

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

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

**April 22, 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 regarding educational services for students with a disability, including individualized education program facilitation.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1328, Committee Report 1st House, Substituted: a negative impact of (\$534,550) 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	(\$309,595)
2013	(\$224,955)
2014	(\$183,155)
2015	(\$156,475)
2016	(\$156,475)

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>	<b>Change in Number of State Employees from FY 2011</b>
2012	(\$309,595)	1.5
2013	(\$224,955)	1.5
2014	(\$183,155)	1.5
2015	(\$156,475)	1.5
2016	(\$156,475)	1.5

**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 (IEP) facilitation process as a method of alternative dispute resolution and submit a report to the legislature no later than January 1, 2013 on the effectiveness of IEP facilitation.

**Methodology**

TEA estimates that 1.5 FTEs would be required to develop criteria and procedures for an IEP

facilitation process, including implementation forms, training requirements for independent facilitators, and development of an online evaluation process for collecting information on the effectiveness of IEP program facilitation. The estimated costs for 1.5 additional FTE positions and associated operating expenses for these functions are \$112,475 in FY2012 and \$96,475 each year thereafter, inclusive of salary, benefits, and other operating expenses.

TEA estimates that development of an online system for evaluation of facilitation program would require 2,240 hours of professional service time at \$88 per hour in FY2012, 1,460 hours in FY2013 and 985 hours in FY 2014. Based on contract hours, the total profession service cost is \$197,120 in FY2012, \$128,480 in FY2013, and \$86,680 in FY2014. Additionally, \$60,000 in annual maintenance cost is estimated for FY2015 and FY2016.

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 associated with implementation of the online evaluation process totals \$197,120, in FY2012, \$128,480 in FY2013, \$86,680 in FY 2014 and \$60,000 in each year thereafter for maintenance efforts.

### **Local Government Impact**

Local school districts and RESC's who voluntarily provide independent IEP facilitation for parents of a student with disabilities would have to meet the standards and reporting requirements related to the facilitation process. School districts could apply for reimbursement costs if the Commissioner determined that funding is available.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** JOB, LXH, JGM, JW