

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**March 13, 2013**

**TO:** Honorable Dan Branch, Chair, House Committee On Higher Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1752** by Patrick, Diane (Relating to creating the Texas Teacher Residency Program.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1752, As Introduced: a negative impact of (\$2,596,610) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2014	(\$1,310,805)
2015	(\$1,285,805)
2016	(\$1,285,805)
2017	(\$1,285,805)
2018	(\$1,285,805)

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
	<b>1</b>
2014	(\$1,310,805)
2015	(\$1,285,805)
2016	(\$1,285,805)
2017	(\$1,285,805)
2018	(\$1,285,805)

<b>Fiscal Year</b>	<b>Change in Number of State Employees from FY 2013</b>
2014	4.0
2015	4.0
2016	4.0
2017	4.0
2018	4.0

### **Fiscal Analysis**

Under provisions of the bill, the commissioner of higher education, through a competitive selection process, would establish a Texas Teacher Residency Program at an institution of higher education. The institution selected would form a partnership with an area school district or open-enrollment charter school to provide employment to residents in the program. The program would be designed to award teaching residents participating in the program a master's degree and lead to certification for participating teaching residents who are not already certified teachers. The bill includes specific components for the teacher residency program, including rewarding teachers that participate in the program and providing a livable stipend for the teaching residents. The bill would allow participants of the program to be eligible for the Teach for Texas Loan Repayment Program if other requirements, including length of service, are met.

### **Methodology**

For purposes of this fiscal note it is assumed that the State would appropriate General Revenue to support the new program and the new program would start in fiscal year 2014. The cost borne by the selected institution could vary depending on the which institution is selected but based on information provided by the Higher Education Coordinating Board, 30 teacher residents would participate in the new program and four FTEs, including a director, two additional faculty and an administrative assistant would be hired by the selected institution. Personnel costs, including salaries and benefits, associated with hiring these four FTEs, include a new program director at \$102,400, two program faculty at a cost of \$83,200 each per year and an administrative assistant at \$26,900. The total salaries and benefits for these four FTEs is \$295,680. The wage stipend for each teacher resident, based on the state's minimum wage, would be approximately \$27,337 per year or \$820,125 for the thirty residents. The cost for stipends for mentor teachers is estimated to be \$2,500 per mentor, or \$75,000 each year for 30 mentors. Additional costs for professional development and training and consumable supplies are estimated to be \$85,000 and \$10,000 respectively beginning in fiscal year 2014.

### **Technology**

Technology cost of \$25,000 is in fiscal year 2014 only.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 701 Central Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

**LBB Staff:** UP, KK, SK, GO