

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 13, 2015

TO: Honorable Kel Seliger, Chair, Senate Committee on Higher Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1470 by Watson (Relating to the establishment of state authorization reciprocity agreements for postsecondary distance learning courses.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill amends the Education Code to establish state authorization reciprocity agreements for postsecondary distance learning courses. The bill provides that the Higher Education Coordinating Board submit an application, no later than September 1, 2016, to the Southern Regional Education Board or other appropriate regional organization to enter into a state authorization reciprocity agreement on behalf of Texas among states, districts, and territories regarding the delivery of postsecondary distance education to students in the areas under the agreement. The Higher Education Coordinating Board shall establish an approval process for institutions of higher education to participate under the agreement, and may terminate an out of state institution's operation within Texas if it is found to be in violation of the agreement, code, or rules established in the bill.

Based on an analysis of information submitted by the Higher Education Coordinating Board and institutions of higher education, it is assumed that some savings may be seen at institutions of higher education due to participation in the state authorization reciprocity agreement rather than institutions individually negotiating authorizations; however it is not assumed that the savings would be significant. This analysis assumes that any costs for institutions of higher education or the Higher Education Coordinating Board to implement the provisions of the bill could be absorbed within current 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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