

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 1, 2007

TO: Honorable Jerry Madden, Chair, House Committee on Corrections

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2103 by Kolkhorst (Relating to a pilot program to award scholarships to certain correctional officers enrolled at Sam Houston State University.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would create a pilot program to award scholarships to certain correctional officers enrolled at Sam Houston State University. The scholarship is considered a loan until all of the requirements specified in the Act are met. The amount of the scholarship cannot exceed nine semester credit hours for each semester or summer session. The trust fund established for the program would be outside the treasury but held in trust by the comptroller. Money in the trust fund may be spent without an appropriation. Gifts and grants as well as appropriations from the Legislature may be used to support the program.

The Higher Education Coordinating Board indicates that the cost of tuition and fees for Texas residents enrolled for 15 semester credit hours at Sam Houston State for the 2006-2007 academic school year is \$5,362. Since the scholarship is limited to nine hours, the total tuition and fees that would be covered is \$3,217. The Texas State University System indicates that approximately 100 students would participate in the program. Assuming a 5% increase each year in tuition and fees, and that all 100 of these students would satisfy the requirements in the bill, the amount of tuition covered by the scholarship would be \$337,806 in fiscal year 2008, \$354,696 in fiscal year 2009, \$373,431, in fiscal year 2010, \$391,053 in fiscal year 2011 and \$391,053 in fiscal year 2012.

Although both Sam Houston State University and the Higher Education Coordinating Board indicated there would be costs associated with implementing provisions of the bill, it is assumed that these costs will be absorbed within existing resources. It is also assumed for purposes of this fiscal note that the Higher Education Coordinating Board will find the resources to support the scholarship program as the bill does not expressly require the State to support the trust fund.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 758 Texas State University System, 781 Higher Education Coordinating Board

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