

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 21, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3261 by Huberty (relating to the electronic administration of certain required assessment instruments, measures to support Internet connectivity for purposes of those assessment instruments, and the adoption and administration of certain optional interim assessment instruments.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3261, Committee Report 1st House, Substituted : a negative impact of (\$30,216,702) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$17,110,351)
2023	(\$13,106,351)
2024	(\$13,106,351)
2025	(\$13,106,351)
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$17,110,351)	1.0
2023	(\$13,106,351)	1.0
2024	(\$13,106,351)	1.0
2025	(\$13,106,351)	1.0
2026	\$0	0.0

Fiscal Analysis

The bill would add services, equipment, and infrastructure necessary to ensure Internet connectivity to the list of allowable local education agency (LEA) expenditures of funds from the Instructional Materials and Technology Allotment. The bill would also authorize the Commissioner of Education to establish a matching grant program to ensure that all LEAs have the necessary infrastructure to administer assessment instruments electronically. The grant program would expire at the end of the 2025 fiscal year.

Methodology

The Texas Education Agency estimates that there would be a \$4.0 million cost associated with one-time network infrastructure upgrades for LEAs in fiscal year 2022 and a \$13.1 million cost associated with increased bandwidth and personnel costs. While the network infrastructure upgrades would only exist in fiscal year 2022, the other costs would occur through fiscal year 2025

The agency estimates that one FTE would be required to administer the grant program through fiscal year 2025.

Local Government Impact

According to the Texas Education Agency, LEAs may see additional costs to prepare for the administration of online assessments, although those costs could be partially offset by the matching grant program and through the broadened use of Technology and Instructional Materials Allotment funds.

Source Agencies: 701 Texas Education Agency

LBB Staff: JMc, SL, AH, THO