

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 11, 2011

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

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

IN RE: SB1328 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 SB1328, As Introduced: a negative impact of (\$1,001,082) 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	(\$542,541)
2013	(\$458,541)
2014	(\$458,541)
2015	(\$458,541)
2016	(\$458,541)

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	(\$542,541)	2.0
2013	(\$458,541)	2.0
2014	(\$458,541)	2.0
2015	(\$458,541)	2.0
2016	(\$458,541)	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 independent individualized education program facilitation process as a method of alternative dispute resolution and implement the process as a pilot program for districts within the boundaries of three regional education service centers (RESA) selected by the commissioner of education. The pilot program is limited to a maximum of 500 facilities in the program unless expansion of the program is authorized by the commissioner of education and if adequate funding is available.

Methodology

Based on current costs for mediation, TEA estimates that contracted facilitators would be engaged to provide the IEP facilitation process at a flat rate of \$650 per facilitation with a maximum of 500 facilitations. The total contract cost for facilitation is estimated at \$325,000 per year.

TEA estimates that 2.0, FTEs would be required to manage and coordinate the network of facilitators at an estimated cost of \$132,542 in FY2012 and \$116,542 in each subsequent year inclusive of salary, benefits, and other operating expenses. TEA estimates technology costs of \$85,000 in FY2012 and \$17,000 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 \$85,000 in FY2012 and \$17,000 in each subsequent year associated with implementing the facilitation process and network of facilitators.

Local Government Impact

Local school districts within a participating RESC's boundaries or parents of a student with disabilities attending a school within a participating RESC's boundaries could request an impartial facilitator to assist in developing a student's IEP. Additional school districts and parents could participate if funding was available to expand the pilot program.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, LXH, JGM, JW