

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 4, 2009

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

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

IN RE: SB2244 by Zaffirini (Relating to the eligibility of employees of certain businesses or organizations established as part of the state's economic development program and of dependents of those employees to pay resident tuition at public institutions of higher education.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

Under provisions of the bill, a person who is employed by a business or organization, that was established as part of the state economic development and diversification program no earlier than five years before the person's enrollment date, or their dependents, may pay resident tuition. The Higher Education Coordinating Board would consult with the Texas Economic Development and Tourism Office to establish procedures to determine: (1) whether a business or organization meets the requirements; and (2) the date on which the business or organization became established in this state as part of the program. The bill applies beginning with tuition and required fees for the fall 2010 semester.

Based on information provided by the Higher Education Coordinating Board in fiscal year 2008 a total of 268 students received \$1,654,596 in waivers through the current economic development and diversification program. Assuming 5% of the students were from companies who moved to Texas more than 5 years ago, they would represent \$80,262 in unpaid revenues to the institutions which is considered not significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 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

LBB Staff: JOB, KK, RT, GO