

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 11, 2013

TO: Honorable Jimmie Don Aycock, Chair, House Committee On Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB806 by Cortez (Relating to funding for public school career and technology programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB806, As Introduced: a negative impact of (\$36,100,000) through the biennium ending August 31, 2015.

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
2014	(\$15,900,000)
2015	(\$20,200,000)
2016	(\$23,500,000)
2017	(\$27,200,000)
2018	(\$30,700,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2014	(\$15,900,000)
2015	(\$20,200,000)
2016	(\$23,500,000)
2017	(\$27,200,000)
2018	(\$30,700,000)

Fiscal Analysis

The bill would amend Section 42.154, Education Code to expand Foundation School Program weighted funding for career and technology education courses, currently earned by students in grades 9-12, to include students in grade 8 beginning with the 2013-14 school year.

Methodology

This estimate assumes that career and technology education (CTE) participation by 8th grade students would be similar to participation by 9th grade students, with about 20 percent enrolled in at least one CTE course at full implementation. The estimate assumes that participation by 8th grade students would phase-in over several years as schools expand course offerings and adjust scheduling options to accommodate increased grade 8 CTE enrollment. Participation in fiscal year 2014 is assumed at 10 percent, increasing incrementally each year until reaching 20 percent in fiscal year 2018. Under these assumptions, the estimated state cost to the Foundation School Program would be \$15.9 million in fiscal year 2014 and \$20.2 million in fiscal year 2015, increasing incrementally to \$30.7 million by fiscal year 2018 when full implementation is attained.

Local Government Impact

School districts enrolling eighth grade students in CTE courses would realize additional revenue under the Foundation School Program.

Source Agencies:

LBB Staff: UP, JBi, JSc