

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

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

IN RE: HB1002 by Giddings (Relating to intensive preparation academies to prepare public school students to take a state exit-level assessment instrument.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1002, As Introduced: a negative impact of (\$1,395,000) through the biennium ending August 31, 2009.

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
2008	(\$772,500)
2009	(\$622,500)
2010	(\$622,500)
2011	(\$622,500)
2012	(\$622,500)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$772,500)
2009	(\$622,500)
2010	(\$622,500)
2011	(\$622,500)
2012	(\$622,500)

Fiscal Analysis

For the 2007-08 school year, the bill would require the commissioner to select between 10 and 25 school districts, representing diverse characteristics and geographical areas, in which 5 percent or more of the students failed to satisfactorily perform on the state exit-level assessment instrument to operate intensive preparation academies for those students to retake the assessment instrument. For the 2008-09 school year and beyond, districts selected by the commissioner would be required operate the intensive preparation academies.

For the 2008-09 school year and beyond, subsection (a) of the bill identifies affected districts as those selected by the commissioner under subsection (d). Subsection (d) appears to limit selection to between 10 to 25 districts. For the purposes of this fiscal note, it is assumed that the commissioner maintains the size of the group of selected districts to this range each year. If this assumption is

incorrect and the commissioner increases the group of selected districts in FY2009 and beyond, the costs identified in this fiscal note would increase proportionately.

The Texas Education Agency (TEA) would be required to deliver a written report to the legislature by December 15, 2008 that would review the effectiveness of the intensive preparation academies offered.

The bill would take effect immediately upon enactment with the necessary voting majorities or September 1, 2007.

Methodology

The April 2006 assessment results indicate that statewide 15,163 students would be eligible for the academies. TEA assumes that the commissioner would select between 10 to 25 districts such that a cohort of 10% of the eligible students, or 1,500, would participate. The agency estimates that teachers providing services for these preparation academies would receive \$30 per hour per day for 30 days working 7 hours a day, materials would cost \$100 per student and the class size would be 20 students. Facilities costs are not included in the estimate. Under these assumptions, approximately 75 teachers would be required at an estimated cost of \$472,500. The cost for materials for 1,500 students would be approximately \$150,000, for a total estimated cost of \$622,500 each year.

TEA estimates that the one-time cost for an evaluation report would be approximately \$150,000 in FY2008.

For the purposes of this fiscal note, it is assumed that the commissioner maintains the size of the group of selected districts, and eligible students, to this range each year. If this assumption is incorrect and the commissioner increases the group of selected districts in FY2009 and beyond, the costs identified in this fiscal note would increase proportionately.

Technology

This bill is not expected to impact TEA's technology costs.

Local Government Impact

Districts selected for participation by the commissioner would see additional funding under the bill.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JGM