

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 12, 2019

TO: Honorable John Zerwas, Chair, House Committee on Appropriations

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3908 by Thierry (Relating to the allocation of funds remaining in the B-On-Time student loan account following the abolition of that account.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3908, As Introduced: an impact of \$0 through the biennium ending August 31, 2021.

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
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Texas B-on-Time Student Loan Acct 5103
2020	\$0
2021	\$0
2022	(\$134,527,000)
2023	\$0
2024	\$0

Fiscal Analysis

The bill would amend various Education Code provisions relating to the uses of the B-On-Time student loan account. Under provisions of the bill, the B-On-Time student loan account would be abolished on September 1, 2021 and balances remaining in the account would be used for a

performance-based methodology that allocates funding among eligible institutions based on a three-year average of the number of bachelor's degrees conferred on at-risk students.

Methodology

Based on information provided by the Comptroller of Public Accounts, the fiscal year 2020 ending balance for the B-On Time Student Loan Account is projected to be \$134.5 million. For purposes of this fiscal note, it assumed that the balances in the B-On-Time account would be allocated to institutions on September 1, 2021 (fiscal year 2022).

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 710 Texas A&M University System Administrative and General Offices, 768 Texas Tech University System Administration, 720 The University of Texas System Administration, 758 Texas State University System, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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