

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 17, 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 a reading excellence team pilot program.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB935, Committee Report 1st House, Substituted: a negative impact of (\$3,070,272) 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	(\$1,539,136)
2017	(\$1,531,136)
2018	(\$1,531,136)
2019	(\$1,531,136)
2020	(\$1,531,136)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2016	(\$1,539,136)
2017	(\$1,531,136)
2018	(\$1,531,136)
2019	(\$1,531,136)
2020	(\$1,531,136)

Fiscal Analysis

The bill would require the Commissioner of Education to establish a reading excellence team pilot program and make available reading excellence teams to certain eligible school districts. The pilot program would expire September 1, 2021.

The bill would allow certain eligible school districts, as determined by the Commissioner, to request the assistance of a reading excellence team. Reading excellence teams would review with districts certain assessment results to determine kindergarten to third grade campuses and classrooms in greatest need of assistance and would provide training to improve student reading outcomes.

The bill would require the Commissioner to adopt rules to administer the pilot program, including establishing qualifications and criteria for selecting reading instruction specialists to serve on the teams.

The bill would take effect September 1, 2015, or immediately if passed with the necessary voting margins, and would require the Commissioner to establish the pilot program by September 1, 2016.

Methodology

Providing training, resources, and reimbursement to the reading excellence teams would result in an annual cost of approximately \$1.5 million beginning in fiscal year 2016.

This estimate assumes the reading excellence team pilot program would provide services to a limited number of eligible school districts, as determined by the Commissioner, and would not be offered on a statewide basis. The Texas Education Agency (TEA) anticipates the reading excellence team pilot program would consist of four reading excellence teams, allowing the agency to serve a sufficient number of schools to provide meaningful results for the pilot program. According to information provided by TEA, the agency would contract with the regional Education Service Centers (ESCs) for the costs associated with reading excellence teams, resulting in an estimated cost of \$360,000 per ESC selected for the pilot.

The agency indicates each team would consist of three reading instruction specialists, totaling 12 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 \$1.4 million each fiscal year.

In addition to the costs associated with the specialists, TEA estimates an annual cost of \$10,000 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, AW, JBi, AM