

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 23, 2019

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

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

IN RE: SB1412 by Perry (Relating to accountability intervention provisions applicable to school district campuses, including the creation of accelerated campus excellence turnaround plans and the conditions under which a closed campus may be repurposed to serve students at that campus location.), As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for SB1412, As Passed 2nd House: a negative impact of (\$7,985,959) 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	(\$3,957,794)
2021	(\$4,028,165)
2022	(\$3,910,608)
2023	(\$3,910,608)
2024	(\$3,910,608)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Foundation School Fund 193	Change in Number of State Employees from FY 2019
2020	(\$257,794)	(\$3,700,000)	2.0
2021	(\$328,165)	(\$3,700,000)	2.0
2022	(\$210,608)	(\$3,700,000)	2.0
2023	(\$210,608)	(\$3,700,000)	2.0
2024	(\$210,608)	(\$3,700,000)	2.0

Fiscal Analysis

The bill would give school districts that are subject to campus turnaround plan requirements the authority to submit an alternative type of campus turnaround plan called an accelerated excellence campus turnaround plan. Under this alternative plan a district could appoint high achieving leadership and teachers to a campus. The plan would also incorporate incentive pay for teachers and require assistance by a third-party provider that is approved by the commissioner in the development and implementation of the district's plan.

The bill would also authorize additional Foundation School Program (FSP) funding for districts that grant campus program charters. This would apply for a school district under contract with a charter school to jointly operate a campus during the 2017-2018 school year.

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

The Texas Education Agency (TEA) indicates that three programs would be eligible for funding under the bill. According to the agency, the FSP cost associated with these programs would be \$3.7 million annually. TEA would require Program Specialist VI would be required to manage the program charter path created by the bill and one Programmer V would be required to provide ongoing support and maintenance. This analysis assumes that costs associated with these FTEs, as well as initial development costs, would total \$585,959 in the biennium.

Local Government Impact

There could be costs associated with hiring a third party to help with the administration of the plan. In general, the alternative plan would be optional.

Source Agencies: 701 Texas Education Agency

LBB Staff: WP, CPa, AM, THo