

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

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

**May 12, 2017**

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

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

**IN RE:** SB2270 by Lucio (Relating to expansion of a pilot program under the foundation school program for funding prekindergarten programs provided by certain school districts with early high school graduation programs.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would modify Section 42.2527 of the Education Code to expand the eligibility requirements of a district required to participate in a pilot program to include all school districts located in the regional boundaries of the Region 1 education service center.

This analysis assumes the bill would not have significant fiscal implications for the Foundation School Program (FSP), as the funding paid for the additional prekindergarten attendance would be offset by the savings resulting from not paying for an additional year of high school attendance for students graduating under the three-year program. It is assumed for the purpose of this estimate that the prekindergarten funding provided for low-income prekindergarten students under the new language in Subchapter E, Chapter 42, Education Code would be in addition to the FSP entitlement earned by similarly eligible prekindergarten students under Subchapters B, C, and F, of Chapter 42, Education Code.

This analysis assumes any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

The bill would take effect September 1, 2017.

**Local Government Impact**

School districts in the expanded region with an early high school graduation program would qualify for an adjustment under the Foundation School Program. For every high school student graduating in accordance with the requirements of the early high school graduation program in the preceding year, a district would receive half-day pre-kindergarten funding for two low-income prekindergarten students.

**Source Agencies:** 701 Texas Education Agency

**LBB Staff:** UP, THo, AM, AH, JBi, JSp