

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 26, 2007

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: SB1871 by Zaffirini (Relating to the compilation and reporting by the Texas Education Agency of certain data regarding students enrolled in public school or in preschool programs.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1871, Conference Committee Report: a negative impact of (\$550,000) 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	(\$550,000)
2010	(\$550,000)
2011	(\$550,000)
2012	(\$550,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	\$0
2009	(\$550,000)
2010	(\$550,000)
2011	(\$550,000)
2012	(\$550,000)

Fiscal Analysis

Provisions of the bill with anticipated cost implications are discussed below:

Sections 1 and 3 of the bill would require school districts to electronically report raw scores of student reading diagnostic instruments to the Texas Education Agency (TEA), who would be required to contract with the State Center for Early Childhood Development (SCECD) to receive and use the scores.

Remaining provisions of the bill would require changes to the Public Education Information Management System (PEIMS) data collection system, but it is anticipated this cost could be absorbed

with current resources.

The provisions of the bill would apply beginning with the 2008-2009 school year.

Methodology

Sections 1 and 3: Currently, TEA contracts with SCECD using a vendor to collect raw scores as part of a pilot project. TEA estimates the cost to collect these data is \$1 per child or approximately \$350,000 for participating 3, 4, and 5 year old children. TEA estimates the need for an additional contract with regional education service center (RESC) IV to resolve data matching errors and conduct data quality activities, at a cost of \$200,000 annually. Under Section 8 of the bill all provisions would apply beginning with the 2008-2009 school year. As such, costs would be assumed to be incurred on an annual basis beginning in FY2009.

Local Government Impact

There would be varying costs to school districts to submit data electronically for preschool students depending on the complexity of the system and how many children participate in the program.

With regard to remaining provisions of the bill, it is estimated that school district costs to update either locally developed data collection software or vendor software would not be significant.

Source Agencies:

LBB Staff: JOB, JSp