

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 14, 2009

TO: Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education

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

IN RE: SB1603 by Shapleigh (relating to requiring financial disclosure concerning reports prepared by public institutions of higher education for other entities.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

Under provisions of the bill, institutions of higher education that receive payment from another entity to conduct research, analysis, a survey, or other academic, scientific, or technical work and prepare a report of that work would be required, no later than December 1 of each year, to report to the Higher Education Coordinating Board. The report would include a statement that the institution received payment to conduct the work and prepare the report, the identity of the entity providing the payment, and the amount. The Higher Education Coordinating Board would be required to make the information provided by the institutions of higher education available to the public on their website. Information pertaining to national security would be excluded from disclosure on the website.

The University of Texas System has indicated that the disclosure requirements would significantly impact grants and contracts with private organizations as confidentiality and intellectual property agreements between the University of Texas health related institutions and these organizations would be impacted.

Provisions of the bill would be implemented within existing resources.

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, 768 Texas Tech University System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

LBB Staff: JOB, KK, GO, RT, SSh