

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 20, 2011**

**TO:** Honorable Jim Pitts, Chair, House Committee on Appropriations

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

**IN RE: HB2020** by McClendon (Relating to state aid for certain juvenile justice alternative education programs that enter into certain revenue sharing agreements.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2020, As Introduced: a negative impact of (\$11,826,622) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2012	(\$5,913,311)
2013	(\$5,913,311)
2014	\$0
2015	\$0
2016	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from Foundation School Fund 193</b>
2012	(\$5,913,311)
2013	(\$5,913,311)
2014	\$0
2015	\$0
2016	\$0

**Fiscal Analysis**

The bill would entitle a Juvenile Justice Alternative Education Program (JJAEP) that received funding through an agreement with a school district under the provisions of Texas Education Code, Chapter 41, Subchapter E for the 2005-06 school year to state aid in fiscal years 2012 and 2013 in the amount of the difference between funding the JJAEP received under those agreements for the 2005-06 school year and the funding the program receives through those agreements in the 2011-12 and 2012-13 school years respectively.

The bill would allow the commissioner of education to reallocate money in the Texas Education Agency's budget to pay for the provisions of the bill, to the extent otherwise authorized by law, or use other available funds.

## **Methodology**

It is assumed that an allocation from elsewhere in the Texas Education Agency's budget would cause a funding shortfall in another program that would require additional appropriations, so for the purposes of this fiscal note funding obligations due to the provisions of the bill are shown as a state cost.

The Texas Education Agency indicates that four JJAEP programs received a total of \$5.9 million from partnership agreements described by the bill in the 2005-06 school year. Assuming that no new partnership agreements would be negotiated among those JJAEPs and the former partner districts, the new entitlement established by the bill is estimated to cost \$5.9 million per year in each fiscal year of the 2012-13 biennium.

## **Local Government Impact**

JJAEP programs that received funding through Chapter 41 partnership agreements in the 2005-06 school year would receive funding in each fiscal year of the 2012-13 biennium in the amount of the difference between funding received through partnership agreements in 2005-06 and amounts received in 2011-12 and 2012-13.

**Source Agencies:** 665 Juvenile Probation Commission, 701 Central Education Agency

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