

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 3, 2005

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

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

IN RE: HB1668 by Eissler (Relating to the governor's award for teaching excellence program.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1668, Committee Report 1st House, Substituted: a negative impact of (\$2,000,000) 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	(\$1,000,000)
2007	(\$1,000,000)
2008	(\$1,000,000)
2009	(\$1,000,000)
2010	(\$1,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2006	(\$1,000,000)
2007	(\$1,000,000)
2008	(\$1,000,000)
2009	(\$1,000,000)
2010	(\$1,000,000)

Fiscal Analysis

This bill would create the Governor’s Award for Teaching Excellence program to recognize and honor outstanding classroom teachers who have demonstrated superior performance. The commissioner of education would be granted rulemaking authority to establish the program, select participants, and award the selected teachers a stipend equal to at least \$10,000.

The bill would take effect September 1, 2005.

Methodology

The bill does not specify a minimum or maximum number of participants that could be selected to receive stipends. While no specific minimum or maximum is specified, the terms used in the bill

imply that multiple awards would be made each year. If 5 awardees are selected from each of the 20 regions per year, a total of 100 awards would be expected annually. Assuming this level of activity, costs for stipends would be anticipated to be \$1.0 million annually. Should this assumption be incorrect, the cost of the program would increase or decrease based on the actual number of awards granted.

The bill would have workload implications for agency administrative operations related to the selection of participants and payment of stipends, but these are not assumed to be significant.

Technology

No state fiscal impact to technology is anticipated.

Local Government Impact

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

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, CT, UP, JGM