

**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: HB1137** by Hochberg (Relating to age and attendance requirements in public schools.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1137, As Introduced: a negative impact of (\$3,400,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2008	(\$1,700,000)
2009	(\$1,700,000)
2010	(\$1,700,000)
2011	(\$1,700,000)
2012	(\$1,700,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from <i>FOUNDATION SCHOOL FUND</i> 193</b>
2008	(\$1,700,000)
2009	(\$1,700,000)
2010	(\$1,700,000)
2011	(\$1,700,000)
2012	(\$1,700,000)

**Fiscal Analysis**

The bill would change the eligibility of students for admission to public school to permit students who are 21 years of age or older on the first day of September of any school year to be eligible for funding under the Foundation School Program for the purposes of completing the requirements for a high school diploma.

**Methodology**

The bill has the potential to increase costs for the Foundation School Program (FSP) by making students who are 21 years of age or older eligible to draw FSP funding. Under current law and practice, the state provides state funding for special education students who are 21 years old at some point during the school year, even if that student turns 22 during the school year. According to the

Fall 2006 enrollment data reported to the Public Education Information Management System (PEIMS), the number of students enrolled in public schools who are aged 21 or older is 1,126, and 867 of these are special education students. It is assumed for the purposes of this fiscal note that the majority of these students are 21 or turned 22 years old during the school year and thus currently receiving state aid; as a result, they do not represent an additional cost to the state. The remaining students would increase state costs, estimated to be less than \$2.0 million in each year.

To the extent that districts enroll more students over the age of 21 who are not currently earning state aid, state FSP costs would increase proportionately.

### **Local Government Impact**

School districts would generate additional FSP funding for serving students over the age of 21 who are not currently earning state aid.

**Source Agencies:** 701 Central Education Agency

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