith Zaffirini, Chair, Senate Committee on S/C on Higher Education

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

**IN RE: SB554** by Shapleigh (Relating to contracts entered into for the employment of a chief executive officer of a public institution of higher education.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the employment contract of the president or other chief executive officer of an institution of higher education must provide for an annual evaluation of the president's or other officer's performance. The evaluation must include consideration of changes in graduation rates of the institution's students during the evaluation period. For a general academic teaching institution other than a public state college, the evaluation must include consideration of four-year and six-year undergraduate graduation rates. The Higher Education Institutions would implement provisions of the bill within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, MN, RT, GO