

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 22, 2019

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

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

IN RE: SB139 by Rodríguez (Relating to a notice of educational rights and recovery by school districts and open-enrollment charter schools of costs for certain student evaluations.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB139, As Introduced: an impact of \$0 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	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Federal Education Fund 148
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)
2023	(\$10,000,000)
2024	\$0

Fiscal Analysis

The bill would amend the Education Code to require the Texas Education Agency (TEA) to develop a notice for distribution and post the notice on the agency's website that indicates the

change made in special education representation indicator reporting requirements regarding adopted in the Performance-Based Monitoring Analysis Manual and the full rights of a child under both federal and state law and general process available to initiate a referral under Section 29.004. The bill would require school districts and open-enrollment charter schools to include in the notice information indicating where the local processes and procedures for initiating a referral for special education services may be found and provide the notice to the parent of each child in the district or school during school year 2019-2020.

The bill would require the agency to establish a reimbursement fund to provide funds to school districts and charters that experience a significant increase from the preceding school year in the number of full individual and initial evaluations conducted under Section 29.004. The bill would require the agency to use available federal funds available to reimburse districts and schools under the provisions of the bill.

The provisions of the bill would expire on September 1, 2023. The bill would take 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

TEA estimates that the fund to reimburse school districts for costs related to increased numbers of full individual and initial evaluations would require \$10.0 million per fiscal year. This estimate is based on the agency's experience supporting a similar initiative during the 2018-2019 biennium. The bill specifies that federal funds would be used for this purpose.

According to TEA, all of the agency's discretionary IDEA, Part B funds have been allocated to support the agency's Special Education Strategic Plan. If IDEA Part B funds were directed to this project in FY 21 and beyond, the agency would need to decrease funding allocated to current projects and/or stop work on other projects.

Local Government Impact

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

Source Agencies: 701 Texas Education Agency

LBB Staff: WP, HL, AM, THo