

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 22, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1527 by Perry (Relating to measures to assist small and rural school districts in implementing a collegiate model and expanding broadband access, including the establishment of the Rural Schools and Communities Technical Assistance Center and a grant program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1527, As Introduced : a negative impact of (\$4,216,702) 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	(\$1,210,351)
2023	(\$3,006,351)
2024	(\$4,806,351)
2025	(\$4,806,351)
2026	(\$4,806,351)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$1,210,351)	1.0
2023	(\$3,006,351)	1.0
2024	(\$4,806,351)	1.0
2025	(\$4,806,351)	1.0
2026	(\$4,806,351)	1.0

Fiscal Analysis

The bill would establish the Rural Schools and Communities Technical Assistance Center. This organization would assist small and rural school districts with the implementation of the Collegiate Edu-Nation P-20 System Model for 21st Century School Transformation and facilitate the expansion of broadband development in rural communities. Under the bill, the commissioner of education would select a nonprofit organization to serve as the center.

The bill would also establish a grant program to award funds to rural or small school districts to implement a

"collegiate model" in those districts. Within two years of receiving a collegiate model grant, a school district would have to have implemented one or more educational programs designated in the bill and demonstrated progress toward certain benchmarks.

Methodology

The Texas Education Agency (TEA) estimates a \$500,000 cost per fiscal year to contract with an organization that will serve as the Rural Schools and Communities Technical Assistance Center. With respect to the grant program, TEA projects that the agency would award six planning grants in the amount of \$100,000 each in fiscal year 2022 for a total of \$600,000; six planning grants in the amount of \$100,000 each and six implementation grants in the amount of \$300,000 each in fiscal year 2023 for a total of \$2,400,000; and six planning grants in the amount of \$100,000 each and 12 implementation grants in the amount of \$300,000 each in fiscal year 2024 for a total of \$4,200,000. The agency projects that that the cost to continue to award grants in subsequent school years would be \$4,200,000. TEA anticipates that the program would require one Grant Coordinator IV to administer the program. Salary, benefits, and other costs associated with this position would total \$110,351 in fiscal year 2022 and \$106,351 in subsequent years.

Local Government Impact

According to TEA, school districts receiving funds under the grant program would be awarded funds but could see costs beyond the amount provided through the grants. However, participation in the grant program would be discretionary and application-based.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

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