

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 19, 2019**

**TO:** Honorable Harold V. Dutton, Jr., Chair, House Committee on Juvenile Justice & Family Issues

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

**IN RE: HB1930** by White (Relating to the establishment of a charter school by the Texas Juvenile Justice Department.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1930, As Introduced: a negative impact of (\$3,821,032) 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	(\$2,537,516)
2021	(\$1,283,516)
2022	(\$1,283,516)
2023	(\$1,283,516)
2024	(\$1,283,516)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable (Cost) from Federal Funds 555	Change in Number of State Employees from FY 2019
2020	(\$2,537,516)	(\$167,541)	24.0
2021	(\$1,283,516)	(\$167,541)	24.0
2022	(\$1,283,516)	(\$167,541)	24.0
2023	(\$1,283,516)	(\$167,541)	24.0
2024	(\$1,283,516)	(\$167,541)	24.0

**Fiscal Analysis**

The bill would add Chapter 20 to the Education code, which authorizes the Texas Juvenile Justice Department (TJJD) to establish a charter school for children previously adjudicated as having

engaged in conduct indicating a need for supervision or delinquent conduct. The bill specifies that the charter school can only be established in a county located less than 100 miles from a department district office and with a population between 250,000 and 270,000. According to the most recent decennial census, the only county to which the bill applies is Jefferson County.

The bill establishes certain goals and duties for the school, and exempts it from statutory provisions that apply to charter schools in the Education Code, except for required curriculum, high school graduation, and academic and financial accountability requirements specified in Title 2 of the Education Code. The bill also requires the charter school to develop achievement plans and vocational training for its students, field a sufficient number and type of staff, be located in a facility selected by TJJD, and to receive funding similar to open-enrollment charter schools.

Additionally, the bill would subject the charter school to review under Chapter 325 of the Government Code (the Texas Sunset Act), and would require the school to be reviewed during the period in which TJJD is reviewed. The bill would also make other conforming changes to Section 1.001(b) of the Education Code, Sections 661.031(2) and 661.061(2) of the Government Code, and Section 1551.319(d) of the Insurance Code.

This bill would take effect September 1, 2019.

### **Methodology**

Based on the cost analysis from TJJD, the provisions of the bill would cost \$2.4 in million in General Revenue in fiscal year 2020 and \$1.2 million in General Revenue in subsequent years to operate the charter school in Jefferson County. The cost estimate is based on the costs associated with operating schools in the agency's five state secure facilities with an assumed average daily population of 112 juveniles and 23.0 full-time equivalent (FTE) positions. The agency estimated the cost to remodel an existing facility to be \$100 per square foot, totaling \$1,250,000 million in fiscal year 2020. Rent for an assumed 25,000 square feet facility is estimated to cost \$300,000 per fiscal year.

This analysis assumes one Program Specialist VI with the Teacher Education Agency (TEA) for the on-going costs associated with the implementation, support, review, and on-going oversight of the charter school described in the bill language. This position would cost an estimated \$103,444 in salary, benefits, and other operating expenditures in fiscal year 2020 and \$99,444 in subsequent years.

This analysis assumes that students attending the charter school would be transferring from other public schools, and as a result, would not require additional funding under the Foundation School Program.

### **Technology**

No estimated technology impact.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 644 Juvenile Justice Department, 701 Texas Education Agency

**LBB Staff:** WP, LBO, AI, NA, AH, JPo, KFB