

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 10, 2023

TO: Honorable Brad Buckley, Chair, House Committee on Public 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.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2162, Committee Report 1st House, Substituted : a negative impact of (\$1,122,048) 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	(\$550,512)
2025	(\$571,536)
2026	\$0
2027	\$0
2028	(\$360,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2024	(\$550,512)
2025	(\$571,536)
2026	\$0
2027	\$0
2028	(\$360,000)

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 bill would require the commissioner to adopt a process for soliciting new reading instruments for grades kindergarten through three 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 Texas Education Agency (TEA) would incur costs to develop and update the commissioner's lists of reading instruments for grades kindergarten through 3. TEA estimates that contracting for the evaluation of reading instruments would cost approximately \$90,000 per grade level, 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.

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.

Technology

This analysis assumes that the technology cost for TEA to develop and implement the requirements of the bill in the Texas Student Data System (TSDS) application would be \$190,512 in fiscal year 2024 and \$571,536 in fiscal year 2025, with a total cost for initial development of \$762,048.

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 the Texas Education Agency, providing reading interventions, and additional administration of reading instruments. The bill would require schools to make tutoring service providers for certain students at a cost not to exceed \$1,000 per student.

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

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