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## FISCAL IMPACT REPORT

SPONSOR: Campos DATE TYPED: 02/11/03 HB \_\_\_\_\_

SHORT TITLE: Create Technology Enhancement Fund SB 366

ANALYST: Williams

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 391

Relates to

HB 567/SB 455: Faculty Development Fund

HB 392/SB 370: LFC Higher Education Program Development Enhancement Fund

HB 393/SB 369: LFC Work Force Skills Development Fund

HB 394/SB 368: LFC Work Force Skills Development Fund

HJM 27/SJM 25: LFC Higher Education Performance Fund

HB 160/SB 221: Work Force Skills Development Fund

### SOURCES OF INFORMATION

LFC Files

Commission on Higher Education (CHE)

Economic Development Department

### SUMMARY

#### Synopsis of Bill

Senate Bill 366 creates a new, non-reverting fund, the Technology Enhancement Fund. CHE is authorized to provide matching funds from the Technology Enhancement Fund to state research universities for projects which target innovative, applied research to advance knowledge and create new products and production processes. The legislation specifically targets agriculture, biotechnology, biomedicine energy, materials science, microelectronics, water resources, aerospace, telecommunications, manufacturing science and similar areas.

The CHE would administer the fund and develop rules by which applications for funding would be considered. Applications would be subject to competitive selection by a panel of scientific and business experts appointed by CHE. Funding awards would be based on excellence in research design and possible innovation in cross-disciplinary, multi-campus and higher education-industry research collaboration. Projects must be collaborative with corporate and nonprofit organizations, with the university providing an equal or greater funding match from non-state sources.

Significant Issues

This is a Legislative Finance Committee-sponsored bill.

**FISCAL IMPLICATIONS**

No fiscal impact. This bill does not include an appropriation.

**TECHNICAL ISSUES**

Economic Development suggests the bill define the terms “innovative” and “applied research”.

**OTHER SUBSTANTIVE ISSUES**

CHE notes this bill reflects the Blue Ribbon Task Force on Higher Education-recommended Base Plus Incentives funding approach.

**AW/sb**