

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 16, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1921 by Patterson (Relating to the removal of restrictions on funding and payment of costs for certain full-time online educational programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1921, As Introduced: a negative impact of (\$434,492) through the biennium ending August 31, 2021.

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
2020	(\$221,246)
2021	(\$213,246)
2022	(\$213,246)
2023	(\$213,246)
2024	(\$213,246)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2019
	1	
2020	(\$221,246)	2.0
2021	(\$213,246)	2.0
2022	(\$213,246)	2.0
2023	(\$213,246)	2.0
2024	(\$213,246)	2.0

Fiscal Analysis

The bill would delete a provision of existing law that restricts state funding for full-time online schools to those that were in operation on January 1, 2013.

The bill would apply beginning in the 2019-2020 school year. The bill would take effect immediate effect if it receives a two-thirds vote in each house of the Legislature. Otherwise, the bill would take effect September 1, 2019.

Methodology

According to TEA, the agency administration of the Virtual School Network consists of a single full-time equivalent position. Consequently, an increase in the number of schools serving students full-time through the TXVSN would increase staffing needs of TEA to administer the program. This analysis assumes that 2.0 FTEs would be required to implement the bill. This would include one Program Specialist VI to ensure online courses are appropriately aligned to the TEKS. This employee would also ensure compliance with reporting requirements, including data required to verify instructor qualifications and data necessary for the TxVSN Informed Choice Reports. This analysis also assumes that one Programmer V would be needed to update and maintain various accounting and invoicing systems, the course catalog system, and the course review system. Costs associated with these FTEs would total \$434,492 in the biennium.

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

No significant fiscal implication to school districts or charter schools is anticipated.

Source Agencies: 701 Texas Education Agency

LBB Staff: WP, HL, AM, THo