

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

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

**May 14, 2007**

**TO:** Honorable Geanie Morrison, Chair, House Committee on Higher Education

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

**IN RE: SB1488** by Patrick, Dan (Relating to the Texas Teach Corps Scholarship Program for students who agree to teach in public schools in this state that have shortages of teachers in certain academic subjects.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1488, As Engrossed: a negative impact of (\$5,000,000) 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	\$0
2009	(\$5,000,000)
2010	(\$10,000,000)
2011	(\$15,000,000)
2012	(\$20,000,000)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2008	\$0
2009	(\$5,000,000)
2010	(\$10,000,000)
2011	(\$15,000,000)
2012	(\$20,000,000)

**Fiscal Analysis**

The bill would create an undergraduate education scholarship program for students who agree to teach in public schools that have teacher shortages in academic areas. Under provisions of the bill, the Coordinating Board would establish and administer a program to award scholarships, not to exceed the lesser of the total amount of tuition at a public or private institution for educator preparation programs or \$5,000, to undergraduate students who are enrolled in educator preparation programs and agree to teach for a specified period in the public schools that are determined by the Texas Education Agency to have shortages of teachers in academic subjects.

Under provisions of the bill, not more than 4,000 scholarships may be awarded in any one year, but for the 2008-09 academic year, not more than 1,000 scholarships may be awarded, for the 2009-10

academic year, not more than 2,000 scholarships may be awarded, and for the 2010-11 academic year, not more than 3,000 scholarships may be awarded. It is assumed the first scholarships would be awarded in fiscal year 2009.

The Coordinating Board would adopt rules to administer this subchapter and distribute to each educator preparation program of a public or private institution of higher education a copy of the rules adopted. In addition to money appropriated by the legislature, the board may solicit and accept grants, gifts, and donations from any public or private source for the purposes of this subchapter.

**Methodology**

For purposes of this fiscal note it is assumed that it will take one year for the Coordinating Board to set up the program. For the remaining years it is assumed the amount of the scholarship would be \$5,000 and the number of scholarships awarded would be 1,000 in fiscal year 2009, 2,000 in fiscal year 2010 and 3,000 in fiscal year 2011 and 4,000 in fiscal year 2012 (the limits contained in the bill). These amounts could be less depending on the tuition and fees covered by the scholarships and how many students take advantage of the program.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 769 University of North Texas System Administration, 783 University of Houston System Administration, 781 Higher Education Coordinating Board

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