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: **HB3638** by Patterson (Relating to eliminating certain requirements imposed on school districts and other educational entities.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3638, As Introduced: a positive impact of $1,916,049 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	$979,012
2021	$937,037
2022	$1,000,000
2023	$1,000,000
2024	$1,000,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1
2020	$979,012
2021	$937,037
2022	$1,000,000
2023	$1,000,000
2024	$1,000,000

Fiscal Analysis

The bill would amend the Education Code to repeal the option for school districts to enter into shared services arrangements to operate special education programs. The bill would eliminate several additional requirements for the Texas Education Agency (TEA) and school districts,

including requirements that school districts conduct annual fitness testing of students, purchase energy efficient lightbulbs for instructional facilities, and, for school districts with less than 10,000 enrolled students, participate in a recycling program.

Methodology

This analysis assumes the bill would result in a savings of $1.0 million in General Revenue each fiscal year due to the elimination of fitness testing requirements. TEA assumes this savings would be partially offset by costs totaling $20,988 in fiscal year 2020 and $62,963 in fiscal year 2021 to modify the Texas Student Data System (TSDS) to remove references to shared services arrangements for special education programs.

Technology

To modify the TSDS, TEA assumes it would be required to remove up to 10 codes for special education from the shared services arrangement type code table, remove 20 validation rules, modify up to 10 reports, and perform associated testing.

Local Government Impact

This analysis assumes school districts would be able to avoid some costs of complying with current recycling program and energy efficient lightbulb requirements under the bill.

Source Agencies: 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 720 The University of Texas System Administration, 701 Texas Education Agency

LBB Staff: WP, THo, HL, AM, ASa, GDz