

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 24, 2007**

**TO:** Honorable Tom Craddick, Speaker of the House, House of Representatives

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

**IN RE: HB2532** by Patrick (Relating to the expulsion and placement in alternative settings of public school students who engage in conduct constituting certain felonies. ), **As Passed 2nd House**

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

The bill would allow a school district to expel a student after a hearing if the student is charged with, referred to a juvenile court for, placed on deferred prosecution for, adjudicated delinquent for, arrested for, put on probation for, or convicted of a Title 5 Penal Code felony offense regardless of whether or not the conduct occurred on a school campus or at a school related event. If the student is expelled under this section, the student is required to be placed in a juvenile justice alternative education program (JJAEP), if the school district is located a county with a JJAEP, or a disciplinary alternative education program (DAEP). The bill requires that if a student is expelled and placed in an alternative setting under this section the student will remain in the alternative setting until graduation, until the charges are dismissed or reduced to a misdemeanor offense, or until the term of placement is complete or the student is reassigned. The bill would require school district boards of trustees to reimburse JJAEPs for the actual cost incurred each day associated with additional placements for students expelled under this section. To the extent that provisions of this section conflict with Texas Education Code Section 37.007 pertaining to expulsion for serious offenses, Section 37.007 prevails.

The bill would define policies and procedures for notification and placement of students required to register as sex offenders in either DAEPs or JJAEPs. The bill provides that a JJAEP receiving students assigned under the provisions of this section is entitled to the same funding it would receive on behalf of a student placed in a JJAEP for conduct for which expulsion is permitted, but not required.

This bill would require school districts to administer assessment instruments to students placed in DAEPs for 90 days or more to measure academic progress. The commissioner of education would be required to adopt rules to implement the math and reading skills assessments. The Texas Education Agency (TEA) would be required to explore alternative methods to evaluate the effectiveness of DAEPs related to academic growth, course completion, and behavior improvement and to report its conclusions and recommendations by November 1, 2008. It is expected that TEA could absorb the cost of preparing the report with existing resources.

**Local Government Impact**

The bill would increase discretionary placements in JJAEPs. The Texas Juvenile Probation Commission (TJPC) estimates that student attendance days in JJAEPs would increase by 296,203 in FY 2008 and 1,198,407 in FY 2009 based on the provisions associated with Title 5 felonies. Additional discretionary placements in JJAEPs would be expected associated with provisions related to students required to register as sex offenders.

The bill would require school district boards of trustees to reimburse JJAEPs for the actual cost incurred each day associated with additional placements associated with Title 5 felonies. At the average cost of operating a JJAEP of \$125 per student attendance day, the estimated total cost of serving students assigned to JJAEPs under the provisions of the bill related to Title 5 felonies would be up to \$37 million in FY2008 and \$150 million in FY2009. These costs would be reimbursed by

school districts.

JJAEPs would also incur additional cost associated with discretionary placements associated with provisions related to students required to register as sex offenders. School districts would be required to reimburse JJAEPs on behalf of these students at the rate established in local agreements. To the extent that actual local operating costs are higher, additional local costs may be incurred and would be expected to vary widely.

To the extent that students who are enrolled in JJAEP programs who do not meet specific mandatory expulsion criteria continue to generate funding through average daily attendance under the Foundation School Program, local costs noted would be offset to some degree with Foundation School Program aid generated by the attendance of affected students.

There would be administrative costs to school districts to administer assessment instruments for students placed in DAEPs for 90 days or more. Administrative costs would vary depending on the number of students affected. It is estimated that assessments would cost approximately \$14 per eligible student.

**Source Agencies:**

**LBB Staff:** JOB, JSp, JSc