

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 24, 2009

TO: Honorable Dan Branch, Chair, House Committee on Higher Education

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

IN RE: HB3353 by Naishtat (relating to an environmental service fee at public institutions of higher education.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

Under provisions of the bill, the governing board of an institution of higher education may charge each student enrolled at the institution an environmental service fee, if the fee has been approved by a majority vote of the students enrolled at the institution who participate in a general student election called for that purpose. The amount of the fee may not exceed \$5 for each regular semester or summer term of more than six weeks or \$2.50 for each summer session of six weeks or less unless an increase has been approved by a majority vote of the students enrolled at the institution who participate in a general student election called for that purpose, and may not exceed \$10 for each regular semester or summer term of more than six weeks or \$5 for each summer session of six weeks or less.

The fee could only be used to provide environmental improvements at the institution through services related to recycling, energy efficiency and renewable energy, transportation, employment, product purchasing, planning and maintenance, or irrigation or provide matching funds for grants to obtain those environmental improvements.

For purposes of this fiscal note, it is estimated that there will be 1.14 million students enrolled in each Fall and Spring semester and 15 percent of that amount, or 171,000 students, enrolled during a Summer term. It is assumed that the fee will be levied on 10 percent of total students enrolled, generating \$1.2 million dollars per year that would be spent on environmental improvements.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

LBB Staff: JOB, KK, RT, SSh