

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB939 by Watson (Relating to a memorandum of understanding between the Texas Education Agency and the Department of Family and Protective Services addressing exchange of information regarding students in foster care.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The Texas Education Agency estimates costs to provide the Department of Family and Protective Services with aggregated educational outcomes for students who were in conservatorship could be met with existing resources. Assuming that students placed in foster care refers only to children in Department of Family and Protective Services (DFPS) conservatorship and not to all children in residential care, the DFPS indicates that workload associated with compiling and sharing information could be accommodated using existing resources.

The bill increases the number of Department of Family Protective Services conservatorship children who would be eligible for the education tuition waiver to include those who are adopted at any age and those who have permanent managing conservatorship (PMC) given or transferred to someone other than the parent if the date is on or before September 1, 2009. The bill also extends the deadline for entry into a higher education institution from 21 to 25.

There is currently an exemption program for students once in foster care. Based on information provided by the Higher Education Coordinating Board, in fiscal year 2008 a total of 2,030 students received exemptions totaling \$4,134,826. The majority of the students attended public community college (68%) where the average award was \$1,001 and public universities (27%) where the average award was \$4,647 per year.

Based on information provided by the Higher Education Coordinating Board it is estimated the new exemption provisions would result in institutions forgoing tuition and fees of \$9,807 in fiscal year 2010 and \$42,054 in fiscal year 2011. The amounts would increase in the out years as more students used the exemption.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 530 Family and Protective Services, Department of, 701 Central Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JOB, CL, JSp, GO