

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 30, 2007

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Juvenile Justice & Family Issues

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

IN RE: HB3746 by McClendon (Relating to state aid for certain juvenile justice alternative education programs that enter into certain revenue sharing agreements.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3746, Committee Report 1st House, Substituted: a negative impact of (\$3,926,654) 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	(\$1,963,327)
2009	(\$1,963,327)
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$1,963,327)
2009	(\$1,963,327)
2010	\$0
2011	\$0
2012	\$0

Fiscal Analysis

The bill would entitle certain eligible Juvenile Justice Alternative Education Programs (JJAEPs) that received funding through Chapter 41 arrangements in the 2005-06 school year to state aid equivalent to the difference between the funding received through Chapter 41 arrangements in the 2005-06 school year and funding received through Chapter 41 arrangements in each year of the 2008-09 biennium. In order to be eligible for state aid under the provisions of the bill, the JJAEP must be located in a county with a population less than 1.4 million that contains at least 7 school districts and must attempt to enter into similar Chapter 41 arrangements in 2007-08 and 2008-09 as were in place in the 2005-06 school year.

Methodology

The Bexar County and Travis County JJAEPs are the only programs that meet the eligibility requirements of the bill. According to the Texas Education Agency (TEA), the Bexar County and Travis County JJAEPs received about \$2.0 million through Chapter 41 arrangements in the 2005-06 school year and neither program is receiving funding through Chapter 41 arrangements in 2006-07. Assuming that neither eligible JJAEP is able to enter into a Chapter 41 arrangement in either the 2007-08 or the 2008-09 school year, the estimated cost of additional state aid would be \$2.0 million annually in FY2008 and FY2009.

Local Government Impact

The Bexar County and Travis County JJAEPs would be entitled to about \$2.0 million in state aid annually in FY2008 and FY2009.

Source Agencies: 665 Juvenile Probation Commission, 701 Central Education Agency

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