

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 18, 2023

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2162 by Dutton (Relating to reading instruction, assessment instruments, and interventions provided to public school students.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2162, As Engrossed : a negative impact of (\$1,536,888) through the biennium ending August 31, 2025.

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 <i>General Revenue Related Funds</i>
2024	(\$948,369)
2025	(\$588,519)
2026	(\$588,519)
2027	(\$588,519)
2028	(\$948,519)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$948,369)	1.0
2025	(\$588,519)	1.0
2026	(\$588,519)	1.0
2027	(\$588,519)	1.0
2028	(\$948,519)	1.0

Fiscal Analysis

The bill would modify reading instruction, assessment instruments, and interventions provided to public school students. The bill would require the commissioner of education to adopt a list of certain reading instruments, to adopt procedures for districts and charters to administer these reading instruments, and to report on the results. The Texas Education Agency (TEA) would provide districts with a process for submitting an application for inclusion of a reading instrument on the commissioner's list, and districts must submit reading instruments not included to the commissioner for verification of requirements.

The bill would require the commissioner to adopt a process for soliciting new reading instruments at least once

every four years.

For certain students who do not satisfactorily perform on reading instruments, the bill would require schools to make available private tutoring at a maximum per student cost. The bill would also allow the commissioner to provide technical assistance to schools using funds appropriated for teacher literacy achievement academies.

Methodology

This analysis assumes that the TEA would incur costs to develop and update the commissioner's lists of reading instruments. TEA estimates that contracting for the evaluation of reading instruments would cost approximately \$90,000 per grade level for kindergarten to grade 3, for a total of \$360,000 in fiscal year 2024. This cost would recur in fiscal year 2028 for updated evaluations of these reading instruments required by provisions of the bill.

The exact number of districts that will submit instruments for review is unknown; however, TEA estimates that the cost to review each instrument would be \$5,000 and that \$0.5 million per fiscal year would be required to review instruments if approximately 2.0 percent of districts submitted a total of four instruments, one each for grades kindergarten to three. The agency also indicates one education specialist would be required to manage the instrument review process. The total cost of this position, including salary, benefits, and operating expenses, would be \$0.1 million per fiscal year.

TEA indicates that provisions of the bill that would allow the agency to provide technical assistance to districts would not incur an additional cost, as the bill names an existing appropriation to fund this support.

Local Government Impact

This analysis assumes that schools would incur costs related to implementation of the bill, including for training, materials, adoption of new reading instruments, development of new processes and procedures, additional reporting requirements to parents and TEA, providing reading interventions, and additional administration of reading instruments. The bill would require schools to make supplemental reading instruction available for certain students.

Source Agencies: 701 Texas Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration, 977 Alamo Community College

LBB Staff: JMc, KSk, ASA, ENA