

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

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

**May 9, 2005**

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

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

**IN RE: SB963** by Shapiro (Relating to the establishment of and liability for failing to comply with certain administrative and instructional ratios for public school districts.), **As Engrossed**

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

Because measures of administrative and direct instructional costs similar to the ones required by the bill are already calculated and reported by the Texas Education Agency, it is assumed that the additional workload associated with the administrative cost provisions in this bill would be limited to the notification of noncompliance, compliance plan approval, and financial recovery processes. It is assumed that these costs would be minimal, and could be adequately covered by existing agency resources. It is further assumed that all districts would either comply with the financial requirements of the bill or obtain a waiver from the agency, and thus not be subject to the withholding of state aid.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. School districts that are determined to be out of compliance with the established measures would be required to develop and implement compliance plans. Districts that fail to meet required standards after implementation of compliance plans would be subject to financial penalties.

**Source Agencies:** 701 Central Education Agency

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