

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 7, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1356 by Hughes (Relating to a program to facilitate public school tutoring by certain teachers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1356, As Introduced : a negative impact of (\$2,264,319) through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$876,382)
2023	(\$1,387,937)
2024	(\$590,604)
2025	(\$590,604)
2026	(\$590,604)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from TRS Trust Account Fund 960	Change in Number of State Employees from FY 2021
2022	(\$876,382)	(\$2,600,000)	5.0
2023	(\$1,387,937)	(\$2,600,000)	5.0
2024	(\$590,604)	(\$2,600,000)	5.0
2025	(\$590,604)	(\$2,600,000)	5.0
2026	(\$590,604)	(\$2,600,000)	5.0

Fiscal Analysis

The bill would create a program at the Texas Education Agency (TEA) that facilitates the tutoring of public school students by “active or retired certified teachers,” who are members of a non-profit teacher organization. The bill also requires the non-profit organizations and public schools to work with the tutors to place them in tutoring opportunities on campus or online.

As part of the requirements for TEA, the bill would require the agency to maintain a Teacher Clearinghouse. It is assumed that State Board of Educator Certification certified teachers, who meet requirements set by the Commissioner of Education, would be eligible to be in the Teacher Clearinghouse.

The bill would require the Teacher Retirement System (TRS) to provide each member information quarterly about the teacher tutoring program, the contact information for the member to inquire about the program with

TEA, and the school district in which the member resides, and adjacent school districts.

The bill also provides that a retiree participating in this program is not subject to employment after retirement regulations and the retiree is not considered to be employed in a Texas public educational institution.

According to TRS' actuary, it is unlikely this bill would have an impact to the actuarial soundness of TRS. For it to do so, a large number of members would have to retire earlier than they otherwise would have to tutor for a year and then return to employment. However, it is unlikely the intent of the bill would adversely influence behavior in a way that was widespread enough to impact the System.

Methodology

According to analysis provided by TRS, the agency estimates the minimum cost of sending individualized notices based on where members report that they live and the ISDs within a certain mile radius (“adjacent”) to be approximately \$2.6 million a year.

TEA indicates that a total of five FTEs would be required to implement the provisions of the bill, including two Education Specialists, a Program Specialist, an Attorney, and a Programmer. In total, TEA estimates the associated salary would be \$416,768 per fiscal year, with related benefits and payroll contribution of \$141,785. Other operating expenses are estimated at \$30,000 in fiscal year 2022, and \$10,000 in subsequent years.

Technology

According to TEA, the cost estimate to develop and implement the information technology requirements in the new application are \$265,778 in fiscal year 2022 and \$797,333 in fiscal year 2023. There will be annual reoccurring costs of \$22,051 for DIR costs, software licensing and hardware leasing.

Local Government Impact

School districts would incur costs from having to appoint an employee to serve as a tutor coordinator at each campus scheduling and facilitating tutoring by any clearinghouse teacher who contacts the school.

Source Agencies: 323 Teacher Retirement System, 701 Texas Education Agency

LBB Staff: JMc, SL, AH, RSTE