

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 31, 2015

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB935 by Kolkhorst (Relating to the establishment of reading excellence teams.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB935, As Introduced: a negative impact of (\$14,670,272) 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	(\$7,339,136)
2017	(\$7,331,136)
2018	(\$7,331,136)
2019	(\$7,331,136)
2020	(\$7,331,136)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2016	(\$7,339,136)
2017	(\$7,331,136)
2018	(\$7,331,136)
2019	(\$7,331,136)
2020	(\$7,331,136)

Fiscal Analysis

The bill would allow the Commissioner of Education to establish and make available reading excellence teams to school campuses rated academically unacceptable under Education Code §39.054 on the grade three reading assessment instruments.

The bill would assign a reading excellence team to a specific campus to work with that campus and review the reading assessment results from the two previous school years to determine which campus classrooms to assist.

The bill would require the Commissioner to adopt criteria for selecting highly-trained reading instruction specialist to serve on the teams.

The bill would take effect September 1, 2015, or immediately if passed with the necessary voting margins.

Methodology

Providing training, resources, and reimbursement to the reading excellence teams would result in an annual cost of approximately \$7.3 million beginning in fiscal year 2016.

The Texas Education Agency (TEA) assumes it would contract with the twenty regional Education Service Centers (ESCs) for the costs associated with the reading instruction specialists for an estimated cost of \$360,000 per ESC. The agency indicates a reading excellence teams would be based at each ESC. The teams would consist of three reading instruction specialists, totaling 60 reading instruction specialists statewide. The estimated cost of a reading instruction specialist, including salary, benefits, travel budget, resources, and supplies, would be \$120,000 per specialist annually, totaling \$7.2 million each fiscal year.

In addition to the costs associated with the specialists, TEA estimates an annual cost of \$50,000 to train the reading excellence teams.

Based on information provided by TEA, one FTE would be required to assist with the formation, selection, and management of the reading excellence teams. The estimated cost of an FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016 and \$81,136 in subsequent years.

Local Government Impact

School districts could incur costs associated with the use and facilitation of reading excellence teams and with implementing the associated recommendations. Costs could vary widely among districts.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, JBi, AM, AW