

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**May 31, 2003**

**TO:** Honorable David Dewhurst , Lieutenant Governor, Senate  
Honorable Tom Craddick, Speaker of the House, House of Representatives

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

**IN RE: SB929** by Shapiro (Relating to regional education service centers. ), **Conference Committee Report**

**No significant fiscal implication to the State is anticipated.**

The bill requires that the Comptroller contract with a consultant to perform a comprehensive audit of the services and funding mechanisms of Regional Education Service Centers (ESC's). Findings shall be reported to the Legislature not later than June 1, 2004. The bill directs the costs of the audit to be paid from appropriations to the Texas Education Agency for ESC-related core services, in an amount not to exceed \$750,000. This method of finance for audit costs results in no net cost to the state.

This fiscal note assumes that the provision of the bill that would repeal Chapter 8 of the Education Code effective September 1, 2005 is intended as a sunset provision.

**Local Government Impact**

Funds used to pay for the ESC audit would reduce funds available to ESC's, which may then attempt to generate more revenue by raising fees for services to school districts during the 2004-05 biennium. This potential district cost, however, is not expected to be significant.

**Source Agencies:** 701 Central Education Agency

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