

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: HB2264 by Eissler (Relating to establishment of an after-school grant program for certain students in public middle or junior high schools.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2264, As Introduced: a negative impact of (\$24,070,000) 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	(\$12,008,000)
2011	(\$12,062,000)
2012	(\$11,912,000)
2013	(\$11,912,000)
2014	(\$11,912,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$12,008,000)	2.0
2011	(\$12,062,000)	2.0
2012	(\$11,912,000)	2.0
2013	(\$11,912,000)	2.0
2014	(\$11,912,000)	2.0

Fiscal Analysis

The bill would direct the Commissioner of Education to establish a grant program providing after-school programs for middle school students identified as at risk of dropping out of school. Programs funded under the grant must promote academic success, prepare students for the transition to high school, and provide students with information regarding career options and opportunities for higher education.

The bill would require the Commissioner to evaluate the effectiveness of the program according to criteria identified in the bill.

The bill would be effective beginning in fiscal year 2010.

Methodology

The Texas Education Agency identifies approximately 390,000 students in grades 7 and 8 at risk for dropping out of school. This estimate assumes a cost per student for the program of \$150 per school year based on a program serving students two days for a 36-week school year. Assuming 20 percent of the relevant student population would be served by the programs, the estimated cost of the grant program would be \$11,700,000 per year. It is estimated that 2.0 full-time-equivalent positions would be required to implement the provisions of the bill at a cost of \$158,000 in FY2010 and \$152,000 in each subsequent fiscal year inclusive of salary, benefits, rent, and equipment.

The Texas Education Agency estimates the cost of establishing a database for collecting and tracking data required for the evaluation required by the bill at \$150,000 in FY2010 and \$60,000 in each subsequent year. The agency estimates the cost of conducting the evaluation required by the bill at \$150,000 in FY2011.

Technology

The Texas Education Agency estimates the cost of establishing a database for collecting and tracking data required for the evaluation required by the bill at \$300,000 in fiscal year 2010 and \$60,000 in each subsequent year.

Local Government Impact

School districts could receive funding under the grant program established by the bill to provide after school programs to middle school students identified as at risk of dropping out of school.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM, JSc