## LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **HB 394** HLS 21RS

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

**Date:** April 26, 2021 6:07 PM

Author: RISER

**Analyst:** Tim Mathis

Dept./Agy.: Higher Education

**Subject:** Mandatory Reporting of Sexual Misconduct

881

HIGHER EDUCATION EG SEE FISC NOTE GF EX See Note Page 1 of 1 Provides for postsecondary education institutions to post reports relative to campus security policies and campus crime statistics on their websites

Proposed legislation requires each post-secondary education institution to publish a quarterly security report including updated security policies and certain campus crime statistics in a prominent location on its website. Requires the Board of Regents (BOR) to monitor institution websites for compliance and to notify House and Senate Committees on Education, and the State Bond Commission upon failure to comply. Following such notification, the State Bond Commission is prohibited from authorizing the institution to incur any debt subject to Commission's approval for a period of two years.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<b>\$0</b>	<b>\$0</b>	\$0	<b>\$0</b>	\$0	\$0

## **EXPENDITURE EXPLANATION**

There may be an increase in expenditures for some institutions to publish quarterly security reports; however, any additional workload will likely be administered by existing staff and resources with minimal costs.

To the extent an institution should fail to meet quarterly reporting requirements, this measure would prohibit the State Bond Commission (SBC) from authorizing the institution to incur any debt that is subject to the Commission's approval, for a period of two years. Although institutions expect to fully comply with the proposed law, the potential impact on future capital projects in the event an institution fails to report is indeterminable. Per SBC staff, the majority of higher education institutions do not incur debt directly, but rather through a conduit issuer such as a non-profit foundation. It is unclear whether this provision would apply to such situations.

Institutions may realize increased expenditures if an individual files suit in district court and secures a writ of mandamus or injunctive or declaratory relief to require compliance, which will also require payment of attorney fees and court costs.

## **REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u> 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House	Alan M. Boderger
	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase	Alan M. Boxberger Staff Director