

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION
Revision 1

May 8, 2019

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

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

IN RE: **HB2424** by Ashby (Relating to the creation of a micro-credential certification program for public school educator continuing education.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2424, As Engrossed: a negative impact of (\$702,898) through the biennium ending August 31, 2021.

House Bill 1, As Engrossed, includes \$28,750,000 in General Revenue Funds in Texas Education Agency Rider 41, Educator Quality and Leadership, in the 2020-2021 biennium. The bill would add micro-credentialing certification programs as an allowable use of these funds.

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	(\$221,643)
2021	(\$481,255)
2022	(\$85,837)
2023	(\$85,837)
2024	(\$85,837)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Certif & Assessment Fees 751	Change in Number of State Employees from FY 2019
2020	(\$221,643)	\$0	1.0
2021	(\$481,255)	\$0	1.0
2022	\$0	(\$85,837)	1.0
2023	\$0	(\$85,837)	1.0
2024	\$0	(\$85,837)	1.0

Fiscal Analysis

The bill requires the State Board for Educator Certification (SBEC) to issue micro-credentials to educators while fulfilling specific continuing education requirements, and specifies that micro-credentials received by educators shall be recorded on the agency's Educator Certification Online System (ECOS) record.

Methodology

The bill requires the creation of micro-credentials related to an educator's field of study and certification class to satisfy continuing education requirements. Micro-credential providers must be approved and the micro-credentials must be recorded in the online certification system.

This analysis assumes one Program Specialist V will be needed to develop criteria and rules to create the program; establish application and approval processes for micro-credential providers; audit providers; provide technical assistance to educators and providers; collect and analyze data; and update databases and websites. This position would cost an estimated \$89,837 in salary, benefits, and other operating expenditures in fiscal year 2020 and \$85,837 in subsequent years. In FY 2020 and FY 2021, the method of finance would be from the General Revenue Fund. In subsequent years, costs would shift to the Certificate and Assessment Fees, Fund 751.

According to TEA, the estimated cost to update the ECOS to record micro-credentials and include them on the public certification records is \$131,806 in FY 2020 and \$395,418 in FY 2021 for a total cost of \$527,224.

Technology

In order to implement the requirements of the bill, TEA would need to develop and implement changes to ECOS.

Local Government Impact

Providers that choose to offer micro-credential courses could have development and application costs to become approved providers. However, costs could be recovered from charges to participants.

Source Agencies: 701 Texas Education Agency

LBB Staff: WP, HL, AM, SD, THo, SL, RC