

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 10, 2017**

**TO:** Honorable Dan Huberty, Chair, House Committee on Public Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB895** by Bohac (Relating to the removal of restrictions on funding and payment of costs for certain full-time online educational programs.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Sections 26.0031(c-1) (2) and 30A.153(a-1), Education Code to eliminate the provisions that limit the payment of costs and funding to Texas Virtual School Network (TxVSN) programs that were in operation on January 1, 2013. The bill would take effect immediately if passed with necessary voting margins, or September 1, 2017, and apply beginning with school year 2017-18.

This analysis assumes there would be no impact to the Foundation School Program (FSP) as a result of the provisions of the bill. While the bill would allow for new TxVSN programs to receive funding and the payment of costs, the bill does not make changes to the eligibility of students participating in the full-time online TxVSN program. Thus, additional students enrolling in the TxVSN programs would already generate FSP under current law assumptions.

**Local Government Impact**

School districts and charter schools choosing to operate a TxVSN full-time online campus would incur initial startup costs related to additional administrators, teachers, and technology staff; the development or purchase of online courses and a learning management system; and costs to administer statewide assessments. However, once the program was established, students attending the TxVSN program would generate FSP funding for the district. District participation in the TxVSN program is voluntary.

**Source Agencies:** 701 Texas Education Agency

**LBB Staff:** UP, THo, AM, AW, AG