

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 23, 2019**

**TO:** Honorable Brandon Creighton, Chair, Senate Committee on Higher Education

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

**IN RE:** **SB1880** by Schwertner (Relating to limitations on increases in fees and designated tuition charged by certain public institutions of higher education.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill relates to limitations on designated tuition and fees charged by general academic teaching institutions other than public state colleges. The bill would limit designated tuition increases to a maximum allowable increase of the inflation rate as published by the Legislative Budget Board (LBB) beginning with the 2019-20 academic year.

Designated tuition and fees within Subchapter E of the Texas Education Code, Chapter 54, except for laboratory fees, student teaching fees, and special course fees, are classified as institutional funds; therefore, there would be no impact to the State. Laboratory fees, student teaching fees, and special course fees under Subchapter E of the Texas Education Code, Chapter 54, are accounted for as educational and general income, or statutory tuition, in the General Appropriations Act. It is assumed that the provisions of the bill would not have a significant effect on this income.

Based on information provided by institutions of higher education, several institutions indicated that the bill would not impact designated tuition as they have already implemented a program that only allows tuition increases based on inflation. Other institutions indicated the bill would result in a loss in tuition revenue, which could reach a significant amount.

Administrative duties associated with the bill would be implemented within current resources.

**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,  
769 University of North Texas System Administration, 781 Higher  
Education Coordinating Board, 783 University of Houston System  
Administration

**LBB Staff:** WP, JGAn, DEH, GO, KK