

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 7, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB731 by Lucio III (relating to a pilot program under the foundation school program for funding prekindergarten programs provided by certain school districts with early high school graduation programs.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill's provisions would establish an adjustment within the Foundation School Program (FSP) for certain districts with an early high school graduation program that results in students earning a high school diploma after three years of secondary school attendance. The proposed FSP adjustment would provide funding for one half-day of prekindergarten attendance for twice the number of students receiving diplomas under the early high school graduation program. The bill would limit the prekindergarten funding provided under the adjustment to low-income prekindergarten students. The provisions of the bill would apply to the following independent school districts (ISDs) in Cameron County: Brownsville ISD, Harlingen CISD, La Feria ISD, Los Fresnos CISD, Point Isabel ISD, Rio Hondo ISD, San Benito CISD, Santa Maria ISD, Santa Rosa ISD, and South Texas ISD.

Based on the analysis of the Texas Education Agency, the bill would not have significant fiscal implications for the Foundation School Program (FSP), as the funding paid for the additional prekindergarten attendance would be offset by the savings resulting from not paying for an additional year of high school attendance for students graduating under the three-year program. It is assumed for the purpose of this estimate that the prekindergarten funding provided for low-income prekindergarten students under the new language in Subchapter E, Chapter 42, Education Code would be in addition to the FSP entitlement earned by similarly eligible prekindergarten students under Subchapters B, C, and F, of Chapter 42, Education Code.

TEA anticipates any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

Local Government Impact

School districts in Cameron County with an early high school graduation program would qualify for an adjustment under the Foundation School Program. For every high school student graduating in accordance with the requirements of the early high school graduation program in the preceding year, a district would receive half-day pre-kindergarten funding for two low-income pre-kindergarten students.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, JBi, AM, JSp