

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 18, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1010 by Alonzo (Relating to compliance with rules, bylaws, and written policies adopted by a school district's board of trustees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1010, As Introduced: a negative impact of (\$754,810) through the biennium ending August 31, 2019.

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
2018	(\$389,405)
2019	(\$365,405)
2020	(\$365,405)
2021	(\$365,405)
2022	(\$365,405)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2017
	1	
2018	(\$389,405)	3.0
2019	(\$365,405)	3.0
2020	(\$365,405)	3.0
2021	(\$365,405)	3.0
2022	(\$365,405)	3.0

Fiscal Analysis

The bill would give rules and written policies adopted by school district trustees the force of law in relation to the district and would require school boards, trustees and employees to follow adopted rules and written policies.

The bill would take effect September 1, 2017, or immediately if passed with the necessary voting margins.

Methodology

Currently, the Commissioner of Education frequently dismisses appeals of violations of local school district rules and polices due to the fact that local school districts are potentially violating their own rules and policies and not the "school laws of this state". Since the bill gives the force of law to adopted rules and polices, this estimate assumes that local district rules and policies would fall under the jurisdiction of the Commissioner. The failure of a school board, trustee, or district employee to comply with a local policy or rule would be considered a violation of the "school laws of this state" and allow for a Commissioner appeal.

TEA estimates that the change made by the bill would result in an additional 28 to 43 appeals annually. Because the subject matter of these appeals would be individual district policies which may vary significantly rather than established state law, this analysis assumes that the additional work load would require an additional three administrative law judges, resulting in an additional cost of \$389,405 in fiscal year 2018 and 365,405 in subsequent years.

The Office of Attorney General anticipates that any increased workload could be absorbed with existing resources.

Local Government Impact

TEA estimates an appeal to the Commissioner of Education can cost a local district between \$15,000 and \$25,000 depending upon the issues to be briefed and the extent of the record.

The resolution of issues brought before the Commissioner could impact all school districts in the state with similar policies. The impact of such decisions cannot be determined at this time.

Source Agencies: 302 Office of the Attorney General, 701 Texas Education Agency

LBB Staff: UP, THo, AM, SL