

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 5, 2023

TO: Honorable John Kuempel, Chair, House Committee on Higher Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB17 by Creighton (Relating to the powers and duties of the governing boards of public institutions of higher education.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would prohibit an institution of higher education from establishing or maintaining a diversity, equity, and inclusion office or from hiring or assigning an employee of the institution, or contracting with a third party, to perform the duties of a diversity equity, and inclusion office. The bill would prohibit an institution from compelling, requiring, inducing, or soliciting any person to provide a diversity, equity, and inclusion statement or from giving preferential consideration to any person based on the provision of a diversity, equity, and inclusion statement. The bill would prohibit an institution from requiring, as a condition of enrolling at the institution or performing any institution function, any person to participate in diversity, equity and inclusion training.

The bill would also require an institution to adopt policies and procedures for disciplining an employee or contractor of the institution who violated the provisions of the bill and would also require an institution to submit to the legislature and the Texas Higher Education Coordinating Board a report certifying that such policies and procedures have been adopted before it may spend appropriated funds.

The bill would require the state auditor to periodically conduct a compliance audit of each institution of higher education to determine if the institution has spent state money in violation of the prohibition and to adopt an audit schedule that audits each institutions once every four years. A student or employee would be allowed to bring an action against the institution for injunctive or declaratory relief if that student or employee was required to participate in training in violation of the provisions of this bill.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 308 State Auditor's Office, 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, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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