

**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: SB1572** by Shapleigh (Relating to reports of performance data of private or independent institutions of higher education and to the publication of that data.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1572, As Introduced: a negative impact of (\$329,951) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2008	(\$176,753)
2009	(\$153,198)
2010	(\$153,198)
2011	(\$153,198)
2012	(\$153,198)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from GENERAL REVENUE FUND 1</b>
2008	(\$176,753)
2009	(\$153,198)
2010	(\$153,198)
2011	(\$153,198)
2012	(\$153,198)

<b>Fiscal Year</b>	<b>Change in Number of State Employees from FY 2007</b>
2008	2.0
2009	2.0
2010	2.0
2011	2.0
2012	2.0

## **Fiscal Analysis**

The bill would amend Section 61.0902 of the Education Code by requiring the Texas Higher Education Coordinating Board publish and post on their website performance data provided to the board by general academic teaching institutions and private or independent institutions of higher education.

## **Methodology**

Since the independent institutions do not currently report any of the requested data to the Higher Education Coordinating Board, the board estimates that two new staff members (2 FTEs) would be required to prepare the reports, edit and work with the independent institutions as they submit the data, and complete any calculations required to produce the data measures from the reported elements. Additional personnel cost is estimated at \$151,753 in fiscal year 2008 and \$128,198 in fiscal year 2009. Personnel cost incurred for fiscal years 2010-12 would be \$128,198 per year, for a five year total of \$664,545.

The Higher Education Coordinating Board also estimates that additional costs would be incurred for technology expenses. As a new project, one or more new databases would be required to be established using the new Database Consolidation Project procedures. The cost of establishing and administering that database is reported as a technology cost, conservatively estimated at \$25,000 per year, or \$125,000 for the five year 2008-2012 period.

Total cost to the state is estimated at \$176,753 in fiscal year 2008 and \$153,198 in fiscal year 2009. Costs for fiscal year 2010-12 would be \$153,198 per year, for a five year cost of \$789,545.

## **Technology**

A new database would be created through the Database Consolidation Process. The databases would be updated throughout the year as various reports become due. The Higher Education Coordinating Board would be required to acquire and maintain production computer space for managing the databases as well as paying for consolidated database services. We estimate this cost at \$25,000 per year.

## **Local Government Impact**

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

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

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