

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION
Revision 1

April 4, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB396 by Shapleigh (Relating to a technology immersion pilot project in public schools.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB396, As Introduced: a negative impact of (\$5,118,462) 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	(\$5,059,231)
2005	(\$59,231)
2006	(\$59,231)
2007	(\$59,231)
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2003
2004	(\$5,059,231)	1.0
2005	(\$59,231)	1.0
2006	(\$59,231)	1.0
2007	(\$59,231)	1.0
2008	\$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 laptop computer 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. TEA may obtain funds, if possible, from the Telecommunications Infrastructure Fund.

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 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 note assumes that the pilot program would be paid from general revenue non-dedicated funds. If Telecommunications Infrastructure Fund proceeds were made available, the cost would be general revenue-dedicated.

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, JO, CT, UP, JGM