

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 27, 2023

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3 by Burrows (Relating to measures for ensuring public school safety, including the development and implementation of purchases relating to and funding for public school safety and security requirements and the provision of safety-related resources.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3, Conference Committee Report : a negative impact of (\$327,811,956) through the biennium ending August 31, 2025.

Cost estimates below do not include the cost of mental health training grants under the bill, which cannot be determined at this time.

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>
2024	(\$165,115,479)
2025	(\$162,696,477)
2026	(\$161,910,521)
2027	(\$161,048,009)
2028	(\$159,914,569)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from Foundation School Fund 193</i>	<i>Probable Savings/(Cost) from Recapture Payments Atten Crdts 8905</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$152,839,911)	\$26,652,267	(\$12,275,568)	47.0
2025	(\$153,503,751)	\$27,878,721	(\$9,192,726)	47.0
2026	(\$152,717,795)	\$27,631,739	(\$9,192,726)	47.0
2027	(\$151,855,283)	\$29,368,677	(\$9,192,726)	47.0
2028	(\$150,364,343)	\$29,989,190	(\$9,550,226)	47.0

Fiscal Analysis

The bill would require the commissioner of education to review and amend rules necessary to ensure that district and open-enrollment charter facilities standards continue to provide a secure and safe environment.

Regional education service centers (ESC) would serve as resources for school districts and open-enrollment charters for safety and security and provide assistance to school safety review teams. ESCs, directly or in collaboration with the Texas School Safety Center (TxSSC) and local law enforcement agencies, would assist schools with certain safety plans and requirements.

The bill would require the Texas Education Agency (TEA) to provide an allotment to each school that equals the amount spent by employees on travel and training for certain mental health training from funds appropriated for the purpose. The bill allows for a phase in of this requirement, and the commissioner would be required to adopt rules for implementation.

The bill would require school district boards to determine the appropriate number of armed security officers for each campus; ensuring at least one armed security officer at each school campus, with certain exceptions.

TEA would establish an office of school safety and security within the agency to coordinate the agency's monitoring of school district safety and security requirements, including multihazard emergency operations plans (EOPs) and safety and security audits (SSAs). The office would establish regional school safety review teams. The agency, in coordination with the TxSSC and relevant local law enforcement, would provide technical assistance to support the implementation and operation of safety and security requirements. As part of the technical assistance, the agency would be required to conduct certain vulnerability assessments and onsite general intruder detection audits.

TEA would require a school district to submit information necessary for the agency to monitor the implementation and operation of school district safety and security requirements. TEA would review school district records as necessary to ensure compliance, and ensure collected information is kept confidential.

Any proceeds from bonds would be used by certain school districts to come into compliance with safety standards before other bond proceeds could be spent.

TEA, or if designated by TEA, the TxSSC, would establish and publish a directory of approved vendors of school safety technology and equipment.

The bill would require that, at least once every five years, TxSSC would review the facilities standards for instructional facilities and make recommendations to the commissioner regarding any changes necessary to ensure that the standards reflect best practices for student safety. The commissioner would coordinate with municipalities and counties to align building code requirements with safety and security requirements.

TxSSC, in collaboration with the Department of Public Safety (DPS), would be required to provide resources to assist schools with safe firearm storage. Districts would also be required to provide DPS and other responders with an accurate map of district campuses and school buildings and an opportunity to conduct a walk-through.

The bill would require twice annual meetings of school officials and law enforcement in certain counties coordinated by the sheriff. The sheriffs would be required to submit related reports to the TxSSC, and TxSSC would maintain the reports and make them publicly available on its website.

The bill would amend the School Safety Allotment under the Foundation School Program (FSP). Under the provisions on the bill, a school district would be entitled to \$15,000 per campus and \$10 per student in average daily attendance plus \$1 per student in average daily attendance for every \$50 basic allotment increase.

Methodology

The Texas Education Agency (TEA) assumes that provisions of the bill would impact the agency's staffing of school safety and security. This analysis assumes that implementation of the bill's monitoring and technical assistance provisions would require 45.0 additional full-time-equivalent positions (FTEs) for operational, technology-related, and administrative staff to support new regional school safety review teams. This analysis assumes that the office would consist of individuals with substantial expertise and experience in school or law enforcement safety and security operations and oversight. The total cost for these office of school safety FTEs, including salaries, benefits, setup costs, and operating costs would be \$6.2 million in fiscal year 2024 and \$6.4

million in fiscal years 2025-2028.

This analysis assumes TEA would incur additional costs for the development of the office of school safety related to travel, professional development, fieldwork technology, training equipment and supports, and the purchase and maintenance of approximately 30 vehicles. These costs would total \$3.8 million in fiscal year 2024 and \$2.4 million for fiscal years 2025-27. Due to vehicle replacement costs assumed for fiscal year 2028, the total costs in that year would be \$2.8 million.

The cost of the mental health training allotment could be significant; however, it cannot be determined at this time. The allotment would be provided from funds appropriated for for this purpose. This analysis assumes the staff resources needed to implement the mental health training program to be 2.0 FTEs for the Supportive Schools Division; total fiscal impact across these two positions is estimated to be \$243,500 in fiscal year 2024 and \$238,300 in each year thereafter, including salaries, operating cost, and benefits.

This analysis assumes costs to public junior colleges to implement updates to EOPs could be absorbed with existing resources. Public junior colleges with early college high school campuses may be required to update safety standards.

This analysis assumes the costs of implementation for TxSSC and DPS would be able to be absorbed with existing resources.

The estimated state cost of amending the School Safety Allotment under the FSP would be \$152.8 million in fiscal year 2024, \$153.5 million in fiscal year 2025, and \$150.4 million in fiscal year 2028. The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits of \$26.7 million in fiscal year 2024, \$27.9 million in fiscal year 2025, increasing to \$30.0 million in fiscal year 2028 as a result of school district entitlement increases. The decrease in recapture is reflected as a savings in the table above because recapture is appropriated as a method of finance for the FSP in the General Appropriations Act. Because the bill would not require an increase to the basic allotment, this analysis does not include a cost for this provision.

Technology

TEA assumes that provisions of the bill would require the development and implementation of a new application for school audit data and modifications to the existing FSP application.

The cost estimate to develop and implement the requirements in a new application would be \$1,631,386 for initial development. Technology costs related to implementation of provisions of the bill would also include onetime Data Center Service (DCS) costs of \$11,532 for hardware and software and an ongoing annual DCS cost of \$160,756.

TEA assumes the estimated cost to develop and implement the requirements in the FSP application would be \$271,729 for initial development.

Additionally, this analysis assumes five FTEs, included in total FTEs and personnel costs in the above methodology section, would be needed to provide ongoing support and maintenance.

Local Government Impact

This analysis assumes that districts may experience a fiscal impact implementing provisions of the bill requiring certain security staffing. This impact, while potentially significant, cannot be determined as the bill would require district boards of trustees to determine the appropriate number of armed security officers for each campus; however, they would ensure an armed security officer is present during regular school hours at each district campus, with certain exceptions. Districts may incur significant costs to ensure compliance with facilities standards.

District may also incur costs related to implementation of provisions of the bill that would update safety and security requirements, including updates or modifications to EOPs and related procedures and training, provision of certain student records, certain data collection and compliance documentation, acquisition of technology from approved vendors, addressing audit deficits, and physical security upgrades.

The bill would provide schools with additional per campus and per student safety funding to implement provisions.

Source Agencies: 313 Department of Information Resources, 405 Department of Public Safety, 701 Texas Education Agency, 758 Texas State University System, 978 San Jacinto College

LBB Staff: JMc, CMA, ASA, ENA, KSk, NPe, SL, MJe