LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82nd LEGISLATURE 1st CALLED SESSION - 2011

June 14, 2011

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

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

IN RE: **HB72** by Eissler (Relating to certain responsibilities of education research centers and to a joint advisory board for education research centers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB72, As Introduced: an impact of $0 through the biennium ending August 31, 2013.

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
2012	$0
2013	$0
2014	$0
2015	$0
2016	$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Probable Revenue Gain/ (Loss) from *General Revenue Fund* 1	Change in Number of State Employees from FY 2011
2012	($347,901)	$347,901	3.5
2013	($319,901)	$319,901	3.5
2014	($319,901)	$319,901	3.5
2015	($319,901)	$319,901	3.5
2016	($319,901)	$319,901	3.5

Fiscal Analysis

The bill would require Education Research Centers (ERCs) established in the Texas Education Code to support graduate student research at Institutes of Higher Education in Texas.

The bill would allow the pursuit of data reciprocity agreements among ERCs, other state agencies, and state education agencies of other states.

The bill would require establishment of a Joint Advisory Committee co-chaired by the Commissioner of Education and the Commissioner of Higher Education or their designees to adopt policies governing the operation of the ERCs and to review and approve ERC research proposals involving confidential information.

The bill would allow for the establishment of a schedule of fees to fund the cost of data processing required by the Texas Education Agency and the Higher Education Coordinating Board in support of ERC research and the Joint Advisory Committee created by the bill.

The bill would require the Texas Education Agency and the Higher Education Coordinating Board to longitudinally link data provided to an Education Research Center to the greatest extent possible.

Methodology

It is estimated that the Texas Education Agency (TEA) would need 2.0 additional full-time equivalent (FTE) positions to support increased data processing and data confidentiality requirements related to the support of graduate students. If the volume of data support required for graduate research is high, TEA may need to engage contracted support at an estimated rate of $90 per hour. The total cost of that contracted support cannot be estimated, but would be offset by fees charged under the authority of the bill.

It is assumed that 0.5 FTEs would be required at TEA to support the activities of the Joint Advisory Board established by the bill and the coordination of activities among the Texas Higher Education Coordinating Board (THECB) and the ERCs. Personnel costs are estimated at approximately $263,738 in fiscal year 2012 and $243,738 in each subsequent fiscal year, inclusive of salary, benefits, and other operating expenses.

It is estimated that the Texas Higher Education Coordinating Board (THECB) would need one additional research specialist to support the data reciprocity agreements authorized by the bill, provide support graduate research, and to provide necessary support of the Joint Advisory Board, at an estimated cost of $84,162 in fiscal year 2012 and $76,162 in each subsequent fiscal year, inclusive of salary, benefits, and other operating expenses.

It is assumed that fees would be established pursuant to the provisions of the bill to offset the cost of implementation.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 701 Central Education Agency, 781 Higher Education Coordinating Board
LBB Staff: JOB, KK, JGM, JSc, LXH