

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 30, 2009

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

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

IN RE: HB2488 by Hochberg (Relating to open-source textbooks for public schools.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2488, As Introduced: a negative impact of (\$7,471,000) 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	(\$3,746,000)
2011	(\$3,725,000)
2012	(\$3,725,000)
2013	(\$3,725,000)
2014	(\$3,725,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from State Textbook Fund 3
2010	(\$3,746,000)
2011	(\$3,725,000)
2012	(\$3,725,000)
2013	(\$3,725,000)
2014	(\$3,725,000)

Fiscal Analysis

The bill would require the State Board of Education to adopt open-source textbooks for secondary courses submitted by certain institutions of higher education or public technical institutes in Texas on a conforming or non-conforming list if the textbooks meet requirements established in the bill.

The bill would require school districts and charter schools that select open-source textbooks to requisition printed copies of the textbooks for students lacking the technology to access the open-source materials or to arrange for the student to have the necessary technology to access the materials at no charge.

Methodology

The cost to print and bind open-source textbooks is assumed at \$35 per book, and shipping is assumed at \$2.25 per book. For purposes of this estimate it is assumed that school districts would requisition 100,000 printed copies of open-source textbooks per year, which yields associated costs estimated at \$3.5 million annually for printing and \$225,000 annually for shipping.. The Texas Education Agency estimates that modifications to the Electronic Materials and Textbooks system (EMAT) costing \$21,000 in FY2010 would be required.

Should the number of actual printed copies ordered vary from the assumption made in this fiscal note, the cost will increase or decrease in a proportional manner.

Technology

TEA estimates that modifications to the Electronic Materials and Textbooks system (EMAT) costing \$21,000 in FY2010 would be required.

Local Government Impact

School districts that choose open-source textbooks would be required either to requisition printed copies or provide technological equipment for students without access to technology required to use open-source materials.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM, JSc