

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 14, 2011

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

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

IN RE: SJR50 by West (proposing a constitutional amendment providing for the issuance of general obligation bonds to finance educational loans to students.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$105,495.

The proposed amendment would authorize the Legislature by general law to authorize the Higher Education Coordinating Board to issue general obligation bonds of the state for the purpose of financing education loans to students. The principal amount of the outstanding bonds issued must at all times be equal or less than the aggregate principal amount of the state general obligation bonds previously authorized for that purpose by any other provision or former provision of the constitution. It is anticipated that the general obligation bonds issued under the debt authorized by the joint resolution would be self-supporting, with the debt service being paid by sources other than General Revenue. Therefore this debt authority would not be included in the constitutional debt limit.

The bill states an election will be held on November 8, 2011 for voter approval on the following: "The constitutional amendment providing for the issuance of general obligation bonds of the State of Texas to finance educational loans to students."

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 352 Bond Review Board, 781 Higher Education Coordinating Board

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