

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 10, 2009

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

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

IN RE: HB851 by Eissler (Relating to Legislative Budget Board review of and reports to certain state officials concerning the primary state statutes governing public education.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB851, As Introduced: a negative impact of (\$676,812) 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	(\$338,406)
2011	(\$338,406)
2012	(\$338,406)
2013	(\$338,406)
2014	(\$338,406)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2010	(\$338,406)
2011	(\$338,406)
2012	(\$338,406)
2013	(\$338,406)
2014	(\$338,406)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	4.5
2011	4.5
2012	4.5
2013	4.5
2014	4.5

Fiscal Analysis

The bill would require the Legislative Budget Board (LBB) to review the chapters in Titles 1 and 2 of the Education Code on a 10-year cycle. The LBB then would submit a written report on reviewed chapters to the governor, the speaker of the house, and the chair of each standing committee on public education. The report would contain recommendations on eliminating or amending provisions of the Code to improve the effectiveness of the state's public education system.

The first cycle for review would include Education Code chapters 1, 4, 5, 7, 8, 11, 13 and 30, and the report would be due not later than December 1, 2010. The bill identifies other chapters to be reviewed with reports due on December 1 of the odd-numbered years, until all chapters of Titles 1 and 2 of the Education Code are reviewed by 2018, at which point the review cycle would restart.

The bill would take effect September 1, 2009 unless it receives sufficient votes to take immediate effect.

Methodology

The bill would call for the systematic review and reporting of statutes in the Education Code and the public education agencies, programs and policies they support. This would be a new function for the LBB. The chapters to be reviewed and reported on prior to the 82nd Legislature are substantial and include Chapter 7, establishing the composition and purpose of the Texas Education Agency and the State Board of Education, Chapter 8, establishing regional education service centers, and Chapter 30, including the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf.

It is estimated that the LBB would require 4.5 new full-time equivalents beginning in fiscal year 2010 to undertake the responsibilities established in the bill. In order to satisfy the level of statutory review required, it is estimated that the agency would need one Attorney IV. Three Program Specialist III positions also would be needed to perform the program analysis and develop recommendations to improve the effectiveness of the state's public education system via statutory revision. These four FTEs would entail approximately \$314,250 in annual salary, benefit and other administrative costs. Finally, it is estimated that this new function would require 0.5 administrative support FTEs, and an annual cost of \$24,156. Given the 10-year cycle of the review, it is estimated that the LBB would need to retain these positions on a permanent basis.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, JSp, JGM