

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 11, 2007

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

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

IN RE: HB3259 by Branch (Relating to the administration of international assessment instruments to certain public school students.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3259, As Engrossed: a negative impact of (\$2,000,000) 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	(\$1,000,000)
2009	(\$1,000,000)
2010	(\$1,000,000)
2011	(\$1,000,000)
2012	(\$1,000,000)

All Funds, Five-Year Impact:

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

Fiscal Analysis

The bill would establish a program in which participating school districts would administer international assessment instruments to students in the district. School districts could apply to participate or the commissioner could select school districts required to participate. The commissioner would be required to select school districts from rural and urban areas of the state. The commissioner would compare the performance on the international assessment instruments of students in this state with students of the same grade level in other countries, compare the results with state assessment instruments and educational goals, and provide professional development for educators in the interpretation and results of the international assessment instruments.

The commissioner could use up to \$2 million each biennium appropriated from the Foundation School Program (FSP). The commissioner would be required to deliver a report describing the results of

student performance on the international assessment instruments to the governor, lieutenant governor, speaker of the house of representatives, each member of the legislature, and each school district by January 1 of odd numbered years.

This bill would take effect immediately upon passage of the necessary voting margins or September 1, 2007 and would apply to the 2007-2008 school year.

Methodology

The bill authorizes up to \$2 million every biennium from funds appropriated to the FSP to fund this program. The Texas Education Agency estimates the need for the maximum amount allowed by the bill, or \$1 million each year, to administer the international assessment instruments, collect and analyze results, compare results to other state assessments and international results, report those results in odd numbered years, and provide professional development in accordance with the bill's provisions. TEA estimates that these functions would be contracted to a third party, and thus not require additional staffing at the agency.

For the purposes of this fiscal note, it is assumed that the costs for this assessment would be paid through a set-aside of \$1 million from the compensatory education allotment each year. This increase in the set-aside amount would reduce the compensatory education allotment received by school districts by a like amount. However, due to the provisions in current law created by HB 1, 79th Legislature, Third Called Session, the lost revenue would be made up by an increase in the hold harmless funding, thus resulting in a state cost.

Technology

The agency does not expect the bill to have a significant impact on its technology costs.

Local Government Impact

School districts may incur some costs to administer the international assessment instrument; however, it is assumed that the only districts that would choose to participate are those in which administrative costs are not considered significant.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, UP, JGM