

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATURE 3rd CALLED SESSION - 2006

May 4, 2006

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

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB57 by Branch (Relating to high school programs and the advancement of college-readiness in secondary schools and institutions of higher education.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB57, As Introduced: a negative impact of (\$607,279,922) through the biennium ending August 31, 2007.

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
2007	(\$607,279,922)
2008	(\$612,397,479)
2009	(\$625,560,405)
2010	(\$639,286,422)
2011	(\$653,622,858)

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 2006
2007	(\$607,279,922)	10.0
2008	(\$612,397,479)	10.0
2009	(\$625,560,405)	10.0
2010	(\$639,286,422)	10.0
2011	(\$653,622,858)	10.0

Fiscal Analysis

Section 1 would require the commissioner of education and the Texas Higher Education Coordinating Board (THECB) to establish vertical teams composed of high school and higher education faculty for the purpose of aligning the high school curriculum with the higher education curriculum and expectations, including the joint development of courses aimed at assisting students requiring additional preparation in advance of college-level work.

Section 2 would direct the State Board of Education to adopt rules to ensure that four years of English, math, science, and social studies are required for graduation and that one or more required courses include a research writing component. The new curriculum requirements would apply to students entering grade 9 in the 2007-08 school year.

Section 3 would make provisions for an optional flexible school day program.

Section 4 would establish Texas Governor's Schools as short-term summer residential programs for high-achieving high school students. Public senior colleges and universities would be eligible to apply to the commissioner of education for grants of up to \$750,000 from funds appropriated for that purpose.

Section 6 would require the commissioner of education to develop standards and provide guidance for school districts related to high school completion and college-readiness. This section would create a high school allotment, which would entitle school districts, including charter schools, to an allotment of \$500 per student in average daily attendance in grades 9 through 12 beginning in fiscal year 2007.

Section 8 would require the P-16 Council to develop a college-readiness and success strategic plan to improve college readiness and reduce the need for developmental coursework in institutions of higher education.

Section 9 would require THECB to review and adopt revisions to the curricula associated with not more than 25 courses satisfying core curriculum requirements.

Methodology

Section 1 would require the commissioner of education and THECB to establish vertical teams composed of high school and higher education faculty for the purpose of aligning the high school curriculum with the higher education curriculum and expectations, including the joint development of courses aimed at assisting students requiring additional preparation in advance of college-level work. The agency estimates a cost of \$1 million in fiscal year 2007 to development of the four vertical teams.

Section 4 would establish Texas Governor's Schools to be funded through grants of \$750,000 per year per approved governor's school program. Assuming that two programs were established, the state cost is estimated at \$1.5 million in general revenue per year beginning in fiscal year 2007.

Section 6 would require the commissioner of education to develop standards and provide guidance for school districts related to high school completion and college-readiness. Section 6 would create a high school allotment, which would entitle school districts, including charter schools, to an allotment of \$500 per student in average daily attendance in grades 9 through 12 beginning in fiscal year 2007. The estimated state cost in general revenue of this provision is \$592 million in fiscal year 2007, increasing to \$644 million in fiscal year 2011.

Section 8 would require the P-16 Council to develop a college-readiness and success strategic plan. TEA estimates the cost of developing and maintaining model curricula under the provisions of this section at \$5 million in fiscal year 2007 and \$500,000 in each subsequent year.

Section 8 would direct THECB to establish summer bridge programs in core curriculum areas, provide incentive programs to institutions that implement innovative development education initiatives, to provide financial assistance programs to educationally disadvantaged students, and to provide professional development programs for higher education faculty. The estimated cost to THECB is \$6.8 million per year.

Section 9 would require THECB to review and adopt revisions to the curricula associated with not more than 25 courses satisfying core curriculum requirements.

The estimated THECB administrative cost associated with the provisions of the bill is \$405,000 per year to support 5 full-time-equivalent FTEs.

The estimated TEA administrative cost associated with the provisions of the bill and not included elsewhere in this estimate is \$300,000 in each year to fund 5 full-time-equivalent employees.

Local Government Impact

The bill would provide additional state funds to eligible school districts based on the number of students in average daily attendance in grades nine through twelve.

Section 2 would direct the State Board of Education to adopt rules to ensure that four years of English, math, science, and social studies are required for graduation and that one or more required courses include a research writing component. Implementation of this requirement may incur significant local cost for additional teachers, classroom facilities, and laboratories.

Source Agencies: 701 Central Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JOB, CT, UP, JSc