

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

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 6, 2003**

**TO:** Honorable Florence Shapiro, Chair, Senate Committee on Education

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB1521** by Zaffirini (Relating to tuition charged by an institution of public higher education for certain graduate programs.), **As Introduced**

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

The bill would allow the governing board of a higher education institution to set board authorized tuition for its graduate school of business at a rate that is up to three times the statutory tuition rate, similar to the maximum allowable rate for law schools. Currently the maximum allowable amount for board authorized tuition is up to two times the statutory tuition rate.

Based on Fall 2002 information collected from higher education institutions related to their board authorized tuition rates, it appears that no institution is currently charging the maximum allowable amount of board authorized tuition. Therefore, increasing the maximum allowable rate would have no significant fiscal impact. It is estimated that institutions would increase board authorized tuition for their graduate schools of business at a rate of five percent per year.

By statute, board authorized tuition cannot be used to offset institutions' General Revenue appropriations. Therefore, there would be no savings to General Revenue as a result of any additional tuition revenue collected under the provisions of this bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JK, CT, PF, MG