

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 29, 2011

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

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

IN RE: HB537 by Brown (Relating to the sale of instructional materials to students of public institutions of higher education.), **As Introduced**

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| No significant fiscal implication to the State is anticipated. |
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The bill addresses the treatment and involvement of independent bookstores by, and with, institutions of higher education in relation to that of university-affiliated bookstores. The bill would require institutions of higher education to make lists of required or recommended instructional materials available for public view through the Internet, or by hard copy, at the same time such lists are provided to the operator of a university-affiliated bookstore. Institutions would also be required to provide independent bookstores a variety of opportunities to participate in programs related to the dissemination or provision of instructional materials at multiple set times during an academic semester.

Institutions of higher education report there would be minimal costs associated with the coordination, compilation, and dissemination of information required by the bill.

Texas institutions of higher education report the possibility of an indirect loss of institutional funds resulting from this legislation. University-affiliated bookstore sales could be reduced by the promotion or participation of competing independent bookstores, possibly resulting in a loss of shared-revenue by the university. The actions required by this bill could also cause a university to compromise an exclusivity agreement with a university-affiliated bookstore operator, resulting in contractual fines or lost revenue.

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

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