

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

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

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

IN RE: SB4 by Shapiro (Relating to certification, continuing education, and appraisal of public school teachers.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB4, Committee Report 2nd House, Substituted: a negative impact of (\$688,639) 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	(\$688,639)
2014	(\$672,639)
2015	(\$672,639)
2016	(\$86,319)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	\$0	0.0
2013	(\$688,639)	2.0
2014	(\$672,639)	2.0
2015	(\$672,639)	2.0
2016	(\$86,319)	1.0

Fiscal Analysis

The bill would direct that a significant portion of the recommended appraisal process adopted by the Commissioner of Education be based on student learning objectives and outcomes, including performance on state-mandated assessments. The bill would require that student performance on state assessments may not be the primary indicator of teacher effectiveness. The bill would require that teachers must be evaluated at least once per school year and would stipulate other components of the recommended appraisal process. The bill would require the Commissioner to develop, validate, and test proposals prior to adoption of a recommended appraisal process.

The bill requires that the recommended appraisal process be adopted by September 1, 2015.

Methodology

According to the TEA, the bill would require the agency to modify an existing professional contract to develop a teacher evaluation system to include a review and modification of the existing metric to address other criteria established in the bill related to student learning objectives and outcomes. The agency's estimated cost to modify the contract is \$500,000 annually in FY 2013, FY2014, and FY2015. It is estimated that 2.0 FTEs would be required at TEA in FY2013 through FY2015 to review, validate, and test proposals in the development of the recommended appraisal process and to provide project oversight and training to school districts at a cost of \$188,639 in salary, benefits, and other personnel costs in fiscal year 2013 and \$172,639 in fiscal years 2014 and 2015. Starting in fiscal year 2016, the number of FTEs would decrease to 1.0, to provide ongoing training and support, at an annual total cost of \$86,319.

Local Government Impact

School districts could choose to appraise teachers based on the newly adopted recommended appraisal process or a locally-developed process with similar components. To the extent that school districts must modify existing practice to comply with the requirements of the bill, administrative cost may be incurred.

Source Agencies: 701 Central Education Agency

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