

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 10, 2011

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

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

IN RE: HB1805 by Huberty (Relating to a public school student's eligibility for a public education grant to attend another public school.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would revise the criteria used to identify the campuses at which students are eligible to receive a public education grant or attend another public school within their district of residence. Under the bill, campuses designed academically unacceptable for either of the preceding two years would be identified for the Public Education Grant (PEG) program. Under current law, this portion of the criteria identifies campuses due to an academically unacceptable rating in any of the preceding three years.

Analysis by the Texas Education Agency indicates that 369 campuses have been identified under existing criteria for the upcoming 2011–2012 school year. Of these, 257 campuses were identified solely due to an academically unacceptable rating in 2008, 2009, or 2010. The other 79 campuses were identified both due to an academically unacceptable rating and failure to meet a 50 percent passing standard on the Texas Assessment of Knowledge and Skills (TAKS). Under the provisions of the bill, the number of campuses identified for 2011-2012 would be reduced to a total of 92 campuses, about 25 percent of the current law figure.

School districts are eligible to receive an allotment under the Foundation School Program (FSP) with a weight of 0.1 for the net number of student transfers in and out of the school district under the PEG program. In the 2008–2009 school year, a total of \$132,659 in FSP funding was generated under the PEG program. The changes proposed by the bill would not be anticipated to significantly affect costs under the Foundation School Program.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, LXH, JGM, JSp