

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 11, 2015**

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

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

**IN RE: HB279** by Simmons (relating to eligibility for a public education grant of certain students receiving special education services.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB279, Committee Report 1st House, Substituted: a negative impact of (\$53,981,577) through the biennium ending August 31, 2017.

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>
2016	(\$26,759,002)
2017	(\$27,222,575)
2018	(\$27,694,202)
2019	(\$28,174,024)
2020	(\$28,662,183)

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from Foundation School Fund 193</b>
2016	(\$26,759,002)
2017	(\$27,222,575)
2018	(\$27,694,202)
2019	(\$28,174,024)
2020	(\$28,662,183)

**Fiscal Analysis**

The bill would amend the Education Code to make students in kindergarten through grade 12 who are eligible to participate in a school district's special education program and subject to an individualized education program eligible to receive a public education grant or to attend another

public school in the district in which the student resides.

The bill would require districts serving students who would qualify to change schools within their home district or to an adjacent district under the provisions of the bill to provide transportation to the student, free of charge, if it is the recommendation of the student's admission, review, and dismissal committee.

The bill would apply beginning with the 2015-16 school year.

## **Methodology**

Based on information provided by the Texas Education Agency (TEA), the number of students eligible for the public education grant was 304,000 in the 2013-14 school year. In the same year, the average daily attendance (ADA) associated with students participating in the public education grant program was 2,022, providing a ratio of 0.6651 percent of ADA to eligible students.

According to TEA, the statewide enrollment of students was 5,151,925 in the 2013-14 school year, and 304,000, or 5.9 percent of the total student population, were eligible for the public education grant program. This analysis assumes that the same subset (5.9 percent) of the total number of students with disabilities currently qualify for the public education grant, and thus would not be newly qualified under the provisions of this bill. Based on information provided by TEA, in the 2013-14 school year, there were 443,834 students with disabilities who would be eligible for the public education grant under the provisions of this bill. Applying the same percentage to the total student population with disabilities, this analysis assumes that 26,189 students with disabilities are already eligible for public education grants.

Applying the same utilization percentage of 0.6651 percent of currently eligible students who participate in the public education grant to the 417,645 students with disabilities that would be newly eligible to participate in the public education grant program provides an estimated ADA of participants of 2,778 in the 2013-14 school year. This analysis assumes the ADA of this population to increase by approximately 1.7 percent each year.

Under the Education Code, districts participating in the public education grant program are eligible to receive a weight of 0.1 applied to a district's adjusted basic allotment for students attending the district through the program.

This analysis assumes that, based on information provided by TEA, the estimated cost of providing the additional 0.1 weight to a district's adjusted basic allotment would have a statewide cost of \$2,270,589 in fiscal year 2016, \$2,309,178 in fiscal year 2017, and would increase to \$2,428,960 in fiscal year 2020.

The bill would also require districts serving students who would qualify to change schools within their home district or to an adjacent district under the provisions of the bill to provide transportation to the student, free of charge, if it is the recommendation of the student's admission, review, and dismissal committee. Based on information provided by TEA, it is assumed that 5 percent of all special education students would choose to attend another school within their home district, and receive a determination from the student's admission, review, and dismissal committee that transportation should be provided. In addition, TEA also assumes the students participating in the public education grant under the provisions of the bill noted above would qualify for the additional transportation allotment. Based on these assumptions the number of students receiving transportation services under the provisions of the bill would be 26,024 students in fiscal year 2016, and would increase by 1.7 percent per year.

TEA indicates that the statewide average transportation allotment for special education per special education rider was \$941 in fiscal year 2014. Applying this per rider amount to the participation rates noted above provides transportation costs of \$26,759,002 in fiscal year 2016, \$27,222,575 in fiscal year 2017, and would increase to \$28,662,183 in fiscal year 2020.

### **Local Government Impact**

Based on information provided by TEA, there could be some costs to local school districts associated with implementing the provisions of the bill, particularly with respect to transportation costs of students receiving a public education grant under the provisions of this bill, although costs would vary.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, JBi, AM, AH