

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: HB4091 by Farrar (Relating to an intensive reading improvement program for public school students of limited English proficiency.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4091, As Introduced: a negative impact of (\$11,709,302) 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	(\$5,908,651)
2011	(\$5,800,651)
2012	(\$5,800,651)
2013	(\$5,800,651)
2014	(\$5,800,651)

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	(\$84,462)	(\$5,824,189)	1.0
2011	(\$76,462)	(\$5,724,189)	1.0
2012	(\$76,462)	(\$5,724,189)	1.0
2013	(\$76,462)	(\$5,724,189)	1.0
2014	(\$76,462)	(\$5,724,189)	1.0

Fiscal Analysis

The bill would require 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), computer-based instruction, 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 have to begin no later than September 30 of each school year.

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.

Methodology

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.

Local Government Impact

The bill would require school districts to offer an intensive reading improvement program to LEP students. School districts would be required to offer the program before students enter grade 7, and instruction would have to begin no later than September 30 of each school year. 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:

LBB Staff: JOB, JSp, JGM, JSc