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FISCAL IMPACT REPORT

SPONSOR:	Taylor, JG	DATE TYPED:	03/02/01	HB	906
SHORT TITLE	Athletic Scholarship	Fuition Credit		SB	
			ANAL	YST:	Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact			Recurring	Fund
FY01	FY02	FY01	FY02		or Non-Rec	Affected
			\$	441.6	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB905

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 906 amends current statutes to require the CHE to increase the tuition credit for athletic scholarships by the same percentage that the board of regents of the institution has increased tuition and fees for that fiscal year.

Significant Issues

According to CHE, when NCAA intercollegiate athletic scholarships were established, institutions received an appropriation to provide the allowable number of scholarships at the tuition and fee rate actually charged by the institution. Subsequently, each year the athletic appropriation for scholarships has been increased by the tuition credit included in the General Appropriation Act.

Because institutions increase tuition by rates higher than the tuition credit included in the General Appropriation Act, a gap is created between the appropriation for athletics and the cost to cover actual athletes' tuition fees.

RELATIONSHIP

Relates to HB905. House Bill 905 appropriates a total of \$441.6 from the general fund to various post-secondary institutions for athletics.

OTHER SUBSTANTIVE ISSUES

Included in the CHE FY02 request for higher education, was \$181.6 to fund the incremental cost of athletic scholarships in FY02 for various institutions. This request was based on the 4 percent tuition credit recommended by the CHE in FY02 plus another 4 percent to compensate institutions for what they did not receive in FY01. The total amount requested by CHE for FY01 was \$90.8. The request for \$90.8 for FY01 was not recommended by the LFC.

CTF/ar