

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

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

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

IN RE: SB1489 by Watson (Relating to optional dispute resolution methods for school districts and parents of students seeking or receiving special education services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1489, As Introduced: a negative impact of (\$1,236,244) 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	(\$658,122)
2011	(\$578,122)
2012	(\$578,122)
2013	(\$578,122)
2014	(\$578,122)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2009
2010	(\$658,122)	2.0
2011	(\$578,122)	2.0
2012	(\$578,122)	2.0
2013	(\$578,122)	2.0
2014	(\$578,122)	2.0

Fiscal Analysis

The bill would require school districts to provide for optional dispute resolution methods that may be used in certain disputes between school districts and parents of students with disabilities.

The bill would require the Texas Education Agency (TEA) to develop an individualized education program facilitation process as a method of alternative dispute resolution and would require TEA to establish a statewide network of impartial facilitators to be available upon request to implement the process.

Methodology

Based on current costs for mediation, TEA estimates that contracted facilitators would be engaged to

provide the IEP facilitation process at a cost of \$130 per hour for professional services and \$60 per hour for travel time. The total contract cost for facilitation is estimated at \$450,000 per year.

TEA estimates that 2.0, FTEs would be required to manage and coordinate the network of facilitators at an estimated cost of \$118,122 in FY2010 and \$110,122 in each subsequent year inclusive of salary, benefits, and other operating expenses. TEA estimates technology costs of \$90,000 in FY2010 and \$18,000 in each subsequent year associated with implementing the facilitation process and network of facilitators.

TEA estimates that all costs would be funded with funding received under the federal Individuals with Disabilities Education Act. However, it is assumed for the purpose of this fiscal note that these federal funds would need to be withdrawn from an existing program to fund the provisions of the bill, requiring general revenue to fill the resulting funding deficit. To the extent that TEA limits the program for which the federal funds currently are being used, or additional federal funds become available, general revenue costs noted in this fiscal note may decrease.

Technology

TEA estimates technology costs of \$90,000 in FY2010 and \$18,000 in each subsequent year associated with implementing the facilitation process and network of facilitators.

Local Government Impact

Local school districts would be required to provide parents with an optional dispute resolution service when a dispute arose between a parent of a student with a disability and the district. Administrative costs could be incurred in association with the dispute resolution process and would vary.

School districts would have access to the statewide network of facilitators for the IEP facilitation process at no cost.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM, JSc