

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 17, 2017

**TO:** Honorable Larry Taylor, Chair, Senate Committee on 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 Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2270, As Introduced: a negative impact of (\$6,401,715) 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	(\$3,191,154)
2019	(\$3,210,561)
2020	(\$3,245,564)
2021	(\$3,316,387)
2022	(\$3,422,133)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2018	(\$3,191,154)
2019	(\$3,210,561)
2020	(\$3,245,564)
2021	(\$3,316,387)
2022	(\$3,422,133)

Fiscal Analysis

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.

**Methodology**

The Texas Education Agency (TEA) indicates that the provisions of the bill would expand the pilot program from seven school districts, with a participation of 143 students, to 18 additional school districts, with an additional 235 students. TEA modeled the cost to the Foundation School Program of the additional students and determined an additional cost of \$3.2 million in each fiscal year of the 2018-19 biennium, rising to \$3.4 million in fiscal year 2022.

**Local Government Impact**

Districts affected by the implementation of the provisions of the bill would receive additional Foundation School Program funding.

**Source Agencies:** 701 Texas Education Agency

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