

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 12, 2017**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB1781** by West (Relating to the regulation of certain degree-granting postsecondary educational institutions by the Texas Higher Education Coordinating Board; providing administrative penalties.), **Committee Report 1st House, As Amended**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1781, Committee Report 1st House, As Amended: a negative impact of (\$495,686) through the biennium ending August 31, 2019. The agency is not required to implement the legislation in the absence of an appropriation.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$255,343)
2019	(\$240,343)
2020	(\$240,343)
2021	(\$240,343)
2022	(\$240,343)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
	<b>1</b>
2018	(\$255,343)
2019	(\$240,343)
2020	(\$240,343)
2021	(\$240,343)
2022	(\$240,343)

<b>Fiscal Year</b>	<b>Change in Number of State Employees from FY 2017</b>
2018	3.0
2019	3.0
2020	3.0
2021	3.0
2022	3.0

**Fiscal Analysis**

The bill would amend Education Code as it relates to the regulation of certain degree-granting postsecondary educational institutions by the Higher Education Coordinating Board (Board). Under provisions of the bill, the Board could maintain a repository for academic records from closed institutions that were exempt or were authorized to operate under a certificate of authorization or certificate of authority. The bill would take effect September 1, 2017. Under provisions of the bill, the Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 85th Legislature.

**Methodology**

For purposes of this fiscal note it is assumed the Higher Education Coordinating Board would maintain the repository. Based on information provided by the agency, three additional FTEs, two program directors and one program specialist, would be needed to create and maintain the repository. The total costs for these three FTEs, including salaries and wages, retirement and other costs would be \$255,343 in fiscal year 2018 and \$240,343 in fiscal year 2019 and subsequent years.

Senate Bill 1 as Engrossed includes \$500,000 for the 2018-19 biennium for this program. Under provisions of the bill, the Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 85th Legislature.

**Local Government Impact**

No significant 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, 783 University of Houston System Administration

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