

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 19, 2021

TO: Honorable Larry Taylor, Chair, Senate Committee on 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, the adoption and administration of certain optional interim assessment instruments, the review and use of the instructional materials and technology allotment, and requests for production of instructional materials.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3261, Committee Report 2nd House, Substituted : a negative impact of (\$4,200,000) 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>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$4,000,000)
2023	(\$200,000)
2024	\$0
2025	(\$200,000)
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from General Revenue Fund 1
2022	(\$4,000,000)
2023	(\$200,000)
2024	\$0
2025	(\$200,000)
2026	\$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 bill would require the commissioner to prioritize applicants seeking funding for one-time investments in broadband network infrastructure. If funds are available after grants are awarded to each eligible applicant the commissioner would be authorized to award grants to applicants seeking funding for annual bandwidth and personnel costs associated with electronic administration of assessment instruments.

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. Aside from costs associated with the grant program itself, this analysis assumes that TEA could implement the bill using existing resources.

The agency estimates that there would be a cost of \$200,000 each biennium to assess the technology needs for all school districts and provide an estimate of the cost for these resources to the State Board of Education.

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

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