

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATURE 2nd CALLED SESSION 2025

August 15, 2025

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **SB9** by Bettencourt (Relating to public school accountability and transparency, including the implementation of an instructionally supportive assessment program and the adoption and administration of assessment instruments in public schools, indicators of achievement, public school performance ratings, and interventions and sanctions under the public school accountability system, a grant program for school district local accountability plans, and actions challenging Texas Education Agency decisions related to public school accountability.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB9, As Introduced: a negative impact of (\$55,909,732) through the biennium ending August 31, 2027.

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>
2026	(\$17,140,032)
2027	(\$38,769,700)
2028	(\$22,559,854)
2029	(\$19,217,602)
2030	(\$19,217,602)

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 2025</i>
2026	(\$17,140,032)	9.0
2027	(\$38,769,700)	9.0
2028	(\$22,559,854)	9.0
2029	(\$19,217,602)	9.0
2030	(\$19,217,602)	9.0

Fiscal Analysis

The bill would reassign assessment program responsibilities from the State Board of Education to the Texas Education Agency (TEA). The bill would require the agency to make modifications to the assessment program, including transitioning from the existing State of Texas Assessments of Academic Readiness (STAAR) to an instructionally supportive assessment program with certain requirements no later than school year 2027-28.

The bill would require the agency to contract with a nationally recognized provider of assessment instruments for making the transition.

The bill would require the Commissioner to enter into a memorandum of understanding with a public institution of higher education to conduct a study on items proposed to be included in certain assessment instruments.

The bill would require that items included on certain state assessment instruments must be reviewed and approved by a committee composed of teachers.

The bill would amend the commissioner's duties related to College, Career, and Military Readiness (CCMR) indicators. The bill would require the commissioner to modify indicators, collect certain data on military-related testing and actions, and to study and report on the results.

The bill would require the agency to collect and report local indicators of student engagement and workforce development from school districts and charter schools. TEA would be required to post the information on the Texas School Accountability Dashboard. The bill would also allow districts or charters to provide TEA with certain additional indicator information.

The bill would require TEA to establish a grant program with capacity to assist at least one school district per education service center region in developing a local accountability system with certain requirements.

## **Methodology**

TEA estimates the cost to support the development of the instructionally supportive assessment program would be \$13.2 million in fiscal year 2026, \$34.0 million in fiscal year 2027, \$17.0 million in fiscal year 2028, and \$13.4 million in subsequent fiscal years. TEA estimates the cost to administer the new assessment program would be \$0.6 million in fiscal year 2026, \$1.3 million in fiscal year 2027, \$18.0 million in fiscal year 2028, and \$13.5 million in subsequent fiscal years.

TEA estimates the transition from the STAAR to the new assessment program would result in an annual savings of \$5.0 million in fiscal years 2026 and 2027, \$21.1 million in fiscal year 2028, and \$16.1 million in subsequent fiscal years.

TEA estimates the annual cost the educator item review process would be \$2.2 million.

TEA estimates the cost of the assessment instrument study would be \$0.3 million in fiscal year 2028.

The agency estimates the cost of studying CCMR indicators would be \$0.3 million in fiscal year 2028.

TEA assumes an annual cost of \$5.0 million in grants to schools for the local accountability grant program.

The analysis assumes that TEA would require an additional 9.0 FTEs to implement provisions of the bill at a cost of \$1.1 million annually.

This analysis assumes that the Texas Workforce Commission, the Texas Higher Education Coordinating Board, and the state judicial system could implement provisions of the bill with existing resources.

## **Technology**

TEA assumes IT costs to implement the provisions of the bill would total \$0.2 million.

## **Local Government Impact**

The bill would require local education agencies to make state assessment results available to parents, to collect and report certain data, to transition assessment procedures and materials, to limit the use of certain funds for certain legal actions, and to provide teachers with certain assessment results. The cost to LEAs may be significant, however, they cannot be determined at this time. Based on information provided by TEA, this

analysis assumes certain school districts may incur costs for imposed interventions or sanctions, with estimated monthly conservator costs between \$2,500 and \$8,000.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

**LBB Staff:** JMc, CMA, SD, NC, ASA, ENA