

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

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

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

IN RE: HB2399 by Delisi (Relating to teacher retention demonstration projects in public schools.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB2399, As Introduced: a negative impact of (\$12,389,600) 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	(\$6,202,300)
2009	(\$6,187,300)
2010	(\$6,187,300)
2011	(\$6,187,300)
2012	(\$6,187,300)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2007
2008	(\$6,202,300)	2.0
2009	(\$6,187,300)	2.0
2010	(\$6,187,300)	2.0
2011	(\$6,187,300)	2.0
2012	(\$6,187,300)	2.0

Fiscal Analysis

The bill would allow the Commissioner of Education to award grants to school districts to support the design and implementation of teacher retention demonstration projects. The bill would direct the Commissioner to develop and implement a plan to evaluate teacher retention demonstration projects for effectiveness, including analysis of linkages between teacher preparation models and teacher retention and effectiveness. The Commissioner would be required to disseminate findings from the evaluation statewide.

Methodology

Assuming 20 demonstration sites funded at \$300,000 each, the estimated cost of the grants would be \$6 million annually. Two FTEs at a cost of \$136,285 in FY2008 and \$126,285 annually in each

subsequent year would be required to administer the grants. TEA estimates contract costs for the evaluations required by the bill at \$200,000 in FY2011.

Local Government Impact

School districts could apply for a receive grant funds for teacher retention demonstration projects under the provisions of the bill.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JSc