

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

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

**April 14, 2003**

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

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

**IN RE: HB3170** by Pitts (Relating to funding for core services provided by regional education service centers.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3170, As Introduced: a positive impact of \$67,148,000 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	\$33,574,000
2005	\$33,574,000
2006	\$33,574,000
2007	\$33,574,000
2008	\$33,574,000

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from FOUNDATION SCHOOL FUND 193</b>
2004	\$33,574,000
2005	\$33,574,000
2006	\$33,574,000
2007	\$33,574,000
2008	\$33,574,000

**Fiscal Analysis**

The bill would eliminate the statutory provisions requiring the state to provide funding to Regional Education Service Centers (ESC's) for core services, and make the provision of core services discretionary for ESC's.

**Methodology**

For the purposes of the fiscal note, it is assumed that state funds currently allocated to ESC's under this statute would no longer be appropriated as the statutory provision directing the commissioner to make such allocations is repealed. The annual savings to general revenue as a result would be \$33,574,000.

## **Technology**

The bill has no fiscal implication for the state's technology costs.

## **Local Government Impact**

If school districts desire to continue to have access to ESC core services, it is assumed that those districts would incur fees for those services. However, use of those core services, and any potential fees, are optional.

**Source Agencies:** 701 Central Education Agency

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