

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: SB18 by Creighton (Relating to tenure and employment status at public institutions of higher education in this state.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend various Education Code provisions related to tenure. Under provisions of the bill, an institution of higher education would not be allowed to grant tenure or any type of permanent employment status to an employee. This prohibition would not apply to a faculty member or other employee of the institution of higher education who is employed by, or under contract with, the institution on September 1, 2023, and who was awarded tenure or any type of permanent employment status by the institution before September 1, 2023, provided that the person remains continuously employed or continuously under a contract of employment beginning September 1, 2023. The bill would not prohibit a board of regents of an institution of higher education from establishing an alternate system of tiered employment status for faculty members provided that the system clearly defines each position and requires each faculty member to undergo an annual performance evaluation. The bill would take effect January 1, 2024.

It is assumed that any costs associated with the bill could be absorbed using existing 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, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 978 San Jacinto College

LBB Staff: JMc, MOc, GO, JSM