

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

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

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

IN RE: HB779 by Luna (Relating to bilingual education and special language programs in public schools.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB779, As Introduced: a negative impact of (\$1,572,452,967) 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
2006	(\$764,495,922)
2007	(\$807,957,045)
2008	(\$868,262,095)
2009	(\$933,876,515)
2010	(\$1,000,149,059)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Savings/(Cost) from <i>FOUNDATION SCHOOL FUND</i> 193
2006	\$0	(\$764,495,922)
2007	\$0	(\$807,957,045)
2008	\$0	(\$868,262,095)
2009	(\$250,000)	(\$933,626,515)
2010	\$0	(\$1,000,149,059)

Fiscal Analysis

The bill would add satisfactory performance on the English Texas Assessment of Knowledge and Skills (TAKS) as an additional criterion that can be used to exit a student from a bilingual or ESL program.

The bill would provide for a two-year follow-up of students who exit a bilingual or special language program and stipulates conditions under which local language proficiency assessment committees must reevaluate such students to determine if the student should reenter the bilingual or special language program or receive intensive instruction.

The bill would require the commissioner of education to develop a longitudinal measure of progress toward English proficiency that would be administered periodically until a student meets a standard

set by the commissioner on the English TAKS for two consecutive school years.

The bill would require the commissioner to determine school district best practices with respect to bilingual and ESL programs based on the measure of progress and to make best practices information available online.

The bill would increase the Foundation School Program weight for bilingual and ESL students to 0.4.

Methodology

The bill would require identification of successful bilingual and special language programs on the basis of a developed longitudinal measure of progress toward English proficiency. Assuming the progress measure is developed in fiscal year 2006 and implemented beginning in fiscal year 2007, identification of successful districts on the basis of that measure would occur in fiscal year 2008, and the study of best practices in those districts would be assumed to occur in fiscal year 2009. Because the study is anticipated to involve significant field work, the estimated fiscal year 2009 cost for this effort would be estimated at \$250,000.

The increase in the FSP weight for bilingual and ESL students would affect the tier one funding formulas and the tier two guaranteed yield because it results in an increase in the number of weighted students. In addition, the increase in weighted students would result in decreased revenue from recapture under Chapter 41, Education Code. The net effect of increased state cost and reduced recapture are estimated at \$764.5 million in fiscal year 2006, increasing to \$1.0 billion in fiscal year 2010.

Local Government Impact

To the extent that the criteria stipulated in the bill for the monitoring and evaluation of students who have exited bilingual or ESL programs are more rigorous than those currently employed by local districts, additional administrative workload could result.

School districts would generally receive additional state aid or reduced recapture payments under the provisions of the bill. Revenue gains to school districts would be estimated at \$764.5 in fiscal year 2006, increasing to \$1.0 billion by fiscal year 2010.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, CT, UP, JSc