

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

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

**April 22, 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: SB1573** by Shapleigh (Relating to the affordability of enrollment in public institutions of higher education and the availability of certain financial and academic information to students enrolled in those institutions.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1573, As Introduced: an impact of \$0 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:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

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

Fiscal Year	Probable Revenue Gain/(Loss) from <i>INSTITUTIONAL FUNDS</i> 997
2008	(\$104,989,050)
2009	(\$215,227,553)
2010	(\$330,977,981)
2011	\$0
2012	\$0

**Fiscal Analysis**

The bill requires that each institution of higher education provide a method by which each student enrolled in the institution may access, through the institution's Internet website: (1) the student's current financial status, including: tuition or fees owed; grant, loan, or other financial aid information; and any amount of money the student owes; and (2) the student's current academic status, including: a list of courses in which enrolled; completed courses and grades related to each; and information concerning the required and elective courses that the student must complete for the student's degree plan. The bill also requires that the total amount of tuition and compulsory fees charged by an institution of higher education to a student may not exceed the total amount of tuition and compulsory fees that the institution would have charged to a similarly situated student in the preceding academic year by more than five percent. Students are similarly situated if they share the same residency status,

degree program, course load, course level, tuition exemption status, and other circumstances affecting the tuition and compulsory fees charged to the student. For the 2007-08, 2008-09 and the 2009-10 academic years, the total amount of tuition and compulsory fees charged by an institution of higher education to a student may not exceed the total amount of tuition and compulsory fees that the institution would have charged to a similarly situated student in the 2006-07 academic year. This provision expires September 1, 2010.

### **Methodology**

The Higher Education Coordinating Board estimates that the loss of tuition and fees based on the latest tuition and fee increases of 5% would reduce tuition revenue available to the general academic institution for the 3 years this bill freezes current charges to students by an estimated \$104.9 million for fiscal year 2008, \$215.2 million for fiscal year 2009, and \$331 million for fiscal year 2010, for a three-year total of \$651.2 million. After fiscal year 2010, institutions would be permitted and limited to a 5 percent annual increase. As a result no institutional losses are predicted for those years.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 720 The University of Texas System Administration, 781 Higher Education Coordinating Board, 710 Texas A&M University System Administrative and General Offices, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration

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