

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

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

**May 7, 2003**

**TO:** Honorable Kent Grusendorf, Chair, House Committee on Public Education

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

**IN RE: HB1038** by Grusendorf (Relating to a techology immersion pilot project in public schools. ),  
**Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1038, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from Gifts, Grants and Donations</b>	<b>Probable Revenue Gain/ (Loss) from Gifts, Grants and Donations</b>	<b>Change in Number of State Employees from FY 2003</b>
2004	(\$5,059,231)	\$5,059,231	1.0
2005	(\$59,231)	\$59,231	1.0
2006	(\$59,231)	\$59,231	1.0
2007	(\$59,231)	\$59,231	1.0
2008	\$0	\$0	0.0

**Fiscal Analysis**

The bill would require the Texas Education Agency (TEA) to establish a three-year technology immersion pilot project, starting with the 2003-04 school year, aimed at improving academic achievement in participating schools. The pilot project would provide a wireless mobile computing device to each student in a participating school. Software, access to on-line courses, and other appropriate learning technologies could be supported by the project.

TEA is directed to select at least five schools for participation, with at least one including students in grades 6-12, and if possible one entire school district and one entire school in a second district should be represented. TEA may not allocate more than \$1 million for each participating school. The project may be funded by gifts, grants, and donations. General revenue may not be used to fund the project.

Each participating district or school would be required to establish a community education pipeline progress team, and prepare an annual progress report for TEA. After the three-year project is over, TEA would be required to include a review of these reports in its comprehensive annual report.

**Methodology**

The assumed cost of each wireless mobile computing device -- assumed to be a laptop computer, related educational software, and technical support as provided under the bill is \$2,000 per laptop. This is based on the average paid by the state for laptop computers that are sufficiently equipped to run standard educational software and connect to the internet (\$1,650), and three years of additional computer hardware and software purchases, technical support staff costs and educational software purchases (\$350 per laptop).

For the purposes of this fiscal note, it is assumed that TEA would select five schools to participate in the pilot project. Given the \$1 million limit per school and the \$2,000 per laptop estimate, this entails that participating schools would have on average 500 students. Total awards to the five participating schools would be \$5 million.

In order to administer the pilot project to five school sites, it is estimated that TEA would require one additional employee (Program Specialist IV) in the educational technology division. The cost of salary and benefits for the additional staff member is estimated at \$59,231 per year. This position would be required from the start of the program in 2004 through the project summary to be included in the agency's 2007 comprehensive annual report.

This note assumes that the pilot program would be paid from revenue generated by gifts, grants and donations. If sufficient funds from gifts, grants and donations are not available for the project, the project would not be implemented according to the provisions of the bill.

**Technology**

The bill has no identifiable impact on state technology costs for the TEA.

**Local Government Impact**

Participating districts and schools may incur costs related to convening and supporting the community educational pipeline progress team and costs associated with preparation of the annual report. Districts and schools are assumed to be able to absorb these costs within their existing resources. The commissioner may choose not to select for participation those districts and schools where such costs are prohibitively expensive.

**Source Agencies:** 313 Department of Information Resources, 701 Central Education Agency

**LBB Staff:** JK, WP, CT, UP, JGM