

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 14, 2013

TO: Honorable Dan Patrick, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB1062** by West (relating to transportation of certain students entitled to a public education grant.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1062, Committee Report 1st House, Substituted: a negative impact of (\$2,196,597) 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	(\$723,517)
2015	(\$1,473,080)
2016	(\$2,249,393)
2017	(\$3,053,176)
2018	(\$3,885,167)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2014	(\$723,517)
2015	(\$1,473,080)
2016	(\$2,249,393)
2017	(\$3,053,176)
2018	(\$3,885,167)

Fiscal Analysis

The bill would require school districts to provide transportation to students exercising the option to attend a contiguous school outside their district of residence under the provisions of the Public

Education Grant (PEG). The bill would entitle the school district to reimbursement for transporting these students at a rate equal to the rate established in the Education Code for transporting career and technology education students per mile traveled.

Methodology

The Texas Education Agency (TEA) indicates that 299,607 students are enrolled in campuses identified under the PEG program in FY2013. For purposes of this estimate, it is assumed that 1 percent of those students would choose to attend an alternate campus in FY2014 and an additional 1 percent would choose to attend an alternate campus through the PEG program in each subsequent year, up to 5 percent by FY2018. Based on the average Foundation School Program transportation allotment amount per student adjusted for the current cost for CTE transportation of \$3.16 per mile and assuming 1.8 percent annual enrollment growth, TEA estimates the cost for reimbursing school districts for PEG-related transportation at \$723,517 in FY2014 and \$1,473,080 in FY2015 from General Revenue Funds , increasing to \$3,885,167 by FY 018.

Local Government Impact

School districts would be required to provide transportation services to all students participating in the PEG program and would be entitled to reimbursement from the state equal to the rate for transporting CTE students per mile traveled for this purpose.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, JBi, JSc