

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

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

IN RE: HB4091 by Farrar (Relating to bilingual education, English as a second language, and other special language programs and to an intensive reading improvement program for public school students of limited English proficiency.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4091, As Engrossed: a negative impact of (\$13,674,601) 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	(\$6,840,211)
2011	(\$6,834,390)
2012	(\$6,810,390)
2013	(\$7,024,763)
2014	(\$7,000,763)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Change in Number of State Employees from FY 2009
2010	(\$1,016,022)	(\$5,824,189)	10.0
2011	(\$1,110,201)	(\$5,724,189)	13.0
2012	(\$1,086,201)	(\$5,724,189)	13.0
2013	(\$1,300,574)	(\$5,724,189)	15.5
2014	(\$1,276,574)	(\$5,724,189)	15.5

Fiscal Analysis

The bill would require the Texas Education Agency (TEA) to disaggregate academic excellence indicators for bilingual and English as a Second Language (special language programs) at the school district, campus, and open-enrollment charter school level and would create additional indicators. New indicators include comparative data regarding grade-level retention rates of students of limited English proficiency (LEP students) and non-LEP students, comparative data regarding the performance on state assessments of LEP and non-LEP students, and comparative data regarding the dropout rate between LEP and non-LEP students.

The bill would require that lead monitors of bilingual and special language programs be certified for

bilingual education, English as a Second Language, or other special language programs. Emergency endorsements would not qualify as certification for these purposes.

TEA would be required to notify school districts or charter schools of a campus that is non-compliant with respect to bilingual or special language programs in writing within 30 days after an intervention begins. The bill specifies areas that school districts and charter schools would be required to review in response to notification of intervention.

The bill would require TEA to review annual improvement in bilingual or special language programs in relation to annual improvement goals set by the school district or charter school.

The bill would permit school districts to offer an intensive reading improvement program to students with limited English proficiency (LEP students) that includes a research-based curriculum, assessments of growth in vocabulary and reading comprehension that are approved by the Texas Education Agency (TEA), professional development for teachers, and teacher training materials and resources. School districts would be required to offer the program before students enter grade 7, and instruction would be required to begin within six weeks of receipt of a Notice of Grant Award (NOGA).

The bill would require school districts that are required to offer bilingual or special language programs to submit certain additional data to TEA through the Public Education Information Management System (PEIMS). Required data would include whether or not a student has been classified as a LEP student while enrolled in Texas public schools, the school year in which the student entered grade 9, and the student's status as a continuing student, a graduate, a recipient of a high-school equivalency certificate, or a dropout.

Methodology

TEA estimates that the provisions of the bill relating to new performance indicators would require 8.0 additional FTEs in the Performance Based Monitoring division at a cost of \$708,663 in FY2010 and \$644,663 in each subsequent year, inclusive of salary, benefits, and other expenses.

TEA estimates that the provisions of bill would result in additional on-site monitoring visits, which would require 1.0 FTE in FY2010 at a cost of \$72,897, 4.0 FTEs in FY2011 and FY2012 at a cost of \$327,576 in FY2011 and \$303,576 in FY2012, and 6.5 FTEs in FY2013 and FY2014 at a cost of \$512,949 in FY2013 and \$488,949 in FY2014. All FTE costs are inclusive of salary, benefits, and other expenses. Travel expenses are estimated at \$10,000 annually in FY2011 and FY2012 and \$15,000 annually in FY2013 and FY2014.

Costs for training and certification of monitors serving as lead monitors to comply with the provisions of the bill are estimated at \$1,500 per year beginning in FY2011.

The bill would require that results of assessments administered as part of the program be made available on an Internet-based system for access to teachers, administrators, and parents.

The bill would require the Commissioner of Education to set aside funds from the Compensatory Education Allotment of the Foundation School Program to fund the provision of access to assessment results and would permit the Commissioner to set aside funds the Compensatory Education Allotment to support the other provisions of the bill.

Based on the number of students who have not moved out of the Texas English Language Proficiency Assessment System (TELPAS) beginner level by grade 3 or TELPAS intermediate level by grade 4, TEA estimates that 78,265 student would be served by intensive reading improvement programs annually. Based on a model that would provide 2 hours of small-group instruction per week for a period of 3 to 4 weeks, the cost of providing the program is estimated at \$5.7 million assuming \$35 per hour per instructor and \$20 per student for instructional materials.

TEA estimates that the cost of developing a secure system to provide access to assessment results while protecting student privacy would cost \$150,000 in FY2010 and \$50,000 in each subsequent year

to maintain.

TEA estimates it would require 1.0 additional FTE to implement the program at a cost of \$84,462 in FY2010 and \$76,462 in each subsequent year in General Revenue funds, inclusive of salary, benefits, and other operating costs.

The bill would provide for funding through a set aside from the Compensatory Education Allotment. Subsequent to enactment of House Bill 1, 79th Legislature, 3rd Called Session, increases to set asides from the Foundation School Program result in a cost to the state.

Technology

TEA estimates that the cost of developing a secure system to provide access to assessment results while protecting student privacy would cost \$150,000 in FY2010 and \$50,000 in each subsequent year to maintain.

Local Government Impact

School districts and open-enrollment charter schools might incur additional costs related to interventions if programs were found to be ineffective or related to corrective actions if the districts or schools failed to meet one or more annual improvement goals.

School districts would be permitted to offer an intensive reading improvement program to LEP students. The bill provides that funding would be available from a set aside the Compensatory Education Allotment. Subsequent to enactment of House Bill 1, 79th Legislature, 3rd Called Session, reductions to district entitlements under the Foundation School Program resulting from increases to set asides are offset by increases to school district hold harmless amounts.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM, JSc