

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 6, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1796 by Bohac (Relating to public school choice, including school campus information, student transfers, the public education grant program, and the transportation allotment.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1796, As Introduced: a negative impact of (\$40,945,899) 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$836,902)
2017	(\$40,108,997)
2018	(\$40,789,952)
2019	(\$41,482,484)
2020	(\$42,186,788)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Foundation School Fund 193
2016	(\$836,902)	\$0
2017	(\$52,810)	(\$40,056,187)
2018	(\$52,810)	(\$40,737,142)
2019	(\$52,810)	(\$41,429,674)
2020	(\$52,810)	(\$42,133,978)

Fiscal Analysis

The bill would require Regional Education Service Centers to collect and report to the Texas Education Agency (TEA) on school availability information.

The bill would require TEA to maintain an internet website that includes school availability information.

The bill would require a school district to grant a transfer of a student to another school within the school district in which the student resides, except in cases of sexual assault, bullying, or students receiving special education services, subject to the receiving school having the capacity to accept the student.

The bill would authorize the transfer of students to non-adjoining school districts, and authorize a parent to request a transfer to a designated school in a district other than the student's district of residence.

The bill would require an inter-district transfer to remain effective until the parent of a child decides to transfer the child to a school in a different school district, or the child graduates from high school.

The bill would authorize the use of a public education grant, for currently eligible students, until the parent of a student decides to attend a school in a different district or the student graduates from high school.

The bill would provide a transportation allotment, subject to appropriation, to a school district determined by the Commissioner of Education to offer students residing in the district a variety of choices in selecting a campus for attendance and that provides transportation to an eligible student to the selected campus at no cost.

The bill would take effect beginning with the 2016-17 school year, except the portions of the bill relating to the collection and dissemination of information on local public schools, which would begin in the 2015-16 school year.

Methodology

For purposes of this estimate, TEA assumed that five percent of regular program ridership in school districts with more than three campuses would participate in an eligible school choice program and would meet the criteria for inclusion in the calculation of linear density as school choice eligible students. TEA assumed the same allotment rate for the school choice-related portion of the transportation allotment that applies for the transportation of Career and Technology students, which is based on the prior year's actual cost per route mile for providing regular program transportation services.

Based on this assumption, 74,700 students and an estimated 11.4 million route miles would generate an additional \$40.1 million in fiscal year 2017 in entitlement under the transportation allotment. Costs, which would accrue to General Revenue Funds (Foundation School Fund, No. 193), are assumed to increase annually with student enrollment growth, reaching an estimated \$42.1 million by fiscal year 2020.

Technology

Based on information provided by TEA, technology costs, including updating new data elements to the Public Education Information Management System and creating and maintaining a new website, would be \$836,902 in fiscal year 2016 and \$52,810 in subsequent years.

Local Government Impact

School districts determined by the Commissioner of Education to offer students residing in the district a variety of choices in selecting a campus for attendance who provide transportation to an eligible student to the selected campus could generate additional entitlement under the transportation allotment of the Foundation School Program.

Districts could incur administrative costs related to implementing the provisions of the legislation, but those costs would vary by district.

Source Agencies: 701 Central Education Agency

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