

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 11, 2011

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

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

IN RE: SB1730 by Zaffirini (Relating to requiring the Texas Higher Education Coordinating Board to create a tool to allow prospective students to compare institutions of higher education by certain criteria.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1730, As Introduced: a negative impact of (\$75,022) through the biennium ending August 31, 2013.

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
2012	(\$66,796)
2013	(\$8,226)
2014	(\$8,226)
2015	(\$8,226)
2016	(\$8,226)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2012	(\$66,796)
2013	(\$8,226)
2014	(\$8,226)
2015	(\$8,226)
2016	(\$8,226)

Fiscal Analysis

The bill requires the Higher Education Coordinating Board to make available on the Board's internet website a search tool allowing a person to compare institutions that meet certain criteria selected by the person. It must allow the user to identify institutions according to major fields and programs, high school class rank, and admission score requirements. The tool must generate a comparison chart in a grid format and provide information such as average annual cost of tuition and fees, percentage of applicants with similar high school rank, percentage of applicants with similar scores on generally recognized tests used for admission, 4-year and 6-year graduation rates of students with similar high school rank and admission scores for the institution as a whole and for the major or program selected for comparison, and the average starting salary in the state for graduates of a major or program selected for comparison. The website must include links to each institution's online resume and to the

Texas Workforce Commission. Each institution of higher education must provide the required data to the board not later than October 1 of each year.

Methodology

The Higher Education Coordinating Board has indicated that there would be costs in creating the web portal required in the bill and producing and updating the data available through the online portal. They indicate that they would likely contract for initial development of the online portal at an expense of \$40,000 in the first year, with ongoing technological support costs being nominal. They also estimate there would also be administrative costs tied to the production and updating of the data required to be made available through the portal which would require 0.2 of an FTE in the first year and 0.1 in subsequent years. Total costs in fiscal year 2012 would be \$66,796 and \$8,226 in the following years.

Any costs for the institutions associated with implementing the provisions of the bill would be absorbed 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, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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