

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**March 21, 2005**

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

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

**IN RE: HB990** by Chisum (Relating to the applicability of restrictions on student transfers to certain school districts.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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This bill proposes to limit the Texas Education Agency's enforcement of certain transfer regulations mandated by federal court order (Civil Action 5281) to school districts that have at least 4,000 students enrolled. According to the Agency, a significant share of individual student transfers occur in the larger districts; therefore, it is anticipated that agency workloads would be largely unaffected.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Smaller school districts have been subject to financial penalties for violations of the order; however, the elimination of such penalties would not likely have a significant impact on any given school district. In addition, the release from the order could result in more frequent transfers between school districts, which may result in gains in revenues to some districts and losses to others as a result of the shifting of attendance.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** JOB, CT, UP, KC