

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 23, 2009

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

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

IN RE: HB307 by Dutton (Relating to the provision of and funding for Saturday classes for elementary school students who fail to pass certain assessment instruments.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB307, As Introduced: a negative impact of (\$938,602,500) through the biennium ending August 31, 2011.

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
2010	(\$465,000,000)
2011	(\$473,602,500)
2012	(\$482,364,146)
2013	(\$491,287,883)
2014	(\$500,376,709)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193
2010	(\$465,000,000)
2011	(\$473,602,500)
2012	(\$482,364,146)
2013	(\$491,287,883)
2014	(\$500,376,709)

Fiscal Analysis

This bill would authorize school districts to hold Saturday classes for elementary school students who failed to perform satisfactorily on the required statewide assessments for their grade level. The bill would amend Chapter 42 of the Education Code to provide funding through the Foundation School Program (FSP) for attendance of Saturday classes as authorized by the bill. Under the provisions of the bill, school districts could generate up to one additional full attendance credit for each student who attended the Saturday classes.

The bill would be effective beginning with the 2009–2010 school year.

Methodology

Section 2 of the bill entitles districts to FSP funding for students attending Saturday classes by calculating average daily attendance (ADA) in the classes as the quotient of the sum of attendance for each day in a Saturday program divided by the number of days the program is provided. Section 42.005 of the Education Code as amended by the bill would make the Saturday ADA in addition to the ADA calculated for classes held by a district under a schedule allowed by current law.

According to the Texas Education Agency (TEA), a total of 309,984 elementary school students failed one or more of the state required assessment instruments for the first administration in the 2007–2008 school year. If it is assumed that approximately 25 percent of the eligible students would attend Saturday classes on a full-time basis, that would result in an estimated 77,496 students participating statewide. TEA assumes that the attendance rate for these classes would be less than the statewide average 95.5 percent; under the assumption of an 80 percent attendance rate, 77,496 students would entail approximately 62,000 additional ADA statewide.

At a statewide average FSP cost of approximately \$7,500 per ADA, the bill's provisions are estimated to cost approximately \$465 million in FY2010. The cost each year thereafter is dependent on general student population growth, trends in the number of students failing assessments, and the degree to which school districts operate Saturday classes. For the purposes of this estimate, the number of students attending Saturday classes is increased by the projected rate of overall student growth: 1.85 percent.

Local Government Impact

Local school districts would experience additional salary and overhead costs for the additional Saturday operations. The cost of serving students in Saturday classes would be borne by the state in the form of increased FSP payments.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM