

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 4, 2023

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1595 by Bonnen (relating to the administration and investment of, and distribution and use of money from, certain constitutional and statutory funds to support general academic teaching institutions in achieving national prominence as major research universities and driving the state economy; redesignating the national research university fund as the Texas University Fund.), **Committee Report 2nd House, Substituted**

The fiscal implications of the bill cannot be determined at this time because the timing and amounts of any appropriations from the Texas University Fund are unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would redesignate the National Research University Fund as the Texas University Fund and amend the administration and investment, eligibility criteria, and distribution methodology of the fund to eligible institutions. The bill also would increase the maximum amount of money that may be distributed from the fund in a fiscal year.

The bill would require the Texas Higher Education Coordinating Board (THECB), by rule, to establish a method for determining the distribution amounts to eligible institutions.

The bill would require the Legislative Budget Board, in consultation with the THECB, to determine the amount of each distribution from the Texas University Fund to eligible institutions and report the determinations to the Legislature and the Comptroller.

The bill would amend the name, eligibility requirements, and allocation methodology for the Core Research Support Fund. The bill would also amend the allocation methodology for the Texas Comprehensive Research Fund.

The fiscal implications of the bill cannot be determined at this time because the timing and amounts of any appropriations from the Texas University Fund are unknown. Funding for the Texas University Fund is currently included in House Bill 1, contingent on enactment of the bill and related joint resolution (HJR 3), and voter approval of the proposed constitutional amendment.

Based on analysis from the THECB and Comptroller, there would be no administrative cost to either agency to implement the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 781 Higher Education Coordinating Board

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