

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

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

IN RE: HB1632 by Eissler (Relating to the use of technology by public schools.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1632, As Engrossed: a negative impact of (\$69,740,000) 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	(\$69,740,000)
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$69,740,000)
2009	\$0
2010	\$0
2011	\$0
2012	\$0

Fiscal Analysis

The bill would authorize the commissioner to enter into an agreement with a public broadcasting station (PBS) or a consortium of stations under which the PBS would provide online instructional content and educational materials. The commissioner would be authorized to use funds appropriated to the agency to make instructional materials available through the PBS's for the purpose of instruction and professional development and for use in providing adult education.

The bill would expand participation in the technology immersion pilot project to one middle/junior high school and one high school in each state senatorial district. From funds available for this pilot project, the commissioner would be directed to make grants to schools not participating to enable them to obtain additional learning materials or employ additional educational personnel.

The bill would become effective on September 1, 2007, or immediately upon enactment by the

appropriate voting majorities.

Methodology

TEA estimates the cost to develop the instructional materials for use via agreements with PBS stations to be \$300,000 in FY2008. To the extent that the agency uses available federal funds for this purpose, this cost would decrease.

It is estimated that expanding the existing technology immersion program -- to one middle/junior high and one high school campus in each state senatorial district – would cover approximately 49,600 students across 62 schools. Based on the current pilot program, the technology costs per student are estimated to be \$1,400. Under these assumptions, the pilot program expansion would cost approximately \$69.44 million in one-time technology costs in FY2008. It is assumed that grants to nonparticipating schools would be paid from available funds appropriated for the pilot project, and thus not represent an additional cost to the state.

TEA estimates that administrative costs related to implementing an expanded pilot program could be absorbed within the agency's existing budget.

Technology

No technology impact to the Texas Education Agency is expected.

Local Government Impact

Districts participating in the technology immersion pilot project would receive additional technology funds to meet the requirements of the program.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JGM