

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 19, 2023

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB11 by Nichols (relating to measures for ensuring safety and security in public schools, including measures related to the health and safety of public school students and active shooter training for certain peace officers.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB11, Committee Report 2nd House, Substituted : a negative impact of (\$2,002,610,161) 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.

Cost estimates below do not include the cost of Mental Health First Aid grants and State School Safety grants under the bill, which cannot be determined at this time.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$1,298,027,212)
2025	(\$704,582,949)
2026	(\$711,172,493)
2027	(\$718,685,986)
2028	(\$716,415,370)

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	(\$672,083,733)	\$117,709,544	(\$625,943,479)	50.0
2025	(\$675,662,523)	\$120,952,028	(\$28,920,426)	50.0
2026	(\$675,469,067)	\$118,250,012	(\$35,703,426)	50.0
2027	(\$676,199,560)	\$126,263,316	(\$42,486,426)	50.0
2028	(\$673,571,444)	\$126,867,232	(\$42,843,926)	50.0

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.

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 the Mental Health First Aid (MHFA) training. The bill allows for a phase in of this requirement.

The bill would create the School Sentinel Training Stipend in an amount established by the commissioner, not to exceed \$25,000 per school sentinel, using funds available for the purpose. Employees designated as school sentinel would be authorized to carry or possess a weapon on the physical premises of a school.

The bill would require TEA to amend certain requirements for multihazard emergency operations plans (EOPs). This legislation would require that regional education service centers (ESC), directly or in collaboration with the Texas School Safety Center (TxSSC), assist school districts or open-enrollment charters with development and implementation of EOPs and other safety measures.

TEA would establish a grant program to address facility safety infrastructure needs.

If the Commissioner determines that the amount appropriated for the Foundation School Program (FSP) exceeds the amount to which school districts are entitled, the commissioner would designate a portion of the excess funds to be transferred to the state school safety fund. The fund would be administered by the Permanent School Fund Corporation (PSFC) and the grants would be awarded to school districts and charter schools by TEA. Certain excess funds could also be transferred to Communities in Schools programs.

The bill would require local education agencies (LEAs) to be provided with a copy of the student's disciplinary record and any threat assessment involving the child's behavior upon enrollment or in the case of a transfer.

The bill would require TEA to collaborate with the TxSSC to provide technical assistance to school districts. The bill would allow TEA to engage or require a school district to engage a third party as necessary to enable the agency to monitor the implementation and operation of school district safety and security requirements.

The bill would require TEA to create an office of school safety and security and to establish school safety review teams in each region served by an ESC. TEA would be monitor safety and security requirements, including by conducting annual onsite general intruder detection audits of school district campuses.

The agency, in cooperation with the University of Texas Health Science Center (UTHSC) at San Antonio, would be required to develop a fentanyl contamination training program for school personnel, including providing evidence-based curriculum for certain students. TEA would provide grants to LEAs for school outreach programs on the dangers of fentanyl contamination.

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.

The bill would establish eligibility for students to receive a public education grant to attend another public school in the district from certain noncompliant schools.

The bill would require certain active shooter training for officers at public schools and require the Texas Commission on Law Enforcement to adopt rules.

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.

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 \$100 per student in average daily attendance plus \$1 per student in average daily attendance for every \$50 basic allotment increase.

Methodology

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 school safety teams. This analysis assumes that the office of school safety 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 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.

This analysis assumes that the cost for the regional school safety review teams to conduct onsite assessments of districts would be approximately \$5.8 million annually. This cost is based on the current funding provided to the TxSSC for intruder detection audits. Due to the volume of audits, TEA assumes that continuing to contract would be the best approach to ensure statewide auditing coverage.

TEA assumes the cost of the MHFA allotment cannot be determined at this time but could be significant. TEA estimates the staff resources needed to implement the MHFA program to be 1 FTE to manage the allotment program and 1 FTE to support rule making across the bill's requirements and to work with the allotment program. This analysis assumes the 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.

The bill allows up to a \$25,000 training stipend to a School Sentinel. TEA assumes 5% of the 9,044 campuses would have a sentinel in year one, growing to 20% by year four and forward and the stipend would be set at \$15,000. Under these assumptions the cost to the state of the stipend would be \$6.8 million in fiscal year 2024, growing to \$27.1 million in fiscal year 2027 and beyond. If the participation rate and/or stipend were higher, costs could increase significantly. TEA estimates the need for 1 additional FTE to manage the stipend program. This analysis assumes the total financial impact of this position is estimated to be \$125,200 in fiscal year 2024 and \$122,700 in each year thereafter, including salaries, operating costs and benefits.

To implement provisions of the bill related to fentanyl abuse prevention and drug poisoning education, including training ESCs on curriculum and materials, school staff training, and grants to LEAs, TEA estimates they would require 2 FTEs. The total cost of these positions is estimated to be \$250,400 in fiscal year 2024 and \$245,400 in each year thereafter, including salaries, operating costs and benefits. This analysis assumes that development of a training program for school staff would cost the agency \$200,000 in fiscal year 2024. TEA did not provide an estimate for the cost of grants to LEAs; therefore, the cost cannot be determined. This analysis assumes that UTHSC San Antonio would develop evidence-based curriculum to provide to TEA and that the associated costs could be absorbed by the institution's existing resources.

This analysis assumes the cost of public education grants for certain transfer students cannot be determined.

This analysis assumes grants established to enhance district infrastructure would total \$600.0 million for the 2024-25 biennium.

This analysis assumes the initial state school safety grants to districts would be limited based on the availability of a surplus in the FSP for the prior biennium. Such a surplus is not anticipated and cannot be determined at this time; therefore, no significant fiscal implication to the State is anticipated for the State School Safety Fund and Grant program. To the extent that a surplus would be available for investment by the PSFC in fiscal year 2025, the program could initiate grant funding to districts starting in fiscal year 2027. The cost to the state for district grants would be limited by an annual \$500.0 million cap. This analysis assumes TEA could incur costs related to hiring 1.0 additional FTE to support the program in the fiscal year that grants are made. However, as it is unknown when the first grant funding would be available, costs cannot be determined at this time.

The fiscal impact to PSFC associated with managing the state school safety fund is shown in the fiscal note for

HJR 170.

This analysis assumes costs to the TxSSC, DPS, and the Texas Commission on Law Enforcement to implement the provisions of the bill could be absorbed with existing resources. This analysis also assumes costs to public junior colleges to implement updates to multi-hazard operations plans could be absorbed with existing resources.

The estimated state cost of amending the School Safety Allotment under the FSP would be \$672.1 million in fiscal year 2024, \$675.7 million in fiscal year 2025, and \$673.6 million in fiscal year 2028. The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits of \$117.7 million in fiscal year 2024, \$121.0 million in fiscal year 2025, increasing to \$126.9 million in fiscal year 2028. 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 existing agency applications.

The cost estimate to develop and implement the requirements in a new application would be \$2.1 million 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 bill requirements in the Texas Student Data System application would be \$22,644 for initial development. TEA assumes the estimated cost to develop and implement the requirements in the TREx application would be \$19,021 for initial development. TEA assumes the estimated cost to develop and implement the requirements in the FSP application would be \$271,911 for initial development.

Additionally, this analysis assumes four 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 the cost to districts to implement provisions of the bill may be significant; however, the fiscal impact cannot be determined. Districts may incur costs to meet school facilities standards, update EOPs and related procedures and training, and to implement audit findings or safety recommendations. This analysis assumes districts may incur costs related to safety documentation and reporting, fentanyl poisoning programming, and the provision of maps and certain student records.

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

Source Agencies: 405 Department of Public Safety, 644 Juvenile Justice Department, 701 Texas Education Agency, 706 Texas Permanent School Fund Corporation, 720 The University of Texas System Administration, 758 Texas State University System, 978 San Jacinto College

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