

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 15, 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 purpose of public institutions of higher education and the powers and duties of the governing boards of those institutions.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would prohibit an institution of higher education from: 1) establishing or maintaining a diversity, equity, and inclusion office, 2) 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, 3) compelling, requiring, inducing, or soliciting any person to provide a diversity, equity, and inclusion statement, 4) give preferential consideration to any person based on the provision of a diversity, equity, and inclusion statement, and 5) requiring, as a condition of enrolling at the institution or performing any institution function, any person to participate in diversity, equity and inclusion training. Under provisions of the bill, the governing board of an institution may approve the institution's implementation of a diversity, equity, and inclusion program if the governing board determines that the program complies with applicable state and federal law and is necessary for the institution to comply with the terms of a grant awarded by or contract with the federal government, a private entity, or a non-profit organization, or the standards or requirements of the institutions' accrediting agency.

The bill would also require an institution to adopt policies and procedures for appropriately disciplining, including termination, 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.

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: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 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, 978 San Jacinto College

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