

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 7, 2003

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB76 by Zaffirini (Relating to the provision of subsidized child-care services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB76, As Introduced: a negative impact of (\$200,000) 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$200,000)
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2004	(\$200,000)
2005	\$0
2006	\$0
2007	\$0
2008	\$0

Fiscal Analysis

The bill would amend section 72.003 of the Human Resources Code by adding pre-kindergarten program providers, after-school child care program providers and the Texas Education Agency to the current law requirement that each Head Start and Early Head Start program provider coordinate with the Texas Workforce Commission and local workforce development boards regarding subsidized child-care services. New language added to the current coordination requirements stipulates that the parties work to streamline eligibility determination for child care services. The bill also requires development of a plan to establish prekindergarten programs within the subsidized child-care service industry.

Methodology

The bill's requirement for Texas Education Agency by January 1, 2004, to develop a plan to establish pre-kindergarten programs within the subsidized child-care service industry has a fiscal implication. In developing the plan the agency must seek input from parents eligible to receive subsidized child-care services, parents of children eligible for enrollment in a prekindergarten program, school districts, the Texas Workforce Commission, local workforce development boards, the child-care resource and referral network, and the Texas Head Start Collaboration Project. The Texas Education Agency (TEA) estimates it would cost \$200,000 to undertake the study required by the bill.

The Texas Workforce Commission identifies approximately \$90,000 in 2004-2005 costs that are assumed to be absorbed within the agency's existing resources.

Local Government Impact

It is estimated that the coordination efforts prescribed by the bill would require an average of at least 10 hours per campus offering pre-kindergarten services statewide per year. Assuming that an administrator at least at the level of an assistant principal would likely be the person charged with the mandatory coordination efforts, the cost statewide beginning in 2004-2005 to comply would be approximately \$700,000.

Source Agencies: 320 Texas Workforce Commission, 701 Central Education Agency

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