

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 19, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4525 by Gates (Relating to the approval of career and technology courses by the State Board of Education.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4525, As Introduced : a negative impact of (\$100,800) 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	(\$50,400)
2023	(\$50,400)
2024	(\$50,400)
2025	(\$50,400)
2026	(\$50,400)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from Federal Education Fund	Probable Savings/(Cost) from Tech & Instr Materials Fund	Change in Number of State Employees from FY 2021
	148	3	
2022	(\$564,440)	(\$50,400)	2.0
2023	(\$556,440)	(\$50,400)	2.0
2024	(\$556,440)	(\$50,400)	2.0
2025	(\$556,440)	(\$50,400)	2.0
2026	(\$556,440)	(\$50,400)	2.0

Fiscal Analysis

The bill's provisions would add new requirements for the State Board of Education (SBOE) regarding Career and Technical Education (CTE) courses. The SBOE would be required to approve online courses and update the list of approved courses at least annually to ensure courses are current and relevant.

Methodology

To review and update the Texas Essential Knowledge and Skills (TEKS) for CTE courses annually, the Texas Education Agency (TEA) estimates the need for an Education Specialist IV and a Program Specialist III to

coordinate the annual review and revision process. The total annual salary costs for the 2 positions would be \$128,391, benefits \$41,753, and payroll \$1,926. Other operating costs would be \$12,000 in FY 2022 and \$4,000 in subsequent years. Total employee costs would be \$184,070 in FY 2022 and 176,070 in subsequent years.

Additionally, TEA estimates the need to convene 28 work groups comprised of 7 members each (on average two work groups per career cluster) to assist the SBOE in the review and revision of the courses. Work groups would meet for approximately 3 two-day annual meetings to review and update courses. Estimated annual travel costs would be \$376,320 annually. Additionally, it is anticipated that cost of meeting space, supplies and materials would be approximately \$4,050 per year.

The bill would also require an annual review of instructional materials; however, it is not clear how many materials would be submitted for review in a given year. It is estimated that approximately 90 reviewers would be needed each year. Reviewers would be paid approximately \$560 to complete a set of reviews. At a cost of \$560 per reviewer, it is anticipated that review of instructional materials would cost approximately \$50,400 annually.

Local Government Impact

There would likely be significant costs to districts to potentially have to purchase new instructional materials aligned to courses that are revised as frequently as once a year.

Source Agencies: 701 Texas Education Agency

LBB Staff: JMc, SL, AH