

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 16, 2009**

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

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

**IN RE: HB2812** by Swinford (Relating to the curriculum, funding, promotion, and economic impact of career and technology education in public educational institutions.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2812, As Introduced: a negative impact of (\$33,985,912) through the biennium ending August 31, 2011.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$18,756,881)
2011	(\$15,229,031)
2012	(\$15,079,031)
2013	(\$15,229,031)
2014	(\$15,079,031)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2010	(\$18,756,881)
2011	(\$15,229,031)
2012	(\$15,079,031)
2013	(\$15,229,031)
2014	(\$15,079,031)

Fiscal Year	Change in Number of State Employees from FY 2009
2010	23.0
2011	23.0
2012	23.0
2013	23.0
2014	23.0

**Fiscal Analysis**

Section 1 of the bill would create the career and technology education curriculum evaluation committee (CTECEC). The committee would: (1) consult with and advise the State Board of Education (SBOE) concerning a rigorous career and technology education (CTE) curriculum; (2) determine the courses for each subject of the foundation curriculum that are required to be completed

for the career and technology education curriculum recommended and advanced high school programs; (3) determine dual credit courses for career and technology students; and (4) designate the licenses, certificates, and other credentials earned by students that are considered to be the equivalent of satisfactory performance on end-of-course assessment instruments.

Section 2 of this bill would amend Section 28.009(b), Education Code, to require the Texas Education Agency (TEA) to coordinate with the CTECEC in designating dual credit courses for CTE students.

Section 3 of this bill would amend Sections 28.025(b-1) and (b-2), Education Code to provide an option for the recommended and advanced high school program for a CTE curriculum that provided, as determined by the SBOE and the CTECEC, a program designed to prepare students for obtaining a license, certificate, or other credential for employment. The curriculum would prescribe successful completion of courses in subjects of the foundation curriculum, as determined by the CTECEC.

Section 4 of this bill would amend Section 28.0252(a), Education Code, to require the commissioner of education to provide for the inclusion in a student's high school grade point average (GPA) credit for each CTE course that was successfully completed and approved by the CTECEC or the SBOE if the commissioner developed a standard method of computing GPA.

Section 5 of this bill would amend Section 39.025, Education Code, by adding Subsection (a-2) to require the CTECEC to designate at least one license, certificate, or other credential that, if earned by a student for a particular course, would be considered the equivalent of satisfactory performance on the EOC assessment instrument for that course. The CTECEC would also establish the score a student would be considered to have earned on the EOC assessment instrument for earning a license, certificate, or other credential designated by the committee. The score could be based in whole or in part on the score the student earned on the credential examination. Earning a license, certificate, or credential would not be considered the equivalent of answering particular questions on an EOC assessment for college readiness assessments.

Section 6 of this bill would amend Subchapter H, Chapter 39, Education Code, by adding Section 39.186 to require the TEA to report by December 1 of each even-number year, the extent to which, if any, this code or a rule adopted under this code, including a standard method for computing GPA, prevented or discouraged a student from enrolling in CTE courses. This report would be delivered to the governor, the lieutenant governor, the speaker of the house, each member of the legislature, and the clerks of the standing committees with primary jurisdiction over the public school system.

Under Section 7 of the bill, any funding appropriated or allocated for a public junior college, public state college, or public technical institute technical education program that is based on incentives, such as higher funding amounts for improved student academic performance, must include consideration of any economic benefit the program provides to the state.

Section 8 would require THECB to conduct an economic impact study to determine the economic impact to the state of secondary and post-secondary training and education.

Section 9 of the bill would require THECB to establish education resource centers to provide information to students regarding attendance at institutions of higher education, including providing assistance in completing the Free Application for Federal Student Aid, and information regarding career and technical education programs and industry certification requirements. The bill stipulates that centers may be located on a middle or high school campus, at a community-based site, or as a mobile center.

Under Section 10 of the bill, the Comptroller of Public Accounts (CPA) would establish and administer the Jobs and Education for Texans (JET) Grant program to provide grants to public junior colleges and public technical institutes, and would establish and administer GR Account—Jobs and Education for Texans (JET) Grant, which could receive legislative appropriations, interest earnings, gifts, grants, and donations from public and private sources for facilitating this program. The bill would authorize the Comptroller to award grants for innovative and successful programs, grants for career and technical education programs, and scholarships for public junior college or public technical institute students.

## **Methodology**

TEA has indicated that the estimated costs associated with the study under Section 6 of the bill would be \$150,000 every other year.

It is estimated that the economic impact study required of THECB under Section 8 of the bill would require a cost of \$200,000 in each year from fiscal year 2010 to fiscal year 2014, and 2.0 contract FTEs, to contract with a research organization to implement the provisions of the bill.

For purposes of the estimate for Section 9 of the bill, it is assumed that THECB would provide training to high school counselors or other appropriate school district personnel to provide the services required of the education resource centers. Assuming that one school district employee per high school is trained, it is estimated that 20.0 trainer FTEs and 1.0 program director FTE would be required at THECB at a cost of \$1,779,381 in FY2010 and \$1,695,381 in each subsequent fiscal year, inclusive of salary, benefits, and other operating expenses. Assuming that trainees are paid a stipend of \$1,000 and that \$500 in training materials are supplied per trainee, other costs associated with the training are estimated at \$2,566,500 in FY2010 with on-going training costs of \$256,650 in each subsequent fiscal year. It is assumed that each high school would require \$1,000 in informational materials to establish the education research center at an estimated cost of \$1,711,000 in FY2010 with on-going costs estimated at \$427,000 per year to maintain, replace, and update materials.

For purposes of this fiscal note it is assumed that the legislature would appropriate \$12,500,000 per year for the Jobs and Education for Texans Grant program under Section 10 of the bill. Any costs associated with administration of the program would be absorbed within existing resources.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 701 Central Education Agency, 781 Higher Education Coordinating Board

**LBB Staff:** JOB, JSp, RT, GO, JSc