

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 30, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1892** by Rodriguez, Eddie (relating to the establishment of a Texas community school grant program.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1892, Committee Report 1st House, Substituted: a negative impact of (\$7,230,065) 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	(\$2,597,029)
2017	(\$4,633,036)
2018	(\$6,758,036)
2019	(\$6,758,036)
2020	(\$6,758,036)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	(\$2,597,029)
2017	(\$4,633,036)
2018	(\$6,758,036)
2019	(\$6,758,036)
2020	(\$6,758,036)

Fiscal Analysis

The bill would require the Texas Education Agency (TEA) to establish a competitive grant program to assist public schools in developing Texas community school plans (CSPs) and transitioning to Texas community schools (TCS).

The bill would require TEA to award two-year grants to eligible schools from appropriated funds, including an annual \$60,000 to pay the salary and benefits of a full-time community school coordinator and \$25,000 to develop and implement a CSP. The bill would allow a grant to be extended one additional year after application from a school.

The bill would make grants available to public schools that established a school community partnership team as the campus-level planning and decision-making committee and developed a partnership with a lead experienced community-based organization.

The bill would require TEA to set aside at least 10 percent of the appropriated funding to contract with at least one public or private entity that has experience in developing and implementing a community school plan to act as a technical assistance provider.

The bill would require TEA to establish benchmarks and performance measures to determine improvement of transitioning schools, analyze a school's performance after the grant expired, annually monitor the transition into a TCS and evaluate progress towards the CSP for each grant recipient.

The bill would take effect September 1, 2015, or immediately if passed with the necessary voting margins, and would require TEA to establish the Texas community school grant program by November 1, 2015.

Methodology

Providing community school grant awards to public schools as specified in the bill would result in a cost of \$2.6 million in fiscal year 2016, \$4.6 million in fiscal year 2017, and increasing to \$6.8 million in fiscal year 2020.

As specified by the bill, grant awards would be \$85,000 per year for each public school receiving a community school grant award. Community school grants would be awarded for two years to eligible districts with an optional one year grant extension after application from a school.

The Texas Education Agency (TEA) estimates grants would be awarded to 25 public schools in fiscal year 2016, totaling \$2.1 million in grant awards (25 grantees x \$85,000). This estimate assumes an additional 25 grants would be awarded each year and that all grantees would apply for the one-year grant extension. Using these assumptions, grant awards would total \$4.3 million in fiscal year 2017 (50 grantees x \$85,000), increasing to \$6.4 million in fiscal year 2018 (75 grantees x \$85,000).

According to information provided by TEA, contracting with at least one public or private entity to act as a technical assistance provider would cost \$215,000 each fiscal year.

This analysis estimates that two FTEs would be required to coordinate with eligible public schools, ensure community school requirements were met, review nonprofit corporations and associations, and manage grant requirements. The estimated cost of the FTEs, including salary, benefits, and other operating expenses, would be \$184,036 in fiscal year 2016 and \$168,036 in subsequent years.

Technology

The agency estimates a cost of \$72,993 in fiscal year 2016 to modify the eGrants online

application.

Local Government Impact

School districts could incur additional costs to transition to a community school, but these costs would be voluntary.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, AW, JBi, AM